

MATERIAL SUPPORTING THE AGENDA

VOLUME XXXVIIIa

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

October 12, 1990
December 6, 1990

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

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

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

Yellow paper - emergency items distributed at the meeting.

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



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

Meeting No.: 851

Date: December 6, 1990

Location: Houston, Texas

BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

CALENDAR

Place: Conference Rooms A & B, Tenth Floor
R. Lee Clark Clinic Building
The University of Texas
M.D. Anderson Cancer Center
1515 Holcombe Boulevard
Houston, Texas

Host Institution: The University of Texas
M.D. Anderson Cancer Center

Thursday, December 6, 1990

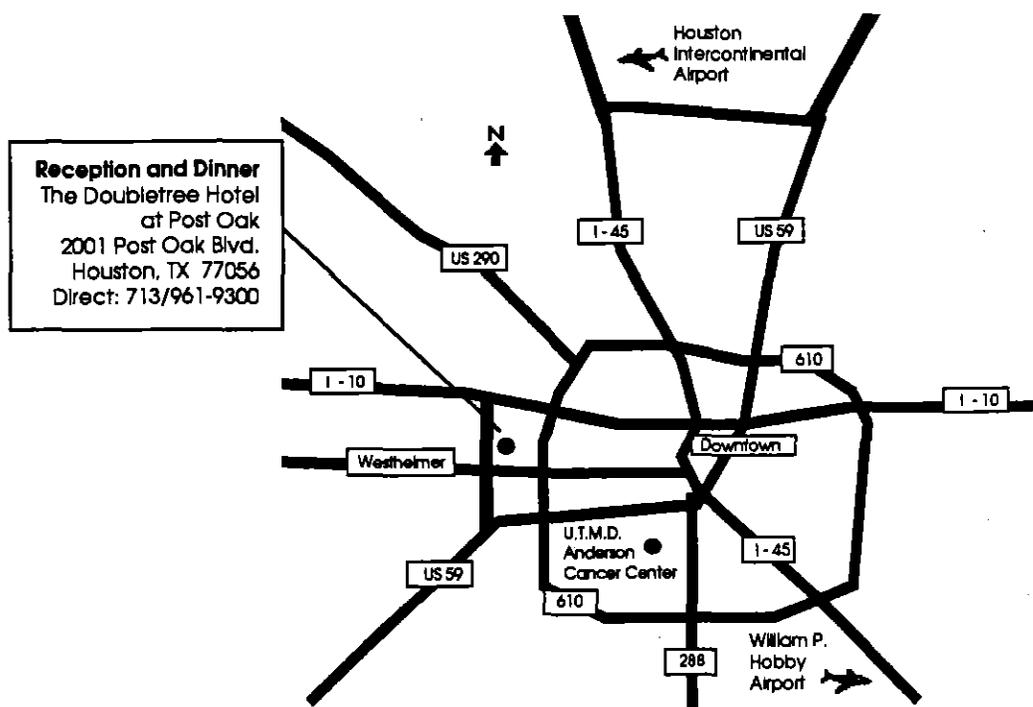
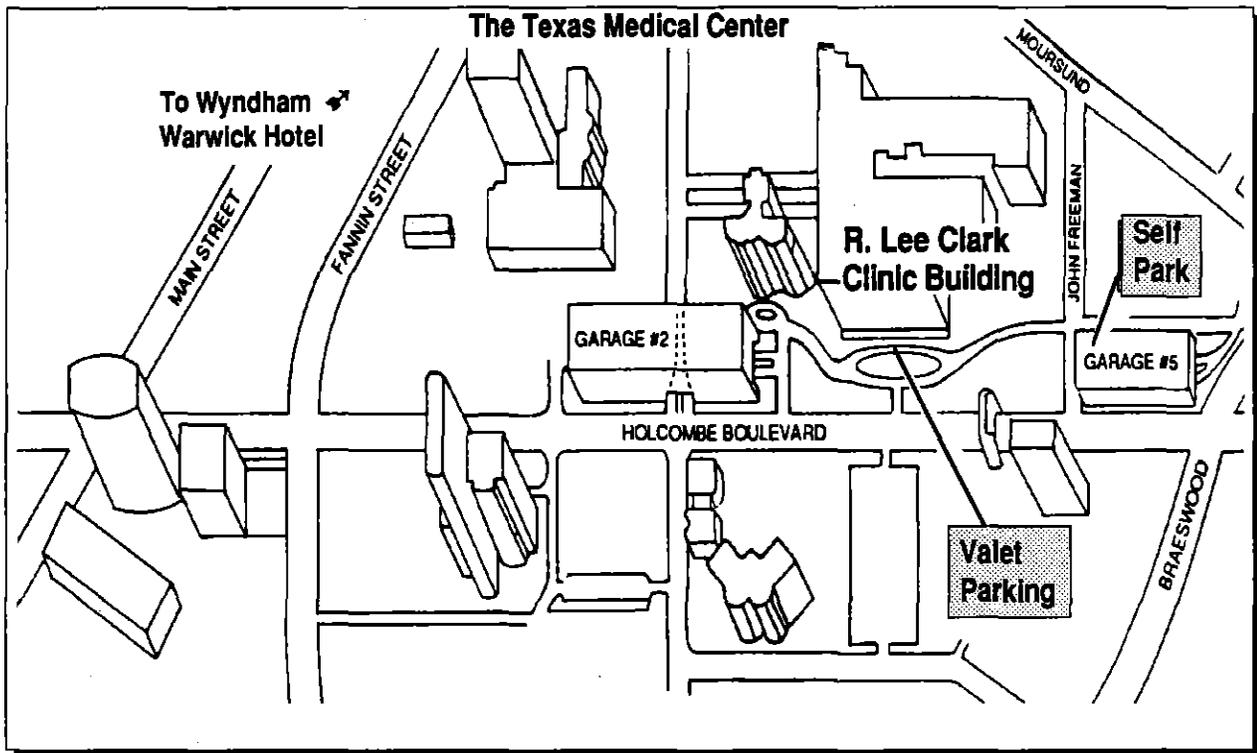
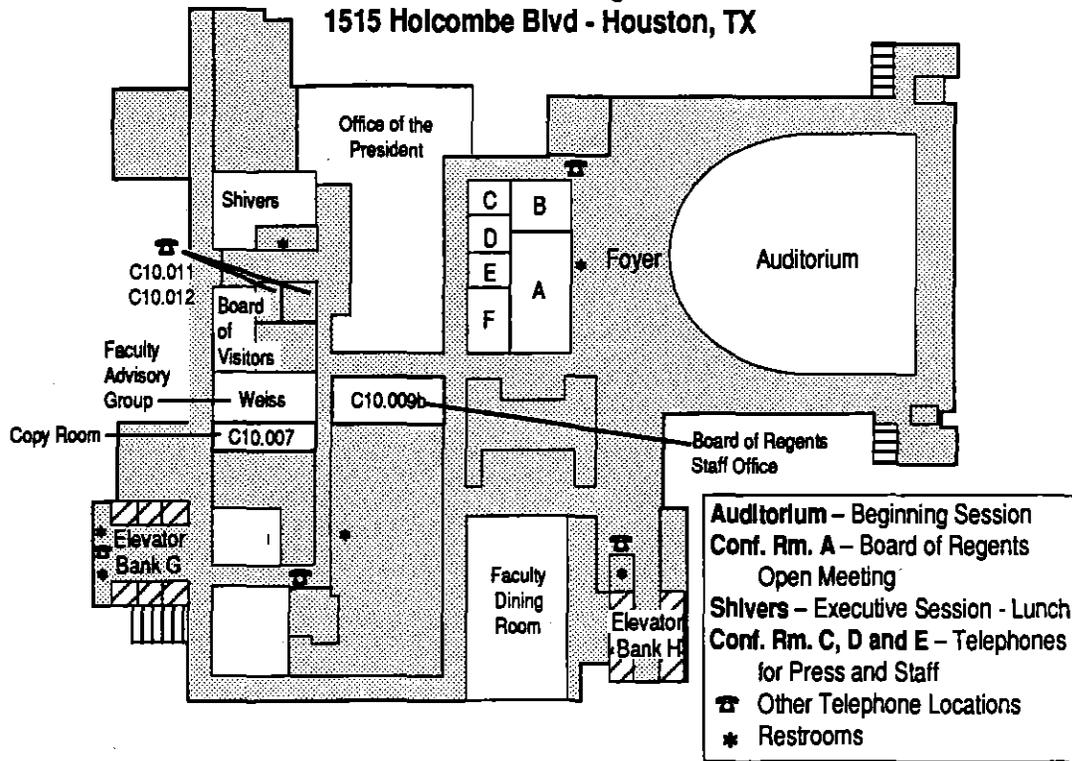
10:00 a.m. Convene in Open Session with
recess to Executive Session
as per the agenda

See Pages B of R 1 - 14,
Items A - P

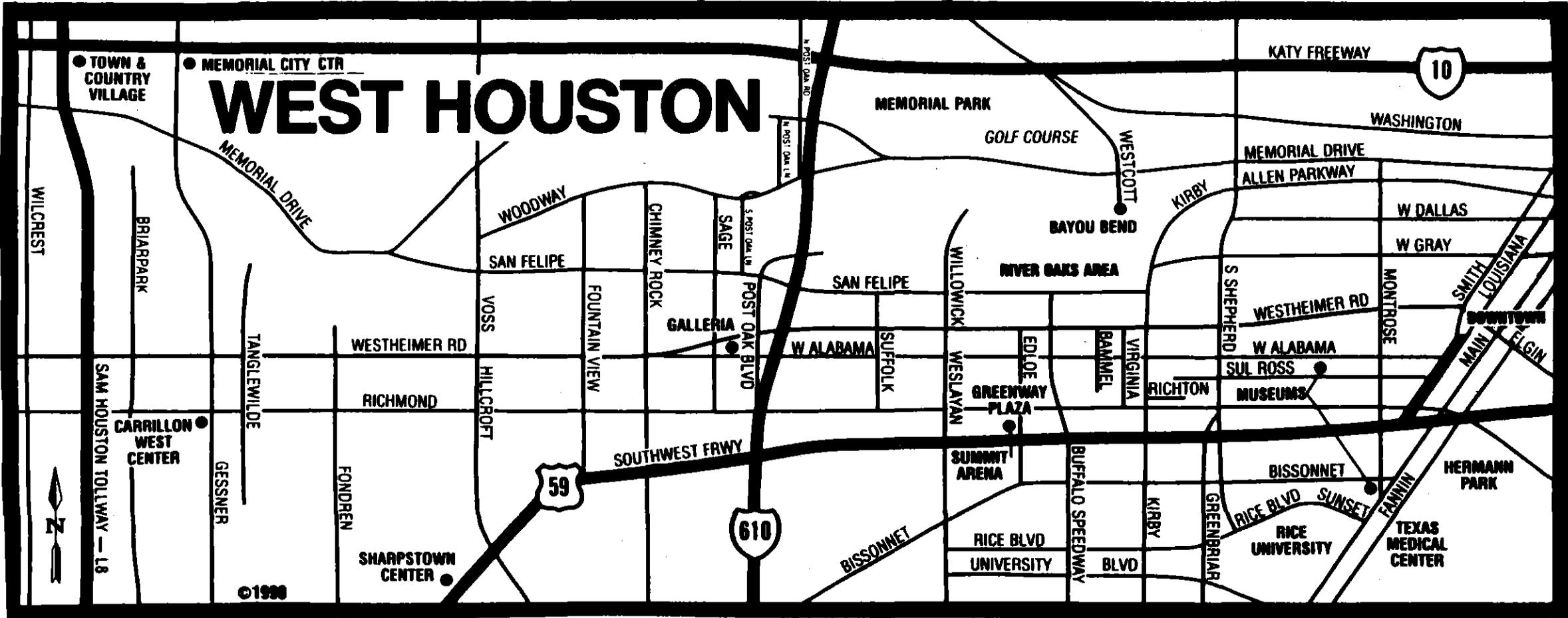
Telephone Numbers

President LeMaistre	(713) 792-6000
Doubletree at Post Oak (2001 Post Oak Boulevard)	(713) 961-9300

**The University of Texas M. D. Anderson Cancer Center
R. Lee Clark Clinic Building - Tenth Floor
1515 Holcombe Blvd - Houston, TX**



WEST HOUSTON



TOWN & COUNTRY VILLAGE

MEMORIAL CITY CTR

KATY FREEWAY



10

MEMORIAL PARK

GOLF COURSE

WASHINGTON

MEMORIAL DRIVE

MEMORIAL DRIVE

ALLEN PARKWAY

WOODWAY

WESTCOTT

KIRBY

BAYOU BEND

W DALLAS

W GRAY

WILCREST

BRIARPARK

SAN FELIPE

CHIMNEY ROCK

SAGE

POST OAK BLVD

SAN FELIPE

RIVER OAKS AREA

WILLOWICK

SUFFOLK

WESLAYAN

EDLOE

BAMMEL

VIRGINIA

S SHEPHERD

WESTHEIMER RD

MONROSE

SMITH LOUISIANA

BOUNTOWN

MAIN ELGIN

WESTHEIMER RD

GALLERIA

W ALABAMA

W ALABAMA

SUL ROSS

MUSEUMS

SAM HOUSTON TOLLWAY - 18

CARRILLON WEST CENTER

RICHMOND

SOUTHWEST FRWY



59



610

SUMMIT ARENA

RICE BLVD UNIVERSITY

BUFFALO SPEEDWAY

KIRBY

GREENBRIAR

RICE BLVD SUNSET

RICE UNIVERSITY

FANNIN

HERMANN PARK

TEXAS MEDICAL CENTER

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Meeting of the Board

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

Date: Thursday, December 6, 1990

Time: 10:00 a.m. Convene in Open Session with
recess to Executive Session
as per the agenda

Place: Conference Rooms A & B (Open Session) and
Shivers Conference Room (Executive Session),
Tenth Floor, R. Lee Clark Clinic Building
U. T. M.D. Anderson Cancer Center

- A. CALL TO ORDER
- B. WELCOME BY PRESIDENT LEMAISTRE
- C. APPROVAL OF MINUTES OF REGULAR MEETING HELD
OCTOBER 12, 1990
- D. SPECIAL ITEM

U. T. Board of Regents: Request for Approval of Resolu-
tion Authorizing the Amendment of the Permanent Univer-
sity Fund Refunding Bonds, Series 1985, Escrow Agreement
and Authorization for the Office of Asset Management to
Restructure the Permanent University Fund Refunding
Bonds, Series 1985, Escrow Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Asset Management that the U. T. Board of Regents approve the following actions:

- a. Adopt a resolution authorizing the execution of a First Supplemental Escrow Agreement amending the Permanent University Fund Refunding Bonds, Series 1985, Escrow Agreement to permit the restructuring of the Escrow Fund (Pages B of R 3 - 8)
- b. Authorize the Office of Asset Management to restructure the Permanent University Fund Refunding Bonds, Series 1985, Escrow Fund by substituting currently escrowed securities with Resolution Funding Corporation interest component securities and U. S. Treasury strips

- c. Authorize the simultaneous sale of Escrow Fund securities to Lovett Underwood Neuhaus & Webb, Houston, Texas, and, from sale proceeds, purchase of the Resolution Funding Corporation interest component securities and U. S. Treasury strips, provided that the net realized gain from the transaction exceeds \$200,000
- d. Appoint Vinson and Elkins, Austin, Texas, as Bond Counsel
- e. Appoint Ernst & Young, Tucson, Arizona, as escrow verification agent.

BACKGROUND INFORMATION

Escrow restructuring involves the sale of selected securities held in escrow as security for the refunded or defeased bond issues and the substitution of purchased securities with certain yield or maturity characteristics which enhance the efficiency of the escrow and provide cash savings to the issuer. On July 25, 1990, the Office of the Attorney General of Texas released a letter approving the use of the interest component of Resolution Funding Corporation (REFCO) bonds as eligible securities for escrow accounts established to effect a legal defeasance of bonds outstanding. According to the letter, the requirements of Article 717k, Vernon's Annotated Texas Civil Statutes, as amended, are met by the securities previously described as "an obligation unconditionally guaranteed by the United States." Standard and Poor's Corporation has approved the use of these securities for escrow accounts and reconfirmed their rating as "AAA."

In addition, on October 10, 1990, the Internal Revenue Service announced that issuers of municipal bonds issued after December 31, 1983, can invest bond proceeds in REFCO's without running afoul of a tax code prohibition against Federal guarantees of municipal bonds. The escrow for the refunded Permanent University Fund bonds includes three bonds issued after December 31, 1983. Savings to the U. T. System are gained as a result of the current increased yield afforded by the REFCO interest strips over direct U. S. Treasury obligations. The increased yield translated into a reduced investment in the escrow. The difference between the proceeds from the sale of existing escrowed U. S. Treasury securities and the cost of the purchased REFCO interest strips produces the cash savings. These savings, net of legal and accounting fees, will be remitted to the State Treasury for credit to U. T. System's portion of the Available University Fund.

RESOLUTION
AUTHORIZING THE EXECUTION OF A FIRST SUPPLEMENTAL
ESCROW AGREEMENT AMENDING THAT CERTAIN
ESCROW AGREEMENT DATED AS OF OCTOBER 15, 1985
RELATING TO THE REFUNDING OF
THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
PERMANENT UNIVERSITY FUND BONDS, SERIES 1966,
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1967, 1968, 1969,
1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978,
1979, 1980, 1981, 1983, 1983-A AND 1984,
AND CONSTITUTIONAL AMENDMENT PERMANENT UNIVERSITY FUND BONDS,
SERIES 1985 AND 1985-A

WHEREAS, it is necessary and advisable that the Board of Regents of The University of Texas System (the "Board") enter into the first supplemental escrow agreement hereinafter authorized with NCNB Texas National Bank, Dallas, Texas for the purpose of amending that certain Escrow Agreement dated as of October 15, 1985 (the "Escrow Agreement") between the Board and InterFirst Bank Dallas, N.A., Dallas, Texas (now NCNB Texas National Bank, Dallas, Texas) relating to the refunding, through the issuance of the Board's Permanent University Fund Refunding Bonds, Series 1985, of the following obligations of the Issuer (collectively, the "Refunded Obligations"): Permanent University Fund Bonds, Series 1966, dated July 1, 1966, issued in the original aggregate principal amount of \$11,000,000; Permanent University Fund Bonds, New Series 1967, dated July 1, 1967, issued in the original aggregate principal amount of \$14,000,000; Permanent University Fund Bonds, New Series 1968, dated July 1, 1968, issued in the original aggregate principal amount of \$15,000,000; Permanent University Fund Bonds, New Series 1969, dated July 1, 1969, issued in the original aggregate principal amount of \$7,000,000; Permanent University Fund Bonds, New Series 1970, dated July 1, 1970, issued in the original aggregate principal amount of \$7,500,000; Permanent University Fund Bonds, New Series 1971, dated July 1, 1971, issued in the original aggregate principal amount of \$9,000,000; Permanent University Fund Bonds, New Series 1972, dated July 1, 1972, issued in the original aggregate principal amount of \$9,000,000; Permanent University Fund Bonds, New Series 1973, dated July 1, 1973, issued in the original aggregate principal amount of \$11,000,000; Permanent University Fund Bonds, New Series 1974, dated July 1, 1974, issued in the original aggregate principal amount of \$11,000,000; Permanent University Fund Bonds, New Series 1975, dated July 1, 1975, issued in the original aggregate principal amount of \$14,000,000; Permanent University Fund Bonds, New Series 1976, dated July 1, 1976, issued in the original aggregate principal amount of \$16,000,000; Permanent University Fund Bonds, New Series 1977, dated July 1, 1977, issued in the original aggregate principal amount of \$20,000,000; Permanent University Fund Bonds, New Series 1978, dated July 1, 1978, issued in the original aggregate principal amount of \$21,000,000; Permanent University Fund Bonds, New Series 1979, dated July 1, 1979, issued in the original

aggregate principal amount of \$21,000,000; Permanent University Fund Bonds, New Series 1980, dated July 1, 1980, issued in the original aggregate principal amount of \$26,000,000; Permanent University Fund Bonds, New Series 1981, dated July 1, 1981, issued in the original aggregate principal amount of \$43,000,000; Permanent University Fund Bonds, Series 1983, dated January 1, 1983, issued in the original aggregate principal amount of \$54,000,000; Permanent University Fund Bonds, Series 1983-A, dated October 1, 1983, issued in the original aggregate principal amount of \$33,000,000; Permanent University Fund Bonds, Series 1984, dated July 1, 1984, issued in the original aggregate principal amount of \$34,000,000; Constitutional Amendment Permanent University Fund Bonds, Series 1985, dated February 1, 1985, issued in the original aggregate principal amount of \$54,000,000; and Constitutional Amendment Permanent University Fund Bonds, Series 1985-A, dated August 1, 1985, issued in the original aggregate principal amount of \$75,000,000;

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

Section 1. That the Executive Vice Chancellor for Asset Management of The University of Texas System is authorized and directed, for and on behalf of the Board, to sign, seal, and otherwise execute and deliver a first supplemental escrow agreement in substantially the form and substance attached to this Resolution and made a part hereof for all purposes (the "First Supplemental Agreement").

Section 2. That, upon its execution and delivery by the parties thereto, the First Supplemental Agreement shall constitute a binding and enforceable agreement of the Board in accordance with its terms and provisions.

Section 3. That the Board hereby finds and determines that the amendments to the Escrow Agreement made by the First Supplemental Agreement, and the carrying out of the actions permitted by such amendments in accordance with the requirements of the First Supplemental Agreement, will not adversely affect the owners of the Refunded Obligations.

Section 4. That the Escrow Agreement, as amended and supplemented by the First Supplemental Agreement, is ratified and approved hereby and shall remain in full force and effect, as so amended.

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FIRST SUPPLEMENTAL

ESCROW AGREEMENT

THIS FIRST SUPPLEMENTAL ESCROW AGREEMENT, dated as of December 1, 1990 (herein called the "First Supplemental Agreement") is entered into by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (herein called the "Issuer") and NCNB TEXAS NATIONAL BANK, Dallas, Texas (formerly InterFirst Bank Dallas, N.A., Dallas, Texas), as escrow agent (herein, together with any successor in such capacity, called the "Escrow Agent").

W I T N E S S E T H :

WHEREAS, by resolution of the Issuer dated October 24, 1985 (the "Bond Resolution") the Issuer has heretofore authorized and has entered into an escrow agreement with the Escrow Agent dated as of October 15, 1985 (the "Original Agreement" and, together with any amendments or supplements thereto, including this First Supplemental Agreement, the "Agreement"), for the purpose of providing for the safekeeping, investment, administration and disposition of a deposit made by the Issuer with the Escrow Agent as a firm banking and financial arrangement for the discharge and final payment of certain obligations of the Issuer (the "Refunded Obligations," as defined in the Original Agreement);

WHEREAS, the Issuer desires to amend the Original Agreement in order to permit a sale and replacement of certain of the securities held to the credit of the Escrow Fund created under the Section 3.01 of the Escrow Agreement, in order to realize substantial economic benefits to the Issuer and provide continued firm banking and financial arrangement for the discharge and final payment of the Refunded Obligations;

WHEREAS, the Escrow Agent is a party to this First Supplemental Agreement in order to acknowledge its acceptance of the terms and provisions hereof and its approval of the amendments of the Original Agreement made hereby;

NOW THEREFORE, in consideration of the mutual undertakings, promises and agreements herein contained and other good and valuable consideration, the sufficiency of which are acknowledged hereby, the Issuer and the Escrow Agent mutually undertake, promise and agree for themselves and their respective representatives and successors, as follows:

Section 1. Definitions. The terms "First Supplemental Agreement," "Issuer," "Escrow Agent," "Original Agreement" and

"Agreement," when they are used in this First Supplemental Agreement, shall have the meanings assigned to them in the preamble to this First Supplemental Agreement. All other capitalized terms used herein, unless otherwise expressly defined herein or unless the context clearly indicates otherwise, shall have the meanings assigned to them in Article I of the Original Agreement.

Section 2. Amendment of Original Agreement. Section 4.03 of the Original Agreement is amended hereby to read as follows:

Section 4.03. Substitution for Escrowed Securities.

At the written request of the Issuer, and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer, otherwise dispose of or request the redemption of the Escrowed Securities and apply the proceeds therefrom to purchase Refunded Obligations or direct obligations of, or obligations the principal of and interest on which is unconditionally guaranteed by, the United States of America, which do not permit the redemption thereof at the option of the obligor. Any such transaction may be effected by the Escrow Agent only if: (i) the Escrow Agent shall have received a written opinion from a nationally recognized firm of certified public accountants that such transaction will not cause the amount of money and securities in the Escrow Fund to be reduced below an amount sufficient to provide for the payment of principal of, redemption premium on and interest on the Refunded Obligations as they become due pursuant to Section 3.02 and 3.03 of this Agreement; and (ii) the Escrow Agent shall have received the unqualified written legal opinion of nationally recognized bond counsel or tax counsel to the effect that such transaction will not violate applicable laws of the State of Texas or the terms of this Escrow Agreement, and will not cause any of the Refunding Obligations to be an "arbitrage bond" within the meaning of Section 103(c) of the Code. The Issuer agrees that, in the event that the Escrow Agent shall sell, transfer, otherwise dispose of or request the redemption of any Escrowed Securities under this paragraph at the request of the Issuer, and apply the proceeds therefrom to purchase any Refunded Obligations, the Issuer promptly shall cancel or cause to be cancelled any Refunded Obligations so purchased, so that such Refunded Obligations thereafter shall no longer be outstanding for any purpose.

In addition to the substitution permitted by the foregoing paragraph, the Issuer, concurrently with the sale and delivery of the Refunding Obligations to the initial purchaser thereof, may substitute cash or non-

interest bearing direct obligations of the United States Treasury (i.e., Treasury obligations that mature and are payable in a stated amount on the maturity date thereof, and for which there are no payments other than the payment made on the maturity date), which do not permit the redemption thereof at the option of the obligor, for non-interest bearing Escrowed Securities, if any, listed in part IV of Exhibit D attached hereto, but only if such cash and/or substituted non-interest bearing direct obligations of the United States Treasury -

- (a) are in an amount, and/or mature in an amount, that, together with any cash substituted for such obligations, is equal to or greater than the amount payable on the maturity date of the obligation listed in part IV of Exhibit D for which such obligation is substituted, and
- (b) mature on or before the maturity date of the obligation listed in part IV of Exhibit D for which such obligation is substituted.

If any such cash and/or obligations are so substituted for any Escrowed Securities, the Issuer may, at any time thereafter, substitute for such cash and/or obligations the same Escrowed Securities for which such cash and/or obligations originally were substituted.

Section 3. Ratification of Agreement. The Original Agreement, as amended by this First Supplemental Agreement, is hereby ratified and approved and shall remain in full force and effect.

Section 4. Effective Date. This First Supplemental Agreement shall be effective upon its due authorization and execution by the parties hereto.

EXECUTED as of the date first written above.

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

By _____
M.E. Patrick
Executive Vice Chancellor for
Asset Management

NCNB TEXAS NATIONAL BANK
Dallas, Texas

By _____
Title _____

ATTEST:

By _____
Title _____

(CORPORATE SEAL)

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

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

Executive Committee: Chairman Beecherl
Vice-Chairman Barshop, Vice-Chairman Roden
MSA Page Ex.C - 1

Personnel and Audit Committee: Chairman Roden
Regent Barshop, Regent Cruikshank
MSA Page P&A - 1

Academic Affairs Committee: Chairman Barshop
Regent Loeffler, Regent Ramirez, Regent Ratliff
MSA Page AAC - 1

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

Finance and Facilities Committee: Chairman Moncrief
Regent Beecherl, Regent Blanton, Regent Loeffler
MSA Page F&F - 1

Land and Investment Committee: Chairman Ratliff
Regent Cruikshank, Regent Roden
MSA Page L&I - 1

F. RECONVENE AS COMMITTEE OF THE WHOLE

G. ITEMS FOR THE RECORD

1. U. T. System: Report on Status of Degree Programs and Academic Organization Requests Approved by the U. T. Board of Regents for Submission to the Texas Higher Education Coordinating Board.--

REPORT

Following is a report for the record on the status of degree programs and academic organization requests which have been approved by the U. T. Board of Regents for submission to the Texas Higher Education Coordinating Board. Included are items which have been acted upon by the Coordinating Board since September 1, 1989; were still pending before the Coordinating Board as of October 31, 1990; were awaiting transmittal to the Coordinating Board as of October 31, 1990; or have been withdrawn from Coordinating Board consideration.

- a. Degree Programs Approved by the Coordinating Board for Implementation

U. T. Arlington

Master of Public Administration
Ph.D. Business Administration
Ph.D. Quantitative Biology

U. T. Austin

Ph.D. Nutritional Sciences
Ph.D. Public Policy
Ph.D. Slavic Languages

U. T. Dallas

Doctor of Science in Electrical Engineering
M.S. Applied Cognition and Neuroscience
M.S. Human Development and Early Childhood Disorders

U. T. El Paso

M.Ed. Special Education
Ph.D. Electrical Engineering

U. T. Pan American

B.A. Anthropology
M.A. School Psychology
M.A. Spanish
M.A. Theatre
M.Ed. Gifted Education
M.S. Early Childhood Education

U. T. Pan American (Brownsville)

B.S. Mathematics

U. T. San Antonio

M.S. Civil, Electrical, and Mechanical Engineering

U. T. Tyler

Change Name of "Master of Public Planning and Administration" to "Master of Public Administration"

U. T. Southwestern Medical Center - Dallas

Change "Division of Orthopedic Surgery" to "Department of Orthopedic Surgery"

U. T. Health Science Center - Houston

M.S. Genetic Counseling
Reorganization of Nursing School

U. T. Health Science Center - San Antonio

Ph.D. Nursing

- b. Requests Approved by the U. T. Board of Regents and Pending with the Coordinating Board

U. T. El Paso

M.Ed. Developmental Education
Ph.D. Psychology

U. T. Pan American

B.B.A. International Business
M.S. Mathematics
M.S. Sociology

U. T. San Antonio

Ph.D. Biology

U. T. Tyler

M.S. Biology
M.S. Mathematics

- c. Approved by the U. T. Board of Regents and Yet to be Submitted to the Coordinating Board

U. T. Austin

M.A. Molecular Biology
Ph.D. Molecular Biology

- d. Requests Approved by the U. T. Board of Regents and Sent to the Coordinating Board and Withdrawn

U. T. Arlington

Ph.D. Nursing Administration

U. T. Health Science Center - Houston

Doctor of Science in Nursing

2. U. T. Southwestern Medical Center - Dallas - Research Building - Phase I North Campus Expansion (Project No. 303-702): Report on Rejection of Bids for Procurement for Bid Packages Two "A," "B" and "C" and Advertising for New Bids.--

REPORT

In accordance with authorization by the U. T. Board of Regents in February 1990, bids for the second stage of construction, prepurchase of Thermal Energy Plant Equipment, for the Research Building - Phase I North Campus Expansion at the U. T. Southwestern Medical Center - Dallas were received on September 20, 1990, as shown below:

- a. Bid Package Two "A" - Chillers for Thermal Energy Plant Building "NJ"

<u>Bidder</u>	<u>Base Bid "A"</u>	<u>Base Bid "B"</u>
York International Dallas, Texas	\$1,338,150	\$1,096,960
Carrier Corporation Richardson, Texas	\$1,330,787	\$1,177,707
The Trane Company, a Division of American Standard Inc., LaCrosse, Wisconsin	None (An unso- licited alternate bid was received; it was a nonre- sponsive bid.)	None

- b. Bid Package Two "B" - Boilers for Thermal Energy Plant Building "NJ"

<u>Bidder</u>	<u>Base Bid</u>
Cleaver-Brooks Milwaukee, Wisconsin	\$ 573,638

- c. Bid Package Two "C" - Switchgear for Thermal Energy Plant Building "NJ"

<u>Bidder</u>	<u>Base Bid</u>
GE Company/ED&C Sales Division, Dallas, Texas	\$1,093,317
Westinghouse Electric Supply Company Dallas, Texas	\$1,122,650
Square D Company Dallas, Texas	\$1,187,976

The procurement included long lead time chiller, boiler and switchgear equipment for the Thermal Energy Plant Building "NJ" for the Research Building - Phase I North Campus Expansion project.

Bid Package Two "A" invited bids for chillers. The bids from Trane Company and from Carrier Corporation were nonresponsive because they deviated substantially from the bid requirements. The bid from York International deviated only to a minor degree from the bid requirements but, in view of a strong protest from Carrier Corporation over a possible award to York International, it is considered prudent to reject all bids for chillers and to rebid the procurement with changed bid documents.

Bid Package Two "B" invited bids for boilers. Only one bid was received. It was substantially higher than the estimated cost. It is believed that rebidding this package with increased competition can result in a better price for this package. A concerted effort will be made to obtain bids from several other manufacturers capable of providing the desired equipment.

Bid Package Two "C" invited bids for electrical equipment which will primarily support the mechanical equipment in the thermal energy plant. Since the equipment in Package Two "A" is being changed, it is necessary to change the equipment included in Package Two "C." It should be noted that two protests were received over possible award of this package. Although not fatal to making an award, it no longer makes sense to award a contract for this package because it is necessary to change the equipment included in the package.

The scheduled date for opening bids for Packages Two "A," "B" and "C" is December 4, 1990. The results of the bid opening will be reported to the U. T. Board of Regents by Executive Committee Letter.

- H. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS
- I. REPORT OF SPECIAL COMMITTEES
- J. OTHER MATTERS
 - 1. Report from U. T. System Student Advisory Group on Interlibrary Loans and Library Resources
 - 2. Report from U. T. System Faculty and Student Advisory Groups Regarding Academic Dishonesty
 - 3. Report on the U. T. System Strategic Plan: Vision 2020

K. RECESS TO EXECUTIVE SESSION

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

L. RECONVENE IN OPEN SESSION

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

- 1. Pending and/or Contemplated Litigation - Section 2(e)
 - U. T. Southwestern Medical Center - Dallas: Proposed Settlement of Medical Liability Litigation
- 2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)
 - U. T. Austin: Consideration of Acceptance of Gift Including Real Estate and Authorization to Execute Related Documents
- 3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

N. SCHEDULED MEETINGS

Board of Regents' Meetings

<u>Dates</u>	<u>Locations/Hosts</u>
February 14, 1991	U. T. Austin - Balcones Research Center
April 11, 1991	U. T. Medical Branch - Galveston
June 13, 1991	Regents' Room, Austin
August 8, 1991	Regents' Room, Austin
October 11, 1991	U. T. Arlington
December 5, 1991	U. T. Health Science Center - Houston

O. OTHER BUSINESS

P. ADJOURNMENT

1991

January 1991						
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February 1991						
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March 1991						
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April 1991						
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May 1991						
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June 1991						
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July 1991						
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August 1991						
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September 1991						
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October 1991						
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Executive Committee

EXECUTIVE COMMITTEE
Committee Chairman Beecherl

Date: December 6, 1990
Time: Following the convening of the Board of Regents
at 10:00 a.m.
Place: Conference Rooms A & B, Tenth Floor
R. Lee Clark Clinic Building
U. T. M.D. Anderson Cancer Center

	<u>Page</u> <u>Ex.C</u>
1. Permanent University Fund: Recommendation for Approval to Enter into a Surface Lease with The MITRE Corporation, Bedford, Massachusetts (Exec. Com. Letter 91-2)	2
2. U. T. System: Recommendation to Renew Comprehensive Boiler and Machinery Insurance Policy (Exec. Com. Letter 91-3)	2
3. U. T. Austin: Recommended Approval of Financial Disclosure Statements (Exec. Com. Letter 91-3)	3
4. U. T. Health Science Center - San Antonio - Research Building (Project No. 402-666): Request to Excuse Commercial Furniture Services, Inc., Houston, Texas, from the Bid on Base Proposal "E" Due to Errors in That Bid; and Recommended Award of Contracts for Furniture and Furnishings to Architectural Interior Services, A Division of Finger Office Furniture, Houston, Texas; O. P. Corporate Furnishings, Inc., Austin, Texas; Wilson Business Products Systems and Services, Inc., San Antonio, Texas; CDM Contract Furnishings, Inc., Austin, Texas; Marshall Clegg Associates, Inc., San Antonio, Texas; Educational & Institutional Cooperative Service, Inc., Dallas, Texas; AFMA, Inc., dba Austin Business Furniture, Austin, Texas; American Desk Manufacturing Company, Taylor, Texas; Rockford Business Interiors, Inc., Austin, Texas; and N. B. Business Systems, Inc., Austin, Texas (Exec. Com. Letter 91-4)	4
5. U. T. M.D. Anderson Cancer Center - Functional and Space Programming Study for Future Expansion (Project No. 703-738): Request for Increase in Scope of Study and Additional Appropriation Therefor (Exec. Com. Letter 91-2)	9
6. U. T. Health Center - Tyler: Request for Transfer of Funds Requiring Advance Regental Approval Under Budget Rules and Procedures No. 2 (Exec. Com. Letter 91-3)	11

1. Permanent University Fund: Recommendation for Approval to Enter into a Surface Lease with The MITRE Corporation, Bedford, Massachusetts (Exec. Com. Letter 91-2).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor and the Vice Chancellor for Business Affairs that the Chancellor be authorized to execute, after approval by the Office of General Counsel, a surface lease covering approximately 2,000 acres of Permanent University Fund lands in Ward, Winkler, or Loving Counties, Texas, with The MITRE Corporation, Bedford, Massachusetts, to be used for research involving future radar systems. The lease will be for a period of ten years with an option to extend for an additional ten years.

BACKGROUND INFORMATION

The MITRE Corporation has offered to conduct a long-term project involving research into ionospheric propagation of signals and atmospheric noise in the HF band and other related scientific purposes. The MITRE Corporation will pay \$3.00 per acre per year for the use of the surface. The U. T. Board of Regents will continue to receive income from its existing grazing lease but the proposed lease will terminate all hunting privileges. The \$3.00 per acre received from MITRE will more than compensate the loss of income from the hunting rights. Oil and gas leases will be permitted on the acreage involved but other mineral leases and water contracts will not be permitted during the lease term. However, the prospects of other minerals in commercial quantities on this acreage at the present time are remote.

MITRE will invest initially several million dollars of its own funds for a start-up program and may seek federal research funds for this project at a later date.

A similar project involving 10,000 acres was approved by the U. T. Board of Regents at its October 1989 meeting but was mutually terminated by both parties in August of 1990.

2. U. T. System: Recommendation to Renew Comprehensive Boiler and Machinery Insurance Policy (Exec. Com. Letter 91-3).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor and the Vice Chancellor for Business Affairs that authorization be given to continue the U. T. System comprehensive boiler and machinery insurance policy through October 1, 1993, at an annual cost of \$60,000. This coverage is provided through the Arkwright Mutual Insurance Company of Waltham, Massachusetts. The previous annual premium for this coverage was \$56,671 (adjusted).

BACKGROUND INFORMATION

This coverage has been underwritten by the Arkwright Mutual Insurance Company since 1981. A thorough search of this specialized market indicates no significant advantage to the U. T. System in seeking new proposals for this insurance coverage. Premiums for this policy are prorated to each institution according to the equipment inventory value/risk of that institution. Coverage summaries with applicable deductibles are provided below:

Limit per accident: \$10,000,000 at U. T. Austin
Central Power Plant and
\$5,000,000 at all other
locations

Deductibles: \$55,000 - 25,000 kw steam
turbine at U. T. Austin
\$91,000 - 14,000 kw gas
turbine/generator at U. T.
Austin
\$235,000 - 36,180 kw gas
turbine/generator at U. T.
Austin
\$10,000 - All other insured
objects

The engineering and inspection services of the Factory Mutual System are included with the policy at no additional cost.

3. U. T. Austin: Recommended Approval of Financial Disclosure Statements (Exec. Com. Letter 91-3).--

RECOMMENDATION

Pursuant to requirements of Article 6252-9b, Texas Revised Civil Statutes Annotated, the current Appropriations Act, and U. T. Board of Regents' policy, the sworn financial disclosure statements for the chief administrative officer of U. T. Austin, as filed with the Secretary of State, were submitted for review and approval by the U. T. Board of Regents.

The Executive Committee recommends that the U. T. Board of Regents find that these financial disclosure statements have been reviewed by the Executive Vice Chancellor for Academic Affairs, are in the form prescribed by the Secretary of State, and meet the filing requirements of Texas law.

The statements are on file in the Office of the Board of Regents.

4. U. T. Health Science Center - San Antonio - Research Building (Project No. 402-666): Request to Excuse Commercial Furniture Services, Inc., Houston, Texas, from the Bid on Base Proposal "E" Due to Errors in That Bid; and Recommended Award of Contracts for Furniture and Furnishings to Architectural Interior Services, A Division of Finger Office Furniture, Houston, Texas; O. P. Corporate Furnishings, Inc., Austin, Texas; Wilson Business Products Systems and Services, Inc., San Antonio, Texas; CDM Contract Furnishings, Inc., Austin, Texas; Marshall Clegg Associates, Inc., San Antonio, Texas; Educational & Institutional Cooperative Service, Inc., Dallas, Texas; AFMA, Inc., dba Austin Business Furniture, Austin, Texas; American Desk Manufacturing Company, Taylor, Texas; Rockford Business Interiors, Inc., Austin, Texas; and N. B. Business Systems, Inc., Austin, Texas (Exec. Com. Letter 91-4).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs, and President Howe that the U. T. Board of Regents:

- a. Excuse Commercial Furniture Services, Inc., Houston, Texas, from its bid on Base Proposal "E," Lateral Files, for the Research Building at the U. T. Health Science Center - San Antonio because of errors in that bid
- b. Award contracts for furniture and furnishings for the Research Building at U. T. Health Science Center - San Antonio to the following lowest responsive bidders:

Architectural Interior Services,
A Division of Finger Office
Furniture, Houston, Texas

Base Proposal "A" (Office Casework)	\$ 93,662.94
Base Proposal "O" (Lab Chairs)	24,176.04

Total Contract Award to Architectural Interior Services, A Division of Finger Office Furniture	\$117,838.98
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O. P. Corporate Furnishings, Inc.
Austin, Texas

Base Proposal "B" (Faculty Office Desk Chairs)	20,489.66
Base Proposal "C" (Faculty Office Visitor Chairs)	36,692.16
Base Proposal "H" (Landscape Workstations)	111,736.84

Base Proposal "K" (Conference Tables)	\$ 5,837.17	
Total Contract Award to O. P. Corporate Furnishings, Inc.		\$174,755.83
Wilson Business Products Systems and Services, Inc., San Antonio, Texas		
Base Proposal "D" (Directors Offices Conference Chairs)	15,302.22	
Base Proposal "F" (Wood Bookcases)	48,449.37	
Base Proposal "M" (Breakroom Seating)	9,146.38	
Base Proposal "S" (Workroom Tables and Faculty Study Seating)	9,692.40	
Base Proposal "T" (Miscellaneous Items)	27,712.14	
Total Contract Award to Wilson Business Products Systems and Services, Inc.		110,302.51
CDM Contract Furnishings, Inc. Austin, Texas		
Base Proposal "E" (Lateral Files)		84,945.03
Marshall Clegg Associates, Inc. San Antonio, Texas		
Base Proposal "G" (Workstation and Staff Seating)		80,586.00
Educational & Institutional Cooperative Service, Inc. Dallas, Texas		
Base Proposal "I" (Steel Desks and Bookcases)	18,122.26	
Base Proposal "J" (Seminar Seating)	10,718.74	
Base Proposal "L" (CIAL and Ophthalmology Tables)	16,545.29	
Total Contract Award to Educa- tional & Institutional Coopera- tive Service, Inc.		45,386.29
AFMA, Inc., dba Austin Business Furniture, Austin, Texas		
Base Proposal "N" (Ophthalmology Pathology Work Chairs)		4,120.00

American Desk Manufacturing Company
Taylor, Texas

Base Proposal "P"
(Lab Tables) \$ 9,396.00

Rockford Business Interiors, Inc.
Austin, Texas

Base Proposal "Q"
(Breakroom Tables) 20,365.51

N. B. Business Systems, Inc.
Austin, Texas

Base Proposal "R"
(Computer Workstations) 4,761.90

GRAND TOTAL RECOMMENDED CONTRACT AWARDS \$652,458.05

BACKGROUND INFORMATION

In accordance with authorization of the U. T. Board of Regents in December 1988, bids were received on October 9, 1990, as shown on Pages Ex.C 7 - 9, for furniture and furnishings for the Research Building at U. T. Health Science Center - San Antonio. Funds for the contract awards are available in the Project Furniture and Equipment Account.

With respect to Base Proposal "E" (Lateral Files), the apparent low bidder, Commercial Furniture Services, Inc., Houston, Texas, alleges that an error was made in its bid and has requested to be excused. The error was mathematical in nature and involves an incorrect multiplication of unit prices. The Office of General Counsel has reviewed the proposal and recommends that the Board excuse Commercial Furniture Services, Inc., from its erroneous bid and award the contract for Base Proposal "E" to the next low bidder, CDM Contract Furnishings, Inc., in the amount of \$84,945.03.

With regard to Base Proposal "N" (Ophthalmology Pathology Work Chairs) and Base Proposal "R" (Computer Work Stations), only one bid was received on each proposal although numerous potential bidders had been sent specifications. A telephone survey indicates lack of interest in these relatively small packages of furniture. In each case, evaluation of the bid received shows the price to be well within the estimated cost and published price lists. It is felt that rebidding these packages would not improve the results.

With regard to the bid received from Fredericksburg Industries, Inc. for Base Proposal "U" (Mail Units), their bid was nonresponsive to the specifications. The remaining three bids received for this proposal exceeded the estimated value to such a degree that the institution has decided to build this furniture in-house through its Physical Plant Department.

BID TABULATION

Base Proposal "A", Office Casework

Architectural Interior Services, A Division of Finger Office Furniture Wilson Business Products Systems and Services, Inc.	\$ 93,662.94 94,606.81
O. P. Corporate Furnishings, Inc.	109,129.55
Commercial Furniture Services, Inc.	110,560.00
Office Pavilion - Houston	123,823.40
Office Pavilion - San Antonio	132,235.24

Base Proposal "B", Faculty Office Desk Chairs

O. P. Corporate Furnishings, Inc.	\$ 20,489.66
Marshall Clegg Associates, Inc.	20,590.00
Rockford Business Interiors, Inc.	21,165.75
Educational & Institutional Cooperative Service, Inc.	22,933.45
Wilson Business Products Systems and Services, Inc.	23,110.07
Office Pavilion - Houston	25,232.90
Architectural Interior Services, A Division of Finger Office Furniture Milcare, Inc.	27,680.34 28,431.60
Office Pavilion - San Antonio	28,787.14

Base Proposal "C", Faculty Office Visitor Chairs

O. P. Corporate Furnishings, Inc.	\$ 36,692.16
Wilson Business Products Systems and Services, Inc.	39,420.63
Architectural Interior Services, A Division of Finger Office Furniture	42,448.42

Base Proposal "D", Directors Offices Conference
Chairs

Wilson Business Products Systems and Services, Inc.	\$ 15,302.22
CDM Contract Furnishings, Inc.	15,531.26
Rockford Business Interiors, Inc.	16,011.30

Base Proposal "E", Lateral Files

Commercial Furniture Services, Inc.	\$ 62,268.00
CDM Contract Furnishings, Inc.	84,945.03
Wilson Business Products Systems and Services, Inc.	104,284.32
Educational & Institutional Cooperative Service, Inc.	108,588.49
Rockford Business Interiors, Inc.	109,017.18

Base Proposal "F", Wood Bookcases

Wilson Business Products Systems and Services, Inc.	\$ 48,449.37
Architectural Interior Services, A Division of Finger Office Furniture	51,324.04
O. P. Corporate Furnishings, Inc.	52,499.49
Rockford Business Interiors, Inc.	52,910.43
CDM Contract Furnishings, Inc.	53,380.80

Base Proposal "G", Workstation and Staff Seating

Marshall Clegg Associates, Inc.	\$ 80,586.00
O. P. Corporate Furnishings, Inc.	83,281.91
Office Pavilion - Houston	100,671.50
Milcare, Inc.	111,642.00
Office Pavilion - San Antonio	112,826.73

Base Proposal "H", Landscape Workstations

O. P. Corporate Furnishings, Inc.	\$111,736.84
Office Pavilion - Houston	137,191.46
Office Pavilion - San Antonio	153,948.60
Milcare, Inc.	161,112.42

Base Proposal "I", Steel Desks and Bookcases

Educational & Institutional Cooperative Service, Inc.	\$ 18,122.26
Wilson Business Products Systems and Services, Inc.	18,207.96
CDM Contract Furnishings, Inc.	18,441.15
Rockford Business Interiors, Inc.	18,528.79

Base Proposal "J", Seminar Seating

Educational & Institutional Cooperative Service, Inc.	\$ 10,718.74
Rockford Business Interiors, Inc.	11,125.92
Wilson Business Products Systems and Services, Inc.	12,633.08

Base Proposal "K", Conference Tables

O. P. Corporate Furnishings, Inc.	\$ 5,837.17
Office Pavilion - Houston	7,296.46
Office Pavilion - San Antonio	8,364.25
Milcare, Inc.	8,542.20

Base Proposal "L", CIAL and Ophthalmology Tables

Educational & Institutional Cooperative Service, Inc.	\$ 16,545.29
Rockford Business Interiors, Inc.	16,802.73
Wilson Business Products Systems and Services, Inc.	17,060.93
Office Pavilion - Houston	17,647.90
Office Pavilion - San Antonio	19,218.60
O. P. Corporate Furnishings, Inc.	19,276.00

Base Proposal "M", Breakroom Seating

Wilson Business Products Systems and Services, Inc.	\$ 9,146.38
Office Pavilion - Houston	9,578.26
AFMA, Inc., dba Austin Business Furniture	9,600.00
CDM Contract Furnishings, Inc.	9,994.00
Office Pavilion - San Antonio	10,011.86
Rockford Business Interiors, Inc.	10,198.41
O. P. Corporate Furnishings, Inc.	10,305.33

Base Proposal "N", Ophthalmology Pathology Work Chairs

AFMA, Inc., dba Austin Business Furniture	\$ 4,120.00
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Base Proposal "O", Lab Chairs

Architectural Interior Services, A Division of Finger Office Furniture	\$ 24,176.04
AFMA, Inc., dba Austin Business Furniture	24,561.00
Wilson Business Products Systems and Services, Inc.	27,507.84
Rockford Business Interiors, Inc.	28,100.10

Base Proposal "P", Lab Tables

American Desk Manufacturing Company	\$ 9,396.00
Max Grigsby Company, Inc.	9,669.00

Base Proposal "Q", Breakroom Tables

Rockford Business Interiors, Inc.	\$ 20,365.51
Wilson Business Products Systems and Services, Inc.	20,685.32
AFMA, Inc., dba Austin Business Furniture	22,054.00
CDM Contract Furnishings, Inc.	24,981.27

Base Proposal "R", Computer Workstations

N. B. Business Systems, Inc.	\$ 4,761.90
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Base Proposal "S", Workroom Tables and Faculty
Study Seating

Wilson Business Products Systems and Services, Inc.	\$ 9,692.40
O. P. Corporate Furnishings, Inc.	10,418.98
Rockford Business Interiors, Inc.	11,008.20
CDM Contract Furnishings, Inc.	11,124.54

Base Proposal "T", Miscellaneous Items

Wilson Business Products Systems and Services, Inc.	\$ 27,712.14
Rockford Business Interiors, Inc.	28,165.71
CDM Contract Furnishings, Inc.	29,377.34

Base Proposal "U", Mail Units

Fredericksburg Industries, Inc.	\$ 7,537.00
G. Madison Company	15,104.00
Architectural Interior Services, A Division of Finger Office Furniture	16,109.50
Rockford Business Interiors, Inc.	16,252.52

5. U. T. M.D. Anderson Cancer Center - Functional and Space Programming Study for Future Expansion (Project No. 703-738): Request for Increase in Scope of Study and Additional Appropriation Therefor (Exec. Com. Letter 91-2).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs, and President LeMaistre that the U. T. Board of Regents:

- a. Authorize an increase in the scope of the functional and space programming study for future expansion at U. T. M.D. Anderson

Cancer Center to include a facilities planning component and expanded programming effort

- b. Authorize an increase in the total cost of the study from \$300,000 to \$1,723,770 to cover all professional fees and administrative and miscellaneous expenses associated with completion of the comprehensive study
- c. Appropriate \$1,423,770 from U. T. M.D. Anderson Cancer Center Unappropriated Plant Fund Balances (previous appropriations have been \$300,000 from the same source).

BACKGROUND INFORMATION

At the February 1990 meeting of the U. T. Board of Regents, authorization was granted to prepare a functional programming and space planning study for future expansion at U. T. M.D. Anderson Cancer Center specifically relating to facilities to be placed in a new research and clinical facility currently referred to as the Bertner Street Building, while recognizing its relationship to overall campus requirements and plans.

The President of U. T. M.D. Anderson Cancer Center, with the approval of the Executive Vice Chancellor for Health Affairs and the Office of Facilities Planning and Construction, was authorized to appoint an architect/engineer team to prepare a study for consideration at a future meeting of the U. T. Board of Regents.

The joint venture of Morris*Architects, Houston, Texas/Stone Marraccini Patterson (SMP), San Francisco, California, was selected after an extensive national search and interview process that included 12 firms interviewed by U. T. M.D. Anderson Cancer Center Administration and the U. T. System Office of Facilities Planning and Construction. The selection was in accordance with the Professional Services Procurement Act and took into consideration previous experience, depth of expertise of the firms, and proposed approach to this highly complex project. Extensive reference checks were conducted.

During interviews of candidate firms for this study, it became apparent that the institution did not have answers to many issues required to effectively develop a quality functional and space program.

The institution desires to develop a facilities plan that will not only define the space requirements for a complex array of functions, many of which are highly technical, but will also develop optimal placement of functions in both new and existing space to enhance operating efficiency and productivity and achieve the best possible site utilization.

The complexities of highly technical programs serving large numbers of inpatients and outpatients, the site constraints, the interface with existing older facilities that have significant infrastructure limitations, and the impact of additional square feet on existing support systems are issues that must be considered in depth in the facilities planning effort. A study of increased scope must be undertaken.

To date, such a comprehensive study has not been completed for U. T. M.D. Anderson Cancer Center. These issues require a range of architectural and engineering expertise to plan hospital, diagnostic, surgical, research, and animal programs as well as the impacted support functions.

The 1989 Master Plan developed for U. T. M.D. Anderson Cancer Center focused on external issues, specifically site feasibility and traffic patterns. A circulation study previously authorized builds on the Master Plan in detailing internal circulation and departmental relationships. This functional and space programming and planning study will carry the findings of the circulation study into the new facilities, long-term use of existing facilities, and effective use of vacated space.

The functional and space programming and planning study will validate and refine previous planning assumptions developed by U. T. M.D. Anderson Cancer Center, including cost estimates, prior to the start of design. The fee proposal for this study is only a small percentage of the capital package over the next decade and is consistent with similar studies done at large academic health institutions across the nation. The benefits of fees spent now will be realized in expedited schedules and the possibility of reduced fees in future designs.

Significant momentum has been established within the institution in the facility planning effort. A decision structure has been put into place, and several faculty committees are involved in defining programmatic needs. The extensive institutional involvement of this process and the broadened scope of this study assures that the results of this planning effort will accurately define the facility needs of U. T. M.D. Anderson Cancer Center through the next decade.

Extensive negotiations indicate that the professional fee for the expanded comprehensive programming study will approximate \$644,483. The facility planning component will be approximately \$614,087. Reimbursable expenses will not exceed \$265,200. Thus, the total professional fee is estimated at \$1,523,770. It is recommended that an administrative contingency of \$200,000 be established to assure that the institution can carry out its obligation to furnish complete and accurate plans of all existing building conditions, utility infrastructure, site survey verification, patient projections, and operational plans.

Approval of this request will amend the current Capital Improvement Program and the FY 1991 Capital Budget.

6. U. T. Health Center - Tyler: Request for Transfer of Funds Requiring Advance Regental Approval Under Budget Rules and Procedures No. 2 (Exec. Com. Letter 91-3).--

RECOMMENDATION

The Executive Committee concurs in the recommendation of the Chancellor, the Executive Vice Chancellor for Health Affairs, and Director Hurst that the U. T. Board of Regents approve the transfer of funds at the U. T. Health Center - Tyler as set out on Page Ex.C - 12.

Educational and General Funds

Amount of Transfer - \$1,170,000

From: Unappropriated Balance via Estimated Income		<u>\$1,170,000</u>
To: Institutional Programs:		
a. Merit Program	\$ 485,000	
b. Patient Care Support	190,000	
c. Repair & Renovation	135,000	
d. Ambulatory Care Project	150,000	
e. Patient Care Equipment	120,000	
f. Software Upgrade	<u>90,000</u>	
	Total	<u>\$1,170,000</u>

(RBC #1)

BACKGROUND INFORMATION

The funds made available through excess earnings in fiscal year 1990 will be utilized in fiscal year 1991 for the following projects:

- a. \$485,000 required to fund merit and salary adjustment program for employees at the Health Center
- b. \$190,000 to provide additional support for patient care programs which primarily are additional classified positions for new or expanded clinical activities
- c. \$135,000 to fund minor repairs and renovations of existing facilities. This money will be utilized primarily for renovation and repair of the pulmonary and family practice clinics.
- d. \$150,000 to provide additional support for the funding package to address the construction of the proposed ambulatory care expansion
- e. \$120,000 which will provide funding for the replacement of minor patient care equipment as well as the acquisition of laboratory equipment to support the ever-increasing ambulatory care patient volume
- f. \$90,000 to provide funding for an upgrade to the computer operating system in order to support the increased activity to additional patient management systems being implemented.

The \$1,170,000 represents an increase in cash collections realized and reserved during fiscal year 1990. This increase is not the result of increased inpatient activity; however, it does represent a more intense collection and accounts receivable effort in expediting the accounts management process.

Personnel and Audit Committee

PERSONNEL AND AUDIT COMMITTEE
Committee Chairman Roden

Date: December 6, 1990

Time: Following the meeting of the Executive Committee

Place: Conference Rooms A & B, Tenth Floor
R. Lee Clark Clinic Building
U. T. M.D. Anderson Cancer Center

Page
P&A

1. U. T. System: Request for Permission for Individual to Serve as a Member of the Governing Board for the Department of Information Resources [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)]

2

1. U. T. System: Request for Permission for Individual to Serve as a Member of the Governing Board for the Department of Information Resources [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor recommends that permission be given for Mr. R. D. (Dan) Burck, Vice Chancellor for Business Affairs of the U. T. System, to serve as a member of the governing board for the Department of Information Resources.

It is further recommended that the U. T. Board of Regents find that: (1) the holding of this membership by Mr. Burck is of benefit to the State of Texas and (2) there is no conflict between Mr. Burck's position at U. T. System and this appointment.

BACKGROUND INFORMATION

Mr. Burck has been appointed by Governor William P. Clements, Jr., to serve as a member of the governing board for the Department of Information Resources for a term to expire February 1, 1991. The 71st Texas Legislature, Regular Session, enacted H.B. 2736 which abolished the Automated Information and Telecommunications Council and created in its stead the Department of Information Resources. In addition to leading the coordination of information resource management in the State, the new Department has a greatly expanded mandate, including a requirement to develop and update a statewide strategic information resources plan and establish a technology evaluation center. Mr. Burck's appointment is without compensation.

This recommendation is in accordance with approval requirements for positions of honor, trust, or profit provided in Article 6252-9a of Vernon's Texas Civil Statutes and Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11) of the Regents' Rules and Regulations.

Academic Affairs Committee

ACADEMIC AFFAIRS COMMITTEE
Committee Chairman Barshop

Date: December 6, 1990
Time: Following the meeting of the Personnel and Audit
Committee
Place: Conference Rooms A & B, Tenth Floor
R. Lee Clark Clinic Building
U. T. M.D. Anderson Cancer Center

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2. U. T. Austin: Request for Permission for Individual to Serve as a Member of the National Board of the Fund for the Improvement of Post-secondary Education [Regents' <u>Rules and Regulations</u> , Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)]	3
3. U. T. Austin: Recommendation to Approve in Concept a Commemorative Statue and Authorization of a Private Fund Development Campaign (Regents' <u>Rules and Regulations</u> , Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44)	4
4. U. T. Austin: Recommendation for Approval of Proposed Agreements of Cooperation or Exchange Agreement with (a) The Institute of Water Resources and Hydroelectric Power Research, Beijing, China; (b) Univerzita Karlova, Prague, Czechoslovakia; (c) Han Nam University, Taejon, Korea; and (d) Kyung Hee University, Seoul, Korea, and Request for Authorization to Execute Agreements	5
5. U. T. Pan American: Recommendation to Approve a Private Fund Development Campaign for Support of an Engineering Program (Regents' <u>Rules and Regulations</u> , Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44) (NO PUBLICITY)	21
6. U. T. San Antonio: Proposed Teaming Agreement with Karta Technology, Inc., San Antonio, Texas	22

1. U. T. Arlington: Proposed Appointment of Ashbel Smith Professors Effective February 1, 1991.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Nedderman that Dr. Howard J. Arnott, Professor of Biology, and Dr. Vincent J. Bruno, Professor of Art, be appointed Ashbel Smith Professors at U. T. Arlington effective February 1, 1991.

BACKGROUND INFORMATION

Dr. Arnott, a faculty member at U. T. Arlington since 1974, is internationally recognized for his research in biological ultrastructure. He was presented the award for Distinguished Research by U. T. Arlington in 1984, and has authored or coauthored over 230 papers, chapters in books, and abstracts. Dr. Arnott has organized numerous meetings and served regional and national professional societies in a number of elected offices, two of the most notable being his selection as organizer of a Gordon Conference on Calcium Oxalate and his election to two terms as a member of the National Board of Directors of Sigma Xi.

Dr. Bruno joined the U. T. Arlington faculty in 1976. He is internationally recognized as an outstanding art historian of the Classical period. Dr. Bruno is the author of three books, has a volume forthcoming, and has published nine articles in both national and international journals. He is an honorary member of the Society of Fellows of the American Academy in Rome and has been awarded a number of significant fellowships, the most prestigious of which came from the John Simon Guggenheim Memorial Foundation.

In April 1980, the U. T. Board of Regents authorized the establishment of nonendowed professorships at all component institutions with instructional programs, similar to the Ashbel Smith Professorships previously established at U. T. Austin and U. T. Medical Branch - Galveston. U. T. Arlington was allotted five of the nonendowed professorships which were named Ashbel Smith Professorships by Regental action in June 1984. These proposed appointments will fill two of the currently vacant Ashbel Smith Professorships.

2. U. T. Austin: Request for Permission for Individual to Serve as a Member of the National Board of the Fund for the Improvement of Postsecondary Education [Regents' Rules and Regulations, Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11)].--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that approval be given for Dr. Manuel J. Justiz, Dean of the College of Education and holder of the A. M. Aikin Regents Chair in Education Leadership in the College of Education at U. T. Austin, to serve as a member of the National Board of the Fund for the Improvement of Postsecondary Education.

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

BACKGROUND INFORMATION

Dr. Justiz has been appointed by U. S. Secretary of Education Lauro Cavazos to serve on the National Board of the Fund for the Improvement of Postsecondary Education effective immediately and extending through August 31, 1993. The Fund for the Improvement of Postsecondary Education was authorized by the Higher Education Act of 1965, as amended, to allow the Secretary of Education to make grants to and contracts with institutions of postsecondary education and other public and nonprofit private educational institutions and agencies to improve postsecondary educational opportunities. The National Board of the Fund for the Improvement of Postsecondary Education advises the Secretary and the Director of the Fund on priorities for the Fund, program development, project selection, and general Fund operations.

Dr. Justiz's appointment is without compensation other than an honorarium of \$100 per day plus per diem and travel expenses when attending meetings.

This recommendation is in accordance with approval requirements for positions of honor, trust, or profit provided in Article 6252-9a of Vernon's Texas Civil Statutes and Part One, Chapter III, Section 13, Subsections 13.(10) and 13.(11) of the Regents' Rules and Regulations.

3. U. T. Austin: Recommendation to Approve in Concept a Commemorative Statue and Authorization of a Private Fund Development Campaign (Regents' Rules and Regulations, Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the U. T. Board of Regents approve in concept a commemorative statue of Martin Luther King, Jr., designed by Mr. Eddie Dixon of Lubbock, Texas, and authorize a private fund development campaign pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44, to raise funds to purchase the statue to be erected on the U. T. Austin campus.

BACKGROUND INFORMATION

Several U. T. Austin registered student organizations initiated the proposal for a statue of Dr. Martin Luther King, Jr., and will provide the leadership for the fundraising effort. The cost of the project is estimated to range between \$150,000 and \$400,000, depending on negotiations and final design decisions, to be financed totally from gift funds. A scale model of the proposed statue has been created by Mr. Dixon and will be available for inspection at the Board meeting. The completed statue will be a cast bronze single figure, slightly larger than life-size. Upon completion, it is anticipated that the statue will be located in the area of the East Mall between Speedway and the East Mall Fountain.

Mr. Dixon, a resident of Lubbock, Texas, received a B.S. in Zoology and Chemistry and a master's degree in Entomology from Texas Tech University. He has received commissions for monuments or sculptures from such entities as the National Park Service of the U. S. Department of the Interior, the Air Force Heritage Hall, and the City of Kansas City, Missouri. He has been awarded the Gold Medal of Ethnic Art and received first place in a statewide competition of the Southwest Ethnic Arts Society Exhibition at the U. T. Institute of Texan Cultures - San Antonio in 1985. His works have been exhibited and placed in permanent displays in more than a dozen museums throughout the United States.

4. U. T. Austin: Recommendation for Approval of Proposed Agreements of Cooperation or Exchange Agreement with (a) The Institute of Water Resources and Hydroelectric Power Research, Beijing, China; (b) Univerzita Karlova, Prague, Czechoslovakia; (c) Han Nam University, Taejon, Korea; and (d) Kyung Hee University, Seoul, Korea, and Request for Authorization to Execute Agreements.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that approval be given to three proposed agreements of cooperation and an exchange agreement between U. T. Austin on behalf of the LBJ School of Public Affairs and the following international institutions:

- a. The Institute of Water Resources and Hydroelectric Power Research, Beijing, China
(Pages AAC 6 - 8)
- b. Univerzita Karlova, Prague, Czechoslovakia
(Pages AAC 9 - 12)
- c. Han Nam University, Taejon, Korea
(Pages AAC 13 - 17)
- d. Kyung Hee University, Seoul, Korea
(Pages AAC 18 - 20).

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

BACKGROUND INFORMATION

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

- a. Promote academic collaboration at both faculty and graduate student levels for research, study, and discussion
- b. Identify and define areas of possible interest and collaboration
- c. Distribute to each institution information about the faculty, facilities, research and publications, library materials, and educational resources of the other institution.

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

**Agreement of Cooperation
Between
The University of Texas at Austin (U.S.A.)
and
The Institute of Water Resources and Hydroelectric Power Research (Beijing, China)**

The University of Texas at Austin (hereafter referred to as "U.T. Austin"), and The Institute of Water Resources and Hydroelectric Power Research, Beijing, China (hereafter referred to as "the Institute") enter into an agreement of cooperation to establish a program of exchange and collaboration in areas of interest and benefit to both institutions. All cooperative programs undertaken through this agreement shall be subject to approval by the appropriate officials of U.T. Austin and the Institute and shall be in accordance with the laws of the respective countries.

Stipulations

I. The President, U.T. Austin, and the Director of the Institute, shall each designate a coordinator to oversee and facilitate the implementation of this agreement. These two coordinators, working with other appropriate administrators at the respective universities, shall have the following responsibilities:

- a. to promote academic collaboration at both faculty and graduate student levels for research, study, and discussion;
- b. to identify/define areas of possible interest and collaboration; and
- c. to distribute to each institution information about the faculty, facilities, research and publications, library materials, and educational resources of the other institution.

II. Exchanges of faculty and staff members between U.T. Austin and the Institute for research, teaching, and other educational purposes is one intended activity under this agreement.

- a. The coordinators shall facilitate and encourage the identification of appropriate research projects and institutes, courses, and other opportunities for cooperation.
- b. U.T. Austin faculty invited to teach courses or conduct research at the Institute shall be subject to the rules, regulations, policies, and practices of U.T. Austin with respect to approvals and arrangements for leaves of absence and related matters. While teaching courses or conducting research at the Institute, U.T. Austin faculty shall be subject to the rules, regulations, policies, and practices of the Institute. Financial arrangements for such faculty shall be determined by the Institute.
- c. Institute staff invited to teach courses or conduct research at U.T. Austin shall be subject to the rules, regulations, policies, and practices of the Institute with respect to approvals and arrangements for leaves of absence and related matters. While teaching courses or conducting research at U.T. Austin, Institute staff shall be subject to the rules, regulations, policies, and practices of U.T. Austin. Financial arrangements for such faculty activities be determined by U.T. Austin.

**Agreement of Cooperation Between
The University of Texas at Austin and
The Institute of Water Resources and Hydroelectric Power Research, Beijing
Page 2 of 2**

III. Short-term or extended study -- either formal or applied in nature -- by students or staff from either the Institute or U.T. Austin in the other institution is another intended activity under this agreement.

a. All regular requirements for admission to U.T. Austin programs - including satisfactory TOEFL (Test of English as a Foreign Language) and GRE (Graduate Record Exam) scores - must be met by Institute staff desiring to study at U.T. Austin.

b. The usual requirements for entry to the Institute must be met by U.T. Austin students desiring to study at the Institute.

c. After being approved by the Institute coordinator for this agreement, staff applications for admission to U.T. Austin should be sent - with all required supporting documents, materials, and fees - directly to the U.T. Austin coordinator who can monitor the status of the applications.

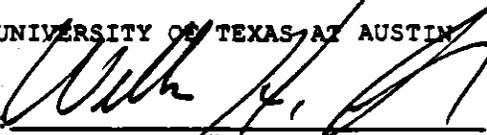
d. After being approved by the U.T. Austin coordinator for this agreement, U.T. Austin student applications for entry to the Institute should be sent - with all required supporting documents, materials, and fees - directly to the Institute coordinator, who will monitor the status of the applications.

IV. The scope of activities under this agreement shall be determined by the funds regularly available at both institutions for the types of collaboration undertaken and by financial assistance as may be obtained by either university from external sources.

V. Upon approval by each institution, this agreement shall remain in effect until terminated by either institution. Such termination by one institution shall be effected by giving the other institution at least ninety days advance notice of the intention to terminate. Termination shall be without penalty. If this agreement is terminated, U.T. Austin and the Institute agree not to hold the other institution liable for any monetary or other losses which may result.

Agreement of Cooperation Between
The University of Texas at Austin and
The Institute of Water Resources and Hydroelectric Power Research, Beijing
Page 3 of 3

EXECUTED by the Board of Regents of The University of Texas System and The Institute of Water Resources and Hydroelectric Power Research, Beijing, China on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

THE UNIVERSITY OF TEXAS AT AUSTIN
BY: 
William H. Cunningham
TITLE: President

THE INSTITUTE OF WATER RESOURCES AND
HYDROELECTRIC POWER RESEARCH,
BEIJING, CHINA

BY: _____
Chen Bingxin, Ph.D.
TITLE: Director

FORM APPROVED:

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

Office of General Counsel

BY: _____
James P. Duncan
Executive Vice Chancellor for
Academic Affairs

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the _____ day of _____, 1990 and that the person whose signature appears above is authorized to execute such agreement on behalf of the Board.

Executive Secretary, Board of Regents
The University of Texas System

AGREEMENT OF COOPERATION
BETWEEN
THE UNIVERSITY OF TEXAS AT AUSTIN (U.S.A.)
AND
UNIVERZITA KARLOVA (CZECHOSLOVAKIA)

**AGREEMENT OF COOPERATION
UT AUSTIN/U.K. PRAGUE**

The University of Texas at Austin (hereafter referred to as "U.T. Austin"), through the Lyndon B. Johnson School of Public Affairs, and the Univerzita Karlova in Czechoslovakia (hereafter referred to as "U.K. Prague") enter into an agreement of cooperation to establish a program of exchange and collaboration in areas of interest and benefit to both institutions. All cooperative programs undertaken through this agreement shall be subject to approval by the appropriate officials of U.T. Austin and U.K. Prague and shall be in accordance with the laws of the respective countries.

STIPULATIONS

I. The President, U.T. Austin, and the Rector, U.K. Prague, shall each designate a coordinator to oversee and facilitate the implementation of this agreement. These two coordinators, working with other appropriate academic administrators at the respective universities, shall have the following responsibilities:

- a. to promote academic collaboration at both faculty and graduate student levels for research, study, and discussion;
- b. to identify/define areas of possible interest and collaboration; and
- c. to distribute to each institution information about the faculty, facilities, research and publications, library materials, and educational resources of the other institution.

II. Exchanges of faculty members between U.T. Austin and the U.K. Prague for research, teaching, and other educational purposes is one intended activity under this agreement.

- a. The coordinators shall facilitate and encourage the identification of appropriate research projects and institutes, courses, and other opportunities for cooperation.

AGREEMENT OF COOPERATION
UT AUSTIN/U.K. PRAGUE

b. U.T. Austin faculty invited to teach courses or conduct research at U.K. Prague shall be subject to the rules, regulations, policies, and practices of U.T. Austin with respect to approvals and arrangements for leaves of absence and related matters. While teaching courses or conducting research at U.K. Prague, U.T. Austin faculty shall be subject to the rules, regulations, policies, and practices of U.K. Prague. Financial arrangements for such faculty shall be determined by U.K. Prague.

c. U.K. Prague faculty invited to teach courses or conduct research at U.T. Austin shall be subject to the rules, regulations, policies, and practices of U.K. Prague with respect to approvals and arrangements for leaves of absence and related matters. While teaching courses or conducting research at U.T. Austin, U.K. Prague faculty shall be subject to the rules, regulations, policies, and practices of U.T. Austin. Financial arrangements for such faculty shall be determined by U.T. Austin.

III. Short-term or extended formal study in either institution's graduate programs by students from the other institution is another intended activity under this agreement.

a. All regular requirements for admission to U.T. Austin programs must be met by U.K. Prague students desiring to study at U. T. Austin. These requirements include satisfactory TOEFL (Test of English as a Foreign Language) and GRE (Graduate Record Exam) scores.

b. The usual requirements for admission to U.K. Prague must be met by U.T. Austin students desiring to study at the U.K. Prague.

c. After being approved by the U.K. Prague coordinator for this agreement, U.K. Prague student applications for admission to U.T. Austin should be sent - with all required supporting documents, materials, and fees - directly

AGREEMENT OF COOPERATION
UT AUSTIN/U.K. PRAGUE

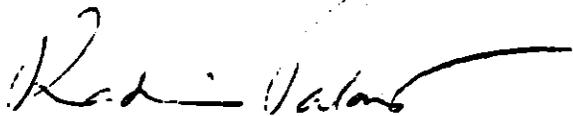
to the U.T.Austin Office of Admissions. U.K.Prague students who enroll in U.T. Austin are responsible for the payment of all regular tuition, fees, and other costs normally borne by foreign students attending U.T.Austin. The U.T.Austin coordinator for this agreement should be advised by the U.K. Prague coordinator of any such U.K. Prague student applications so that the U.T.Austin coordinator can monitor the status of the applications.

d. After being approved by the U.T.Austin coordinator for this agreement, U. T. Austin student applications for admission to U.K.Prague should be sent - with all required supporting documents, materials, and fees - directly to the U.K.Prague coordinator, who will monitor the status of the applications.

IV. The scope of activities under this agreement shall be determined by the funds regularly available at both institutions for the types of collaboration undertaken and by financial assistance as may be obtained by either university from external sources.

V. Upon approval by each institution, this agreement shall remain in effect until terminated by either institution. Such termination by one institution shall be effected by giving the other institution at least ninety days advance notice of the intention to terminate. Termination shall be without penalty. If this agreement is terminated, U.T.Austin and U.K.Prague agree not to hold the other institution liable for any monetary or other losses which may result.

VI. In witness whereof each of the parties hereto has caused this agreement to be executed by its proper officer.



Prof.PhDr. Radim Palouš
Rector
Univerzita Karlova
Czechoslovakia

Dr.William H.Cunningham
President
The University of Texas at Austin
The United States of America

Date

Date

AGREEMENT OF COOPERATION
BETWEEN
THE UNIVERSITY OF TEXAS AT AUSTIN (U.S.A.)
AND
HAN NAM UNIVERSITY (TAEJON, KOREA)

The University of Texas at Austin (hereafter referred to as "U.T.Austin"), through the Lyndon B. Johnson School of Public Affairs, and the Han Nam University (hereafter referred to as HNU), through the Dept. of Public Administration, enter into an agreement of cooperation to establish a program of exchange and collaboration in areas of interest and benefit to both institutions. All cooperative programs undertaken through this agreement shall be subject to approval by the appropriate officials of U.T.Austin and HNU and shall be in accordance with the laws of the respective countries.

STIPULATIONS

- I. The Presidents of U.T.Austin, and HNU, shall each designate a coordinator to oversee and facilitate the implementation of this agreement. These two coordinators, working with other appropriate academic administrators at the respective universities, shall have the following responsibilities:
- a. to promote academic collaboration at both faculty and graduate student levels for research, study, and discussion;
 - b. to identify/define areas of possible interest and collaboration;
and
 - c. to distribute to each institution information about the faculty, facilities, research and publications, library materials, and educational resources of the other institution.

II. Exchanges of faculty members between U.T. Austin and the HNU for research, teaching, and other educational purposes is one intended activity under this agreement.

a. The coordinators shall facilitate and encourage the identification of appropriate research projects and institutes, courses, and other opportunities for cooperation.

b. U.T. Austin faculty invited to teach courses or conduct research at HNU shall be subject to the rules, regulations, policies, and practices of U.T. Austin with respect to approvals and arrangements for leaves of absence and related matters. While teaching courses or conducting research at HNU, U.T. Austin faculty shall be subject to the rules, regulations, policies, and practices of HNU financial arrangements for such faculty shall be determined by HNU.

c. HNU faculty invited to teach courses or conduct research at U.T. Austin shall be subject to the rules, regulations, policies, and practices of HNU with respect to approvals and arrangements for leaves of absence and related matters. While teaching courses or conducting research at U.T. Austin, HNU faculty shall be subject to the rules, regulations, policies, and practices of U.T. Austin. Financial arrangements for such faculty shall be determined by U.T. Austin.

III. Short-term or extended formal study in either institution's graduate programs by students from the other institution is another intended activity under this agreement.

- a. All regular requirements for admission to U.T. Austin programs must be met by HNU students desiring to study at U.T. Austin. These requirements include satisfactory TOEFL (Test of English as a Foreign Language) and GRE (Graduate Record Exam).
 - b. The usual requirements for admission to HNU must be met by U.T. Austin students desiring to study at the HNU.
 - c. After being approved by the HNU coordinator for this agreement, HNU student applications for admission to U.T. Austin should be sent - with all required supporting documents, materials, and fees - directly to the U.T. Austin Office of Admissions. HNU students who enroll in U.T. Austin are responsible for the payment of all regular tuition, fees, and other costs normally borne by foreign students attending U.T. Austin. The U.T. Austin coordinator for this agreement should be advised by the HNU coordinator of any such HNU student applications so that the U.T. Austin coordinator can monitor the status of the applications.
 - d. After being approved by the U.T. Austin coordinator for this agreement, U.T. Austin student applications for admission to the HNU should be sent - with all required supporting documents, materials, and fees - directly to the HNU coordinator, who will monitor the status of the applications.
- IV. The scope of activities under this agreement shall be determined by the funds regularly available at both institutions for the types of collaboration undertaken and by financial assistance as may be obtained by either university from external sources.

Agreement of Cooperation
U.T. Austin/HNU

- 4 -

V. Upon approval by each institution, this agreement shall remain in effect until terminated by either institution. Such termination by one institution shall be effected by giving the other institution at least ninety days advance notice of the intention to terminate. Termination shall be without penalty. If this agreement is terminated, U.T. Austin and HNU agree not to hold the other institution liable for any monetary or other losses which may result.

VI. In witness whereof, each of the parties hereto has caused this agreement to be executed by its proper officer.

Young Key Park
Dean, College of
Law and Political
Science, Han Nam
University,
Taejon, Korea
June 12, 1990

Max Ferman
Dean
Jaydon B. Johnson
School of Public Affairs
June 12, 1990

Agreement of Cooperation
U.T. Austin/HNU

- 5 -

EXECUTED by the Board of Regents of The University of Texas System and the Han Nam University, Taejon, Korea on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

THE UNIVERSITY OF TEXAS AT AUSTIN

BY: _____
William H. Cunningham

TITLE: President

HAN NAM UNIVERSITY, TAEJON, KOREA

BY: _____

TITLE: _____

FORM APPROVED:

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

Office of General Counsel

BY: _____
James P. Duncan
Executive Vice Chancellor for
Academic Affairs

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the _____ day of _____, 1990 and that the person whose signature appears above is authorized to execute such agreement on behalf of the Board.

Executive Secretary, Board of Regents
The University of Texas System

**EXCHANGE AGREEMENT BETWEEN
THE UNIVERSITY OF TEXAS AT AUSTIN (U.S.A.)
AND
KYUNG HEE UNIVERSITY (KOREA)**

The University of Texas at Austin (hereafter referred to as "U.T. Austin"), through the Lyndon B. Johnson School of Public Affairs, and Kyung Hee University (hereafter referred to as "K.H.U."), through the Graduate Institute of Peace Studies, enter into an agreement of cooperation to establish a program of exchange and collaboration in areas of interest and benefit to both institutions. All cooperative programs undertaken through this agreement shall be subject to approval by the appropriate officials of U.T. Austin and K.H.U. and shall be in accordance with the laws of the respective countries.

STIPULATIONS

I. The Presidents of U.T. Austin and K.H.U. shall each designate a coordinator to oversee and facilitate the implementation of this agreement. These two coordinators, working with other appropriate academic administrators at the respective universities, shall have the following responsibilities:

- a. to promote academic collaboration at both faculty and graduate student levels for research, study, and discussion;
- b. to identify/define areas of possible interest and collaboration; and
- c. to distribute to each institution information about the faculty, facilities, research and publications, library materials, and educational resources of the other institution.

II. Exchange of faculty members between U.T. Austin and K.H.U. for research, teaching, and other educational purposes is one intended activity under this agreement.

- a. The coordinators shall facilitate and encourage the identification of appropriate research projects and institutes, courses, and other opportunities for cooperation.
- b. U.T. Austin faculty invited to teach courses or conduct research at K.H.U. shall be subject to the rules, regulations, policies, and practices of U.T. Austin with respect to approvals and arrangements for leaves of absence and related matters. While teaching courses or conducting research at K.H.U., U.T. Austin faculty shall be subject to the rules, regulations, policies, and practices of K.H.U. Financial arrangements for such faculty shall be determined by K.H.U.
- c. K.H.U. faculty invited to teach courses or conduct research at U.T. Austin shall be subject to the rules, regulations, policies, and practices of K.H.U. with respect to approvals and arrangements for leaves of absence and related matters. While teaching courses or conducting research at U.T. Austin, K.H.U. faculty shall be subject to the rules, regulations, policies, and practices of U.T. Austin. Financial arrangements for such faculty shall be determined by U.T. Austin.

III. Short-term extended formal study in either institution's graduate programs by students from the other institution is another intended activity under this agreement.

- a. All regular requirements for admission to U.T. Austin programs must be met by K.H.U. students desiring to study at U.T. Austin. These requirements include satisfactory TOEFL (Test of English as a Foreign Language) and GRE (Graduate Record Exam).
- b. The usual requirements for admission to K.H.U. must be met by U.T. Austin students desiring to study at K.H.U.
- c. After being approved by the K.H.U. coordinator for this agreement, K.H.U. student applications for admission to U.T. Austin should be sent - with all required supporting documents, materials, and fees - directly to the U.T. Austin Office of Admissions. K.H.U. students who enroll in U.T. Austin are responsible for the payment of all regular tuition, fees, and other costs normally borne by foreign students attending U.T. Austin. The U.T. Austin coordinator for this agreement should be advised by the K.H.U. coordinator of any such K.H. U student applications so that the U.T. Austin coordinator can monitor the status of the applications.
- d. After being approved by the U.T. Austin coordinator for this agreement, U.T. Austin student applications for admission to the K.H.U. should be sent - with all required supporting documents, materials, and fees - directly to the K.H.U. coordinator, who will monitor the status of the applications.

IV. The scope of the activities under this agreement shall be determined by the funds regularly available at both institutions for the types of collaboration undertaken and by financial assistance as may be obtained by either university from external sources.

V. Upon approval by each institution, this agreement shall remain in effect until terminated by either institution. Such termination by one institution shall be effected by giving the other institution at least ninety days advance notice of the intention to terminate. Termination shall be without penalty. If this agreement is terminated, U.T. Austin and K.H.U. agree not to hold the other institution liable for any monetary or other losses which may result.

AGREEMENT OF COOPERATION
U.T. Austin/K.H.U.
Page 3

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

THE UNIVERSITY OF TEXAS AT AUSTIN

BY: _____
William H. Cunningham

TITLE: President

KYUNG HEE UNIVERSITY, KOREA

BY: _____

TITLE: _____

FORM APPROVED:

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

Office of General Counsel

BY: _____
James P. Duncan
Executive Vice Chancellor for
Academic Affairs

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of the University of Texas System on the _____ day of _____, 1990 and that the person whose signature appears above is authorized to execute such agreement on behalf of the Board.

Executive Secretary, Board of Regents
The University of Texas System

5. U. T. Pan American: Recommendation to Approve a Private Fund Development Campaign for Support of an Engineering Program (Regents' Rules and Regulations, Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44) (NO PUBLICITY).--

RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Academic Affairs and President Nevarez that approval be given, pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 2, Subsection 2.4, Subdivision 2.44, for a private fund development campaign in support of engineering programs at U. T. Pan American.

The campaign goal is to raise \$30,000,000 in gifts and grants by the year 2000. The campaign, to be organized in two phases, would raise \$20,000,000 for an engineering building and furnishings by 1996. The second phase, to be conducted between 1996 and 2000, would raise \$10,000,000 for equipment, faculty endowments, and scholarship endowments.

As funds are received, specific project proposals and endowment approvals will be submitted for review and approval by the U. T. Board of Regents as appropriate.

BACKGROUND INFORMATION

U. T. Pan American has received special item funding from the Texas Legislature for development of an engineering program for implementation by 1994 or 1995. Cooperative engineering programs are already underway in conjunction with U. T. San Antonio. It is expected that U. T. Pan American will offer these programs on a stand alone basis in the next few years.

The purpose of the proposed campaign would be to raise approximately \$20,000,000 for support of construction of a building for engineering programs, \$5,000,000 for equipment, \$2,500,000 for faculty endowments, and \$2,500,000 for scholarship endowments.

Significant volunteer leadership from private sector business and industry is expected and a steering committee will be appointed to direct the campaign. The campaign is not expected to be formally announced until approximately \$10,000,000 has been raised or pledged from initial donors.

Success of the campaign is anticipated based on the expressed interest of foundations, corporations, individuals, and government entities in promoting the expansion of science and engineering opportunities for minority students. The strategic location and the predominantly Hispanic student body at U. T. Pan American combine to enhance the interest of these groups in supporting engineering education in the lower Rio Grande Valley.

NO PUBLICITY

6. U. T. San Antonio: Proposed Teaming Agreement with Karta Technology, Inc., San Antonio, Texas.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Kirkpatrick that the U. T. Board of Regents approve the proposed Teaming Agreement set out on Pages AAC 23 - 30 between U. T. San Antonio and Karta Technology, Inc., San Antonio, Texas.

The purpose of this agreement with Karta Technology, Inc., a Texas corporation, is to establish a working team relationship to prepare proposals of mutual interest to the parties for submission to funding sources, including the U. S. government and industry.

BACKGROUND INFORMATION

The proposed agreement has been reviewed and approved by the Office of General Counsel and will become effective upon approval by the U. T. Board of Regents and Karta Technology, Inc. This agreement is similar to a teaming agreement with Rothe Development, Inc., a Texas Corporation, San Antonio, Texas, approved by the U. T. Board of Regents in February 1989.

TEAMING AGREEMENT

THIS AGREEMENT is effective this _____ day of _____, 19____,
between:

KARTA TECHNOLOGY, INC. (hereinafter
(called "KARTA"), a corporation
organized and existing under the laws of
the State of Texas, with offices in
San Antonio,

and

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
(hereinafter referred to as "UTSA"), a
state supported institution of higher
education located in Bexar County, Texas.

1. The intent and purpose of this Agreement, which constitutes the entire agreement between the parties and supersedes any previous understandings, commitments, or agreements, oral or written, which includes all phases of the project (hereinafter called "Project"), is to establish a working team relationship between the parties to join their skills to prepare proposals for submission to government, industrial and other funding sources to obtain the award of contracts for the Project. This is a teaming agreement as contemplated by and subject to limitations in FAR 9.6.
2. KARTA and UTSA will be preparing a proposal(s) in response to the requirements of the Project. It is understood that each party will, in its sole judgment, exert reasonable effort to prepare a proposal(s) which will result in selection by the funding source of KARTA or UTSA as prime contractor and of UTSA or KARTA as the

subcontractor for the Project. Each party will submit its proposal to the other party for the other party's review and comment and approval, which approval shall not be unreasonably withheld. The reviewing party will submit their comments and approval in a timely fashion. Each party agrees to continue to exert such reasonable effort, in its sole judgment, toward this objective throughout any briefings, presentations, and negotiations concerning a proposed contract which may follow the submission of the proposal(s).

It is therefore agreed that UTSA will team with KARTA in proposal efforts for the Project, and that they will assist and cooperate with each other in their efforts to bring about an award of the contract to the team (prime and subcontract).

3. It is agreed that decisions will be made by the proposed investigators from KARTA and UTSA as to who will have responsibility for the preparation of the proposal(s) to the funding source as the prime contractor for a specific project with the other organization serving as a subcontractor. During the term of this Agreement, both KARTA and UTSA shall endeavor to secure the prime contract for the Project.
4. During preparation of each proposal, the organization which agrees to serve as a subcontractor for a project will also agree to furnish reasonable information, data, and will assist in integrating the work to be performed into the proposal for each phase of the Project.

5. The organization which agrees to serve as a subcontractor will also agree to furnish the other with a proposal for the technical, analytic, and engineering services to be provided in support of performance of the Project. This shall include such technical data, program management, and pricing information as may be required by the funding source's solicitation, in sufficient detail to permit accurate costing of a prime contract and negotiation of the subcontract. It is understood that KARTA in cooperation with UTSA will determine the exact form and content of all proposals prior to their submission to the funding source.

6. During proposal preparation and contract negotiations, or prior to award for the Project, the agreed upon prime contractor for the Project may require additions, deletions, or modifications to the proposed subcontract. The agreed upon subcontractor will be notified by the prime contractor of the additions, deletions, or modifications desired to their effort and subject to agreement thereon by the parties, the agreed upon subcontractor will participate in the revisions thereto, including price revisions.

7. In the event of an award to the agreed upon primary contractor for the Project, the primary contractor will offer and the subcontractor will accept the subcontract to perform work and render services negotiated by mutual agreement during the proposal submission process. The subcontract will be a basic agreement, embodying provisions consistent with the prime

contract and those provisions mutually agreed upon. The primary contractor will then issue specific work requirements to the subcontractor in the form of task assignments, as they may arise, against the basic subcontract, and shall contain a Statement of Work, Price, and Schedule.

8. All news releases, public announcements, and publicity releases related to this Project prepared by either KARTA or UTSA shall be in accordance with the terms and approval procedures of the prime contract with the funding source and shall be approved by the other party to this agreement.
9. This Agreement is not intended to constitute, create, give effect to, or otherwise recognize a joint venture, partnership, or formal business entity of any kind, and the rights and obligations of the parties shall be limited to those expressly set forth herein. Nothing herein shall be construed as providing for the sharing of profits or losses arising out of the efforts of either or both parties.

Neither KARTA nor UTSA will be liable to the other for any of the costs, expenses, risks, or liabilities arising out of the other company's effort in connection with preparation of its portion of the proposal, or for the expenses incurred in any precontract presentations required by the funding source. Each party shall act as an independent contractor and not as an agent of the other for any purpose whatsoever, and neither

party shall have any authority to bind the other except as specifically set forth herein.

10. This Agreement may not be assigned or otherwise transferred by either party in whole or in part without the expressed prior written consent of the other party.
11. Except as otherwise stated, this agreement will terminate upon the occurrence of any of the following events:
 - (a) If the funding source notifies the primary contractor that it has been eliminated from consideration for award as prime contractor on any phase of the Project; or
 - (b) If the primary contractor does not receive award of a contract within two years of the proposal for any phase; or
 - (c) If a prime contract for the Project shall be awarded to any company other than the parties to this agreement; or
 - (d) Cancellation or withdrawal by the funding source of the requirements of the project; or (e) If either UTSA or KARTA becomes insolvent or makes a general assignment for the benefit of creditors or if either UTSA or KARTA is adjudged bankrupt, under the bankruptcy Act.
12. UTSA and KARTA agree that as to all inventions which are or may be patentable that are made in the performance of any phase of the Project by one or more employees of one of the parties, the respective employer shall have, subject to any rights of the employee and subject to the rights of the funding source,

exclusive right to file for a patent thereon, and no rights whatsoever under any such resulting issued patent shall accrue to the other party. Rights as to inventions jointly conceived by employees of UTSA and KARTA shall be as mutually agreed upon, and in any event, such inventions shall be jointly used. No license whatsoever, expressed or implied, under any inventions or patents owned by one party shall pass hereunder to the other party.

13. Any notice expressly provided for under the Agreement shall be in writing, shall be either hand carried or given by mail, telegram, radiogram, or cable, and shall be deemed sufficiently given if and when received by the party to be notified at its address set forth below or if and when mailed by registered or certified mail, postage paid, addressed to such party at such address within three days of being sent. Either party may, by notice to the other, change its address for receiving such notice.

If to KARTA: Karta Technology, Inc.
1892 Grandstand
San Antonio, TX 78238
Attn: Dr. G.P. Singh

If to UTSA: The University of Texas at San Antonio
Office of Sponsored Projects
San Antonio, Texas 78285
Attn: Carol Hollingsworth

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

15. This Agreement shall become effective upon the approval and execution by the Board of Regents of The University of Texas System and an appropriate officer of Karta who has been delegated the authority to approve such agreements on behalf of the corporation. If so executed, this Agreement shall continue in effect for an initial term of five (5) years after the date and year first above written, and after such initial term shall continue in effect from year to year unless one party shall have given one hundred and eighty (180) days prior written notice to the other party of intention to terminate this Agreement. This Agreement and any specific project or grant contracts executed pursuant thereto shall terminate for all purposes one hundred and eighty (180) days after such notice is given.

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

THE UNIVERSITY OF TEXAS AT
SAN ANTONIO

ATTEST: _____

BY: _____

TITLE: _____

KARTA TECHNOLOGY INC.

ATTEST: _____

BY: _____

TITLE: _____

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

BY: _____

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the ____ day of _____, 19__, and that the person whose signature appears above is authorized to execute such agreement on behalf of the Board.

Executive Secretary, Board of Regents
The University of Texas System

Health Affairs Committee

HEALTH AFFAIRS COMMITTEE
Committee Chairman Blanton

Date: December 6, 1990
Time: Following the meeting of the Academic Affairs
Committee
Place: Conference Rooms A & B, Tenth Floor
R. Lee Clark Clinic Building
U. T. M.D. Anderson Cancer Center

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1. U. T. Southwestern Medical Center - Dallas: Proposed Appointment to the George L. MacGregor Distinguished Chair in Biomedical Science Effective Immediately.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that Samuel M. McCann, M.D., Professor of Physiology and Chairman of the Department of Physiology, be appointed as initial holder of the George L. MacGregor Distinguished Chair in Biomedical Science at the U. T. Southwestern Medical Center - Dallas effective immediately.

This appointment is contingent upon the establishment of the Chair as proposed in Item 17 on Page L&I - 19.

BACKGROUND INFORMATION

Dr. McCann has been Chairman of the Department of Physiology at U. T. Southwestern Medical Center - Dallas since 1965. Prior to his appointment at U. T. Southwestern Medical Center - Dallas, he served as Acting Chairman and Professor of Physiology at the University of Pennsylvania School of Medicine, Philadelphia, Pennsylvania. He was elected to the National Academy of Sciences in 1983 and is one of the world's leading researchers in neuropeptides.

2. U. T. Health Science Center - San Antonio: Proposed Appointment to the Alice P. McDermott Distinguished University Chair in Molecular Medicine Effective Immediately.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that Wen-Hwa Lee, Ph.D., be appointed as initial holder of the Alice P. McDermott Distinguished University Chair in Molecular Medicine at the U. T. Health Science Center - San Antonio effective immediately.

BACKGROUND INFORMATION

Dr. Lee, a world-renowned molecular biologist, has accepted the position as Director of the Institute of Biotechnology at the U. T. Health Science Center - San Antonio. His research field is the study of human cancers, particularly retinoblastomas, which are tumors found in the eyes of infants. His laboratory was the first to isolate a human cancer gene of any kind. Prior to accepting the position at the U. T. Health Science Center - San Antonio, Dr. Lee served as Professor in the Department of Pathology at the University of California School of Medicine in San Diego.

His acceptance of the directorship of the Institute of Biotechnology heralds an era of continuing growth and excellence for the U. T. Health Science Center - San Antonio and expands the University's capacity and opportunity to become a center of national significance in the study of human cancers.

See Item 23 on Page L&I - 23 related to this Chair.

3. U. T. Health Science Center - San Antonio: Recommendation to Establish the Dental School Advisory Council and Proposed Nominees Thereto (NO PUBLICITY UNTIL ACCEPTANCES ARE RECEIVED).--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that the Dental School Advisory Council be established at the U. T. Health Science Center - San Antonio pursuant to the Regents' Rules and Regulations, Part One, Chapter VII, Section 3, and the names set forth below be approved as the initial nominees to membership:

THE UNIVERSITY OF TEXAS
HEALTH SCIENCE CENTER AT SAN ANTONIO

Recommended Appointments to Membership

Dental School Advisory Council

a. Membership

Authorized	<u>None</u>	Recommended	<u>30</u>
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b. Reappointments

None

c. New Appointments

For one-year term ending 1991

Ms. Nancy Bowman, San Antonio, Business:
Administrator for Department of Aging,
Department of Human Resources and Services
Reeves Smith, D.D.S., San Antonio, Business:
Retired
Mr. Lionel Sosa, San Antonio, Business:
President, Sosa and Associates

For two-year term ending 1992

James Bauerle, D.D.S., San Antonio, Business:
Oral Surgeon
Mr. Mark Kilpatrick, San Antonio, Business:
Managing Editor, San Antonio Express-News
Ms. Maria Elena Torralva, San Antonio,
Business: Director of Community Relations,
San Antonio Light

For three-year term ending 1993

Mr. Michael Beldon, San Antonio, Business:
President, Beldon Roofing & Remodeling
Mr. Mike De La Garza, San Antonio, Business:
Director of Public Affairs, H. E. Butt
Grocery Company
Ms. Harriet Marmon, San Antonio, Business:
Marketing Director, Price Waterhouse
Ted Olmquist, D.D.S., San Antonio, Business:
Chief of Dental Services, Wilford Hall
Medical Center
Dr. Louis Tomaino (DSW), San Antonio,
Business: Professor of Social Work, Our
Lady of the Lake University

d.	Unfilled Terms	<u>Term Expires</u>
	19	(To be determined as filled)

BACKGROUND INFORMATION

The objectives for the advisory council shall be as follows:

- a. It shall participate as needed to help create understanding and support of the Dental School.
- b. It shall provide assistance in helping the Dean meet the future needs of The University of Texas Dental School at San Antonio.
- c. It shall promote Dental School activities and serve as an advocate in the community, state, and nation.
- d. It shall help plan events to raise annual funds for the Dental School.

In accordance with usual procedures, no publicity will be given to these nominations until acceptances are received and reported for the record at a subsequent meeting of the U. T. Board of Regents.

4. U. T. M.D. Anderson Cancer Center: Recommendation to Formally Recognize the 50th Anniversary.--

Committee Chairman Blanton will recommend an appropriate action by the Board of Regents to recognize the 50th Anniversary of the U. T. M.D. Anderson Cancer Center.

INFORMATIONAL ITEM

U. T. Health Science Center - Houston and U. T. M.D. Anderson Cancer Center: Report of the Houston Inter-Institutional Coordination Committee (HICC).--

Executive Vice Chancellor for Health Affairs Mullins and representatives of the two Houston components will report on the activities and progress of the Houston Inter-Institutional Coordination Committee (HICC).

Finance and Facilities Committee

FINANCE AND FACILITIES COMMITTEE
Committee Chairman Moncrief

Date: December 6, 1990
Time: Following the meeting of the Health Affairs Committee
Place: Conference Rooms A & B, Tenth Floor
R. Lee Clark Clinic Building
U. T. M.D. Anderson Cancer Center

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2. U. T. Arlington - Replacement of Second
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4. U. T. Health Science Center - San
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5. U. T. M.D. Anderson Cancer Center (U. T. M.D. Anderson Science Park) - Research Laboratory Expansion (Project No. 703-668): Recommendation to Waive the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1 (Naming of Buildings) and to Name the Research Laboratory Expansion Building; and Approval of Plaque Inscription 9
6. U. T. Austin - Air-Conditioning of Andrews, Brackenridge, Carothers, Littlefield, Prather, and Roberts Dormitories: Request for Project Authorization; Approval to Initiate Phase I; Appointment of Project Engineer; Authorization for Submittal to Coordinating Board; Authorization for U. T. Austin to Manage Project and Award Contracts on Phase I; and Appropriation for Phase I 10

III. INFORMATIONAL ITEM

- U. T. System: Report on the Process to Update the Capital Improvement Program 10

I. FINANCE MATTER

U. T. System: Recommendation to Approve Chancellor's Docket No. 55.--

RECOMMENDATION

It is recommended that Chancellor's Docket No. 55 be approved.

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

II. FACILITIES MATTERS

1. U. T. Arlington - Science Building Phase I Expansion (Project No. 301-706): Presentation of Preliminary Plans for Phase I and a Master Plan for Phase II; Authorization to Submit Phase I Project to Coordinating Board; and Authorization to Prepare Final Plans for Phase I.--

RECOMMENDATION

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

- a. Approve the preliminary plans and specifications for the Science Building Phase I Expansion at U. T. Arlington at an estimated total project cost of \$12,500,000, and receive for information the master plan for Phase II
- b. Authorize submission of the Phase I project to the Texas Higher Education Coordinating Board
- c. Authorize the Project Architect to prepare final plans and specifications for Phase I to be presented to the U. T. Board of Regents for consideration at a future meeting.

BACKGROUND INFORMATION

At the December 1989 meeting, the U. T. Board of Regents authorized a project for Expansion of the Science Building at U. T. Arlington within an estimated total project cost of \$12,500,000 for Phase I. In accordance with that authorization, the Project Architects, Vestal, Loftis, Kalista Architects, Inc., Arlington, Texas, have

completed preliminary plans and cost estimates for a new Phase I facility of 50,000 gross square feet within a master plan that allows for expansion in future phases to a facility of approximately 168,000 gross square feet.

Phase I will contain teaching and research laboratories and faculty office space primarily for the Department of Chemistry. It will also provide limited renovation of the existing Science Building to correct major deficiencies in mechanical and fume hood systems and renovated laboratory space for the Department of Physics.

Master planning, programming, and site evaluations indicate that future phasing plans will accommodate approximately 118,000 additional gross square feet of expansion to include additional teaching and research laboratories and faculty office space for chemistry as well as shared classroom and additional renovation of the older Science Building for physics resulting in a modern Science Building Complex.

The estimated total project cost of Phase I is \$12,500,000. The Phase I project is included in the U. T. System Capital Improvement Program approved in June 1989 and the FY 1990 Capital Budget approved in August 1989 by the U. T. Board of Regents.

2. U. T. Arlington - Replacement of Second Street Utility Tunnel: Request for Project Authorization, Appointment of Project Engineer to Prepare Preliminary Plans, and Appropriation Therefor.--

RECOMMENDATION

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

- a. Authorize a project for the replacement and extension of the Second Street Utility Tunnel at U. T. Arlington at an estimated total project cost of \$3,450,000 to be financed from General Use Fee Balances, Revenue System Proceeds backed by General Use Fee Balances, and/or Permanent University Fund Bond Proceeds, and revise the U. T. System Capital Improvement Program to include this project
- b. Appoint the firm of Friberg Associates, Inc., Fort Worth, Texas, as Project Engineer to prepare preliminary plans and a detailed cost estimate to be presented to the U. T. Board of Regents at a future meeting
- c. Appropriate \$95,000 from Unappropriated General Use Fee Balances to cover professional fees and administrative expenses through completion of preliminary plans.

BACKGROUND INFORMATION

The proposed project would replace a 950 foot utility tunnel, extend that tunnel to the new thermal energy plant, and provide a connecting tunnel to the site of the new Science Building. The new tunnel would be 2,000 feet long.

The 950 foot, forty-five year old Second Street utility tunnel near the site for the proposed Science Building should be replaced as soon as possible. The tunnel has shifted in places causing the steam pipe and pipe supports to displace, resulting in stress to these members which will eventually result in pipe and/or pipe support failure. Ultrasonic tests of the pipe within the tunnel indicate that a reduction of between 21% and 51% of the original pipe wall thickness has occurred. The maximum allowable under ASME/ANSI B 31.6 Standards is 12.5%. Thinness of the pipe walls and the stress on the pipe due to tunnel shifting create a hazard, especially to personnel who may need to enter the tunnel for maintenance work. As a result, the current pipe is unsafe and probably needs to be replaced within one to three years.

In addition to causing unsafe tunnel conditions, ground-shifting has caused the direct-buried chilled water lines serving Ransom and Preston Halls to rupture several times in recent years. The proposed new tunnel would permit replacing the steam lines in the existing tunnel and the direct-buried chilled water lines. The new tunnel also would provide both steam and chilled water connections to the new Science Building and, by completing an existing service loop, permit service to several buildings from two directions. The new tunnel would also provide capacity for future campus expansion.

If the project is deferred until a later date, it will be necessary to make a connection between Science Building Phase I and the central utility plant at a cost estimated to exceed \$400,000. By completing a conceptual design for both phases of the Science Building, it has become apparent that a more cost effective solution is to complete this proposed tunnel replacement simultaneously with construction of Science Building Phase I, thereby serving the Science Building with permanent connections while meeting other needs.

In making a connection to the central utilities plant, there is also substantial risk to the central telephone trunk line and Ethernet computer connections. If those lines are severed, U. T. Arlington could be without telephone service for a period of ten days to two weeks. Construction of the tunnel at this time eliminates the need for the utility connection between Science Building Phase I and the central utility plant and, consequently, eliminates the risk of severing telephone and Ethernet lines. It would also eliminate the risk of a high pressure steam line rupturing in the existing tunnel.

Because of their familiarity with the U. T. Arlington campus and the quality of work performed by the company on previous occasions, it is proposed that the engineering firm of Friberg Associates, Inc., Fort Worth, Texas, be appointed Project Engineer for this project.

The total project cost is estimated at \$3,450,000. Unappropriated General Use Fee Balances are proposed to cover the professional fees and administrative expenses associated with completion of preliminary plans. Total project cost may be

funded from General Use Fee Balances, System Revenue Proceeds backed by General Use Fee Balances, and/or Permanent University Fund Bond Proceeds. The final decision on funding of total project cost will be made as a part of the comprehensive revision of the U. T. System Capital Improvement Program and will depend in part on the projected schedule of payments for both this project and Science Building Phase I.

3. U. T. Austin - Parking Garage No. 2: Request for Project Authorization; Appointment of Project Architect/Engineer to Prepare Preliminary Plans; Authorization to Submit to Coordinating Board and Appropriation Therefor.--

RECOMMENDATION

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

- a. Authorize a project for construction of Parking Garage No. 2 at U. T. Austin within a total project cost of \$4,733,606
- b. Appoint a Project Architect/Engineer from the list set forth on Page F&F - 7 to prepare preliminary plans and a detailed cost estimate to be presented to the U. T. Board of Regents at a later date
- c. Authorize submission of the project to the Texas Higher Education Coordinating Board
- d. Appropriate \$120,000 from Auxiliary Enterprise Balances for professional fees and administrative expenses through completion of preliminary plans.

BACKGROUND INFORMATION

At the February 1990 meeting, authorization was given for U. T. Austin to purchase a parcel of land to complete the site for Parking Garage No. 2. The location is one block west of the main campus and will include Parking Lot No. 28, southwest of Walter Webb Hall on San Antonio and Nueces Streets.

The garage is expected to be six levels and will accommodate over 650 parking spaces, depending on the final design. It will be used primarily for faculty and staff parking to ease the parking shortage on the west side of the campus where only 546 parking spaces are available in an area of the campus that has over 4,000 employees eligible for parking permits.

The total project cost is estimated at \$4,733,606 with \$3,000,000 to be financed by revenue bonds to be amortized from campus parking system revenues and \$1,733,606 from Auxiliary Enterprise Balances. This project was authorized in the June 1989 Capital Improvement Program at an estimated cost of \$4,015,000. Approval of this request will amend that authorization to the increased amount.

List of Architect/Engineer Firms for Consideration

John S. Chase, F.A.I.A. Architects, Inc.
in association with
Walter P. Moore and Associates, Inc. Engineers
Houston, Texas

Jose I. Guerra, Inc. Engineers
in association with
Graeber, Simmons & Cowan Architects
Austin, Texas

Jessen Inc. Architects
in association with
Datum Engineering, Inc.
Austin, Texas

4. U. T. Health Science Center - San Antonio - Research Building (Project No. 402-666): Recommendation to Waive the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1 (Naming of Buildings) and to Name the Research Building; and Approval of Plaque Inscription (NO PUBLICITY).--

RECOMMENDATION

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

- a. Waive the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1, requiring that persons to be honored with the naming of a building "shall have been deceased at least five years," and name the Research Building at the U. T. Health Science Center - San Antonio the "Robert F. McDermott Clinical Science Building"

This recommendation requires the concurrence of the Health Affairs Committee.

- b. Approve the inscription set out on Page F&F - 8 for a plaque to be placed on the building. The inscription follows the standard pattern approved by the U. T. Board of Regents in June 1979.

ROBERT F. McDERMOTT
CLINICAL SCIENCE BUILDING
1989

BOARD OF REGENTS

Louis A. Beecherl, Jr., Chairman	Hans Mark
Sam Barshop, Vice-Chairman	Chancellor, The University of Texas System
Bill Roden, Vice-Chairman	John P. Howe, III, M.D.
Jack S. Blanton	President, The University of Texas Health Science Center at San Antonio
Robert J. Cruikshank	
Tom Loeffler	
W. A. "Tex" Moncrief, Jr.	
Mario E. Ramirez, M.D.	
Shannon H. Ratliff	Marmon, Barclay, Souter, Foster, Hays Project Architect Lyda, Inc. Contractor

BACKGROUND INFORMATION

At the April 1989 meeting, the U. T. Board of Regents awarded a construction contract for the Research Building at the U. T. Health Science Center - San Antonio. The construction of this facility is now well underway and completion is expected in mid-1991.

General Robert F. McDermott is a graduate of the West Point Military Academy and the Harvard Graduate School of Business. He joined the faculty at West Point and later moved to the new United States Air Force Academy where he became the first permanent Dean of the Faculty. General McDermott merits the accolade "Father of the Modern Military Education" due to academic changes he initiated which are said to have revolutionized the educational process at West Point, Annapolis, and the Air Force Academy. Among his educational affiliations have been U. T. Health Science Center - San Antonio Development Board; U. T. San Antonio Development Board; Board of Trustees, St. Mary's University; Advisory Council, Trinity University; Board of Visitors, U.S.A.F. Academy; and Board of Trustees, U. S. Military Academy. He holds five honorary doctoral degrees.

General McDermott's contributions to the economic development of San Antonio in general, and to the biotechnology industry in particular, have been enormous. He is a past president of the Greater San Antonio Chamber of Commerce. He was founder of the Economic Development Foundation and the Texas Research and Technology Foundation which he still heads as Chairman. He was a leader in the development of undergraduate and graduate programs in the sciences and engineering at U. T. San Antonio and thereby played a key role in establishing the Texas Research Park and a strong program in biotechnology. He has been the recipient of dozens of prestigious awards for his business and civic contributions and currently holds the position of Chairman and Chief Executive Officer of United Services Automobile Association, San Antonio, Texas.

NO PUBLICITY

5. U. T. M.D. Anderson Cancer Center (U. T. M.D. Anderson Science Park) - Research Laboratory Expansion (Project No. 703-668): Recommendation to Waive the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1 (Naming of Buildings) and to Name the Research Laboratory Expansion Building; and Approval of Plaque Inscription.--

RECOMMENDATION

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

- a. Waive the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.1, requiring that persons to be honored with the naming of a building "shall have been deceased at least five years," and name the Research Laboratory Expansion at the U. T. M.D. Anderson Science Park Research Division at Smithville of the U. T. M.D. Anderson Cancer Center the "Ralph and Lillian Meadows Molecular Biology Research Facility"
- b. Approve the inscription set out below for a plaque to be placed on the building. The inscription follows the standard pattern approved by the U. T. Board of Regents in June 1979.

RALPH AND LILLIAN MEADOWS
MOLECULAR BIOLOGY RESEARCH FACILITY
1990

BOARD OF REGENTS

Louis A. Beecherl, Jr., Chairman	Hans Mark
Sam Barshop, Vice-Chairman	Chancellor, The University of Texas System
Bill Roden, Vice-Chairman	Charles A. LeMaistre
Jack S. Blanton	President, The University of Texas M.D. Anderson Cancer Center
Robert J. Cruikshank	
Tom Loeffler	
W. A. "Tex" Moncrief, Jr.	
Mario E. Ramirez, M.D	
Shannon H. Ratliff	Coffee, Crier & Schenck Project Architect Templeton Construction Company Contractor

BACKGROUND INFORMATION

At the December 1987 meeting, the U. T. Board of Regents authorized the construction of an additional laboratory building at the Research Division of the U. T. M.D. Anderson Science Park at Smithville.

The Board appropriated a total of \$4.0 million for this project of which \$2.0 million was to come from institutional reserves, \$1.0 million from donated capital and \$1.0 million from a trust established by Ralph and Lillian Meadows of Columbus, Texas.

The construction of this facility is now well underway and completion is expected in the spring of 1991. In recognition of the generous contribution made by Mr. and Mrs. Meadows, it is recommended that the Board approve the naming of this new facility as the "Ralph and Lillian Meadows Molecular Biology Research Facility." This will be a fitting memorial to these individuals, who during their lifetimes were such ardent supporters of the research activities at the Science Park. The U. T. M.D. Anderson Cancer Center has also been named as a charitable beneficiary in the Wills of both Mr. and Mrs. Meadows for the benefit of the Research Division of the Science Park.

6. U. T. Austin - Air-Conditioning of Andrews, Brackenridge, Carothers, Littlefield, Prather, and Roberts Dormitories: Request for Project Authorization; Approval to Initiate Phase I; Appointment of Project Engineer; Authorization for Submittal to Coordinating Board; Authorization for U. T. Austin to Manage Project and Award Contracts on Phase I; and Appropriation for Phase I.--

A recommendation regarding the most effective and efficient phasing of this project is being developed and will be mailed to the Board in advance of the meeting.

III. INFORMATIONAL ITEM

U. T. System: Report on the Process to Update the Capital Improvement Program.--

Chancellor Mark will report on the process being utilized to present the updated Capital Improvement Program to the U. T. Board of Regents for consideration at the February 1991 meeting.

FINANCE AND FACILITIES COMMITTEE

SUPPLEMENTAL MATERIAL

December 6, 1990

6. U. T. Austin - Air-Conditioning of Andrews, Brackenridge, Carothers, Littlefield, Prather, and Roberts Dormitories: Request for Project Authorization; Approval to Initiate Phase I; Appointment of Project Engineer; Authorization to Submit to Coordinating Board; Authorization for U. T. Austin to Manage Project and Award Contracts on Phase I; and Appropriation for Phase I.--

RECOMMENDATION

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

- a. Authorize a project to air-condition and replace windows in Andrews, Brackenridge, Carothers, Littlefield, Prather, and Roberts Dormitories at U. T. Austin at an estimated combined total project cost of \$6,150,000
- b. Authorize the initiation of Phase I, air-conditioning and replacement of windows in Carothers, Littlefield, and Prather Dormitories, at an estimated combined total project cost of \$3,750,000
- c. Appoint a Project Engineer from the list set forth on Page F&F - 10b to prepare final plans and specifications
- d. Authorize submission of the project to the Texas Higher Education Coordinating Board
- e. Authorize U. T. Austin Administration to manage this project in consultation with the Office of Facilities Planning and Construction. Upon completion of final review and approval of the Coordinating Board, authorize U. T. Austin to advertise for bids and award all contracts and complete all work on Phase I with its own forces or through contract services as required within the authorized total project cost.
- f. Appropriate \$3,750,000 from Housing and Food Service Reserves for Phase I total project funding.

BACKGROUND INFORMATION

In the Spring of 1990, the U. T. Austin Housing Division observed a significant decline in applications for unair-conditioned dormitory spaces, spaces which historically have been in relatively high demand because of their lower rental rates. With the assistance of a consulting engineer, the technical and economic feasibility of installing air-conditioning in the six remaining unair-conditioned dormitories was established during the Summer of 1990. The six dormitories are the only ones on campus that are not air-conditioned. They range in date of initial occupancy from 1927 to 1937. All are structurally sound and, if provided with air-conditioning, suitable for continued occupancy for many years.

The work involves replacement of existing windows with more efficient windows and the installation of a piping system to connect the dormitories to the central chilling plant as well as installation of air-conditioning equipment in the dormitories. The first phase of the work will replace windows and air-condition Littlefield, Carothers, and Prather Dormitories and install the piping system necessary to serve all six buildings. This first phase is to be completed by the end of Summer 1991. The timing and approach recommended for this project is based on the desire to complete the conversion process with minimum disruption to current occupants and to achieve completion as quickly as possible.

After the first phase of this project is completed, rates will be raised to be comparable to those for other air-conditioned dormitory space. The demand for unair-conditioned space will then be reassessed prior to requesting approval to proceed with the final phase.

Because of the effect on power generation and utility distribution systems, it is important that this work be coordinated with the energy conservation projects already completed and those now in progress. This is the primary reason for requesting approval for U. T. Austin Administration to manage the project in consultation with the Office of Facilities Planning and Construction.

The estimated total project cost for air-conditioning the six dormitories is \$6,150,000 and will be financed from Housing and Food Service Reserves. Phase I estimated total project cost is \$3,750,000. Approval of this project will amend the current Capital Improvement Program and the FY 1991 Capital Budget.

List of Engineering Firms for Consideration:

Energy Engineering Associates, Inc., Austin, Texas

Gerling-Thomas-Ward, Inc., Austin, Texas

O'Connell, Robertson & Associates, Austin, Texas

Land and Investment Committee

LAND AND INVESTMENT COMMITTEE
Committee Chairman Ratliff

Date: December 6, 1990
Time: Following the meeting of the Finance and
Facilities Committee
Place: Conference Rooms A & B, Tenth Floor
R. Lee Clark Clinic Building
U. T. M.D. Anderson Cancer Center

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I. PERMANENT UNIVERSITY FUND

INVESTMENT MATTERS

1. Report on Clearance of Monies to the Permanent University Fund for September and October 1990 and Report on Oil and Gas Development as of October 31, 1990.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for September and October 1990 and (b) Oil and Gas Development as of October 31, 1990, are submitted by the Vice Chancellor for Business Affairs:

	<u>September 1990</u>	<u>October 1990</u>	<u>Cumulative Through October of this Fiscal Year (1990-1991)</u>	<u>Cumulative Through October of Preceding Fiscal Year (1989-1990)</u>	<u>Per Cent Change</u>
Permanent University Fund					
Royalty					
Oil	\$4,416,826.25	\$ 6,164,702.38	\$10,581,528.63	\$ 8,335,697.31	26.94%
Gas	1,828,185.00	1,763,045.53	3,591,230.53	3,187,734.28	12.66%
Sulphur	0.00	0.00	0.00	37,816.75	--
Water	79,891.68	62,235.05	142,126.73	192,831.13	-26.29%
Brine	3,091.73	8,143.80	11,235.53	11,375.90	-1.23%
Trace Minerals	0.00	0.00	0.00	0.00	--
Rental					
Oil and Gas Leases	51,615.04	116,604.78	168,219.82	460,837.46	-63.50%
Other	300.00	600.00	900.00	1,300.00	--
Sale of Sand, Gravel, Etc.	6,389.75	0.00	6,389.75	0.00	--
Total University Lands Receipts Before Bonuses	<u>6,386,299.45</u>	<u>8,115,331.54</u>	<u>14,501,630.99</u>	<u>12,227,592.83</u>	<u>18.60%</u>
Bonuses					
Oil and Gas Lease Sales	0.00	0.00	0.00	0.00	--
Amendments and Extensions to Mineral Leases	<u>0.00</u>	<u>23,106.44</u>	<u>23,106.44</u>	<u>0.00</u>	<u>--</u>
Total University Lands Receipts	6,386,299.45	8,138,437.98	14,524,737.43	12,227,592.83	18.79%
Gain or (Loss) on Sale of Securities	<u>383,953.22</u>	<u>(31,727,390.04)</u>	<u>(31,343,436.82)</u>	<u>12,580,529.56</u>	<u>--</u>
TOTAL CLEARANCES	<u>\$6,770,252.67</u>	<u>(\$23,588,952.06)</u>	<u>(\$16,818,699.39)</u>	<u>\$24,808,122.39</u>	<u>-167.80%</u>

Oil and Gas Development - October 31, 1990

Acreage Under Lease - 661,964

Number of Producing Acres - 537,981

Number of Producing Leases - 2,143

2. Permanent University Fund: Report on Investments for the Fiscal Year Ended August 31, 1990.--

RECOMMENDATION

Under separate bound cover, the Executive Vice Chancellor for Asset Management presents a report on Permanent University Fund investments for the fiscal year ended August 31, 1990. During the fiscal year, periodic reports of investment transactions made for the Fund were submitted to the U. T. Board of Regents for approval. The present report summarizes the investment transactions for the fiscal year and indicates the status of the Fund's portfolio as of August 31, 1990.

The Permanent University Fund book value of assets and earnings during the year is shown below:

	<u>Fiscal Year Ended 8/31</u>		<u>Increase</u>	
	<u>1989</u>	<u>1990</u>	<u>Amount</u>	<u>%</u>
Book Value	\$3,294,392,324	\$3,435,080,203	\$140,687,879	4.27%
Investment Income	254,333,926	266,119,332	11,785,406	4.63%

The Chancellor recommends that the formal report be approved in order that copies may be distributed to the Governor, members of the Legislature, and other State Officials as required by Section 66.05 of the Texas Education Code.

3. Permanent University Fund: Recommendation to Approve a Maximum \$10 Million Permanent University Fund Investment in the Texas Growth Fund, Subject to Certain Conditions, and Authorization for the Executive Vice Chancellor for Asset Management to Negotiate and Execute Related Contracts.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Asset Management that the Board approve a Permanent University Fund investment of up to \$10 million in the Texas Growth Fund subject to satisfaction of the following conditions:

- a. Review and approval of final terms and documentation by the Office of Asset Management
- b. Review and approval of the Fund offering by the Attorney General of the State of Texas
- c. Approval of the appointment of the Executive Director of the Fund by the Office of Asset Management
- d. Receipt by the Fund of minimum aggregate subscriptions of \$50 million.

BACKGROUND INFORMATION

The Texas Growth Fund was established on November 8, 1988, by amendment to the Texas Constitution. Its purpose is to achieve long-term growth of investment capital and income by purchasing securities of businesses creating, retaining, or expanding employment opportunity and economic growth in the State of Texas. The Fund is managed by a board of trustees consisting of four public members appointed by the Governor and one member from and elected by the membership of each of the Board of Regents of The University of Texas System, the Board of Regents of The Texas A&M University System, the Board of Trustees of the Teacher Retirement System of Texas, the Board of Trustees of the Employees Retirement System of Texas and the State Board of Education.

Investors eligible to invest in the Fund are the governing boards of the Permanent School Fund, the Permanent University Fund, the Teacher Retirement System of Texas, the Employee Retirement System of Texas and any other pension system created under the Texas Constitution or by Texas statute. Investment in the Fund by each eligible investor is limited in amount to 1% of the book value of the investor's fund as of its most recent fiscal year end.

The Fund is a trust fund organized as a series of closed end mutual funds. The Board of Trustees established the initial fund at a maximum size of \$75 million and is offering to sell 75 million shares to eligible investors at a price of \$1 per share. An investment of \$10 million would represent slightly more than the PUF's proportionate share of the initial fund (as determined by the aggregate book values of the four major eligible State funds) and 0.3% of the PUF book value as of August 31, 1990.

All investment decisions by the Fund must be made in compliance with the "prudent person" investment standard. The Fund's primary investment objective is to invest in securities with the potential of generating a return exceeding that of the Standard & Poor's 500 Index in the case of equities and the Shearson Government/Corporate Index for fixed income securities. Constitutional provisions mandate that not less than 50% of the book value of the Fund must be invested in debt or equity securities leading to the initial construction, expansion, or modernization of businesses or industrial facilities in Texas and that no more than 10% of the Fund's book value be invested in venture capital investments.

The Fund is self liquidating in that no new investments are permitted after 1998 (except to protect existing investments) and all income and proceeds from investments (including Fund corpus) must be distributed to investors beginning no later than this date as well.

II. TRUST AND SPECIAL FUNDS

Gifts, Bequests and Estates

1. U. T. System: Recommendation to Accept Gift and Transfer of Funds to Establish the Roger Fullington Endowment.--

RECOMMENDATION

The Chancellor recommends that a \$5,000 gift from Mr. Roger Fullington, Dallas, Texas, and the transfer of \$5,000 of previously received gifts from Mr. Fullington for a total of \$10,000 be accepted to establish the Roger Fullington Endowment at the U. T. System.

Ninety percent of the income earned from the endowment will be for the unrestricted use of the Chancellor. The remaining ten percent of earned income will be reinvested in the endowment corpus.

BACKGROUND INFORMATION

Mr. Roger Fullington, Dallas, Texas, received his B.A. in English in 1957 and his M.A. in Speech in 1959 from U. T. Austin. He is a former member of The President's Associates and a current member of The Chancellor's Council.

2. U. T. Austin: Recommendation to Accept Gifts to Establish the Dorothea Bennett Memorial Graduate Fellowship Fund in the College of Natural Sciences and Eligibility for Matching Funds Under The Regents' Endowed Student Fellowship and Scholarship Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$40,000 gift from Lorraine I. Stengl, M.D., Wimberley, Texas, and \$2,710 in gifts from various donors for a total of \$42,710 be accepted to establish the Dorothea Bennett Memorial Graduate Fellowship Fund in the Department of Zoology, College of Natural Sciences, at U. T. Austin.

It is further recommended that \$21,355 in matching funds be allocated under The Regents' Endowed Student Fellowship and Scholarship Program and used to increase the endowment to a total of \$64,065.

Income earned from the endowment will be used to award fellowships to graduate students in the Department of Zoology.

BACKGROUND INFORMATION

Dr. Dorothea Bennett came to U. T. Austin in September 1986 where she served as Chairperson of the Department of Zoology until her death in August 1990. She was appointed the first recipient of the Alfred W. Roark Centennial Professorship in Natural Sciences when she joined the faculty. Dr. Bennett was a geneticist whose research focused on the genetic control of defects in early embryonic development. She served on the editorial boards of numerous professional publications and chaired the board of the Jackson Laboratory of Scientific Overseers from 1980 to 1986.

Dr. Lorraine I. Stengl, Wimberley, Texas, a retired physician, received her B.A. in Geological Sciences and her B.S. in Secondary Education in 1939 from U. T. Austin. She is a member of The Chancellor's Council.

3. U. T. Austin: Recommendation to Accept Gift, Pledge, and Transfer of Funds to Establish the Judge Wilson Cowen Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$50,000 gift and a \$50,000 pledge, payable by August 31, 1993, from Judge Wilson Cowen, Washington, D. C., and a \$50,000 transfer of previously reported gifts from current restricted funds for a total of \$150,000 be accepted to establish the Judge Wilson Cowen Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$100,000 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$50,000 will be held and administered by the U. T. Board of Regents. When matching funds become available under The Regents' Endowed Student Fellowship and Scholarship Program, the U. T. Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to second or third year students who are domiciled in the State of Texas and who have had to work to pay for their legal education. Recipients will be selected at the discretion of the Dean of the School of Law or the Dean's designee, based on financial need.

BACKGROUND INFORMATION

Judge Wilson Cowen received his LL.B. from U. T. Austin in 1928. He is a Senior Circuit Judge in Washington, D. C.

4. U. T. Austin: Walter Cronkite Regents Chair in Communication and DeWitt C. Reddick Regents Chair in Communication in the College of Communication - Recommendation to Allocate Previously Approved Regents' Endowed Teachers and Scholars Program Matching Funds.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$143,999 in previously approved matching funds from The Regents' Endowed Teachers and Scholars Program be allocated with \$108,974 to be added to the Walter Cronkite Regents Chair in Communication and \$35,025 to be added to the DeWitt C. Reddick Regents Chair in Communication in the College of Communication at U. T. Austin.

BACKGROUND INFORMATION

The Walter Cronkite Regents Chair in Communication was established at the August 1986 meeting of the U. T. Board of Regents with gifts and pledges totaling \$501,999. Matching funds of \$501,999 were reserved from The Regents' Endowed Teachers and Scholars Program. Of the total matching funds, \$358,000 was approved for addition to the DeWitt C. Reddick Regents Chair in Communication, leaving \$143,999 undesignated. At the June 1990 meeting, the U. T. Board of Regents approved extending the pledge fulfillment date and reservation of matching funds to August 31, 1991. Matching funds will be added to both chairs as payments are received on the outstanding pledges.

5. U. T. Austin: The Ex-Students' Association Endowed Scholarships - Recommendation to Accept Additional Gifts and Eligibility for Matching Funds Under The Regents' Endowed Student Fellowship and Scholarship Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$69,800 in gifts from various donors be accepted for addition to The Ex-Students' Association Endowed Scholarships at U. T. Austin.

It is further recommended that \$34,900 in matching funds be allocated under The Regents' Endowed Student Fellowship and Scholarship Program and used to increase the endowment to a total of \$229,650.

BACKGROUND INFORMATION

The Ex-Students' Association Endowed Scholarships were established at the August 1988 meeting of the U. T. Board of Regents with a gift of \$25,000 from The Ex-Students' Association, Austin, Texas. Matching funds of \$12,500 from The Regents' Endowed Student Fellowship and Scholarship Program were approved to increase the endowment to a total of \$37,500. At the October 1989 meeting of the U. T. Board of Regents, the receipt of additional gifts of \$58,300 was reported and matching funds of \$29,150 were approved to increase the endowment to a total of \$124,950.

The Ex-Students' Association was established in 1885 by alumni and friends of U. T. Austin as an independent organization whose functions include extending financial and other aid to students and promoting fellowship among members and students.

6. U. T. Austin: Recommendation to Accept Gift to Establish the Ralph E. Frede Public Relations Foundation of Texas Endowed Scholarship in Public Relations in the College of Communication.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$10,000 gift from the Public Relations Foundation of Texas, The Woodlands, Texas, be accepted to establish the Ralph E. Frede Public Relations Foundation of Texas Endowed Scholarship in Public Relations in the College of Communication at U. T. Austin.

Income earned from the endowment will be used in support of junior, senior, and graduate students of high academic merit who intend to pursue a career in public relations. Recipients will be selected by the College of Communication Scholarship Committee.

BACKGROUND INFORMATION

Mr. Ralph E. Frede received his B.J. in 1943 and his M.A. in Government in 1947 from U. T. Austin. He is former Editor of The Daily Texan and holder of the Public Relations Society of America's Gold Anvil Award as the outstanding public relations practitioner in the U. S.

7. U. T. Austin: Fulbright & Jaworski Professorship in Law in the School of Law - Recommendation to Accept Additional Gift and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$10,000 gift from Mr. William Shelton Lee, Houston, Texas, be accepted for addition to the Fulbright & Jaworski Professorship in Law in the School of Law at U. T. Austin. The funds will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations.

It is further recommended that \$5,000 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program and used to increase the Professorship. Upon approval of the matching allocation, the U. T. Law School Foundation will transfer this contribution to the U. T. Board of Regents.

BACKGROUND INFORMATION

The Fulbright, Crooker, Freeman, Bates & Jaworski Professorship in Law was established at the December 1969 meeting of the U. T. Board of Regents with gifts and pledges totaling \$100,000 to be held and administered by The University of Texas Law School Foundation. In May 1981, the endowment was redesignated as the Fulbright & Jaworski Professorship in Law.

Mr. William Shelton Lee, Houston, Texas, a partner in the firm of Fulbright & Jaworski, received his B.B.A. in Accounting and Finance in 1972 and his J.D. in 1975 from U. T. Austin.

8. U. T. Austin: Recommendation to Accept Gifts to Establish the Edmund J. and Charlene Gleazer Endowed Scholarship in Community College Leadership in the College of Education and Eligibility for Matching Funds Under The Regents' Endowed Student Fellowship and Scholarship Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$15,000 gift from the League for Innovation in the Community College, Laguna Hills, California, and \$11,860 in gifts from various donors for a total of \$26,860 be accepted to establish the Edmund J. and Charlene Gleazer Endowed Scholarship in Community College Leadership in the College of Education at U. T. Austin.

It is further recommended that \$13,430 in matching funds be allocated under The Regents' Endowed Student Fellowship and Scholarship Program and used to increase the endowment to a total of \$40,290.

Income earned from the endowment will be used to award scholarships to students in the Community College Leadership Program in the College of Education.

BACKGROUND INFORMATION

This endowment is being funded to honor Dr. Edmund J. Gleazer, Jr. and his wife, Charlene. Dr. Gleazer is Distinguished Visiting Professor of Community College Leadership in the College of Education at U. T. Austin. He is recognized nationally as a spokesman for community college education. The League for Innovation in the Community College is an international consortium of two-year colleges.

9. U. T. Austin: Recommendation to Accept Gift to Establish the Elizabeth L. and Russell F. Hallberg Foundation Endowed Presidential Scholarship in Engineering No. 1 and the Elizabeth L. and Russell F. Hallberg Foundation Endowed Presidential Scholarship in Engineering No. 2 in the College of Engineering.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$50,000 gift from the Elizabeth L. and Russell F. Hallberg Foundation, Arlington, Texas, be accepted to establish the Elizabeth L. and Russell F. Hallberg Foundation Endowed Presidential Scholarship in Engineering No. 1 and the Elizabeth L. and Russell F. Hallberg Foundation Endowed Presidential Scholarship in Engineering No. 2 in the College of Engineering at U. T. Austin.

Income earned from these endowments will be used to award scholarships on the basis of academic merit and potential for a successful engineering career to students who are citizens or permanent residents of the U. S. and residents of Tarrant County or El Paso County, Texas.

BACKGROUND INFORMATION

The Elizabeth L. and Russell F. Hallberg Foundation, Arlington, Texas, was created under the Will of Mr. Russell F. Hallberg. Mr. Hallberg and his wife, Elizabeth, both deceased, were longtime residents of Fort Worth, Texas. Several members of Mrs. Hallberg's family have graduated from U. T. Austin.

10. U. T. Austin: Recommendation to Accept Gift to Establish the Allen F. Jacobson Endowed Scholarship in Engineering in the College of Engineering.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$10,000 gift from Mr. Allen F. Jacobson, St. Paul, Minnesota, be accepted to establish the Allen F. Jacobson Endowed Scholarship in Engineering in the College of Engineering at U. T. Austin.

Income earned from the endowment will be used to award scholarships to undergraduate and graduate students, based on financial need.

BACKGROUND INFORMATION

Mr. Allen F. Jacobson, St. Paul, Minnesota, is Chairman of the Board and Chief Executive Officer of 3M. He has made this gift as a means of repaying the academic scholarship which the College of Engineering awarded his son when he began at U. T. Austin in 1984 and as an expression of his high regard for U. T. Austin and the College of Engineering. His son, Allen Jacobson, Jr., received his B.B.A in Accounting in 1990 from U. T. Austin.

11. U. T. Austin: Recommendation to Establish the Locke Purnell Rain Harrell Endowed Mock Trial Competition in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that the Locke Purnell Rain Harrell Endowed Mock Trial Competition in the School of Law at U. T. Austin be established. The funds for the endowment are held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations.

Income will be used to fund competitions in trial and appellate advocacy, as directed by the Dean of the School of Law or the Dean's designee.

BACKGROUND INFORMATION

In 1974, The University of Texas Law School Foundation received a \$14,700 gift from the law firm of Locke, Purnell, Boren, Laney & Neely to establish the Locke, Purnell, Boren, Laney & Neely Advocacy Fund. The purpose of the gift was to

create an endowed fund to support a mock trial competition which would bear the name of the law firm. The Dean of the School of Law requests formal recognition of this endowment and that it bear the current name of the donor law firm.

12. U. T. Austin: Recommendation to Accept Pledge to Establish the Mitsubishi Heavy Industries Chair in Japanese Studies in the College of Liberal Arts and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program to Establish the Mitsubishi Heavy Industries Professorship in Japanese Studies in the College of Liberal Arts.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$500,000 pledge, payable by June 30, 1991, from Mitsubishi Heavy Industries, Ltd., Tokyo, Japan, be accepted to establish the Mitsubishi Heavy Industries Chair in Japanese Studies in the College of Liberal Arts and in affiliation with the Center for Asian Studies at U. T. Austin.

It is further recommended that \$250,000 in matching funds be allocated under The Regents' Endowed Teachers and Scholars Program and used to establish the Mitsubishi Heavy Industries Professorship in Japanese Studies in the College of Liberal Arts and in affiliation with the Center for Asian Studies at U. T. Austin.

Income earned from both endowments will be used to support studies associated with Japanese language, literature, and culture.

BACKGROUND INFORMATION

The primary purpose of the Mitsubishi Heavy Industries Chair in Japanese Studies and the Mitsubishi Heavy Industries Professorship in Japanese Studies will be the advancement of the study of Japanese language, literature, and culture. The holders of the Mitsubishi Chair and Professorship in Japanese Studies will be responsible for the advancement of such studies and for developing and teaching courses in Japanese language, literature, and culture offered through the appropriate units of the College of Liberal Arts.

13. U. T. Austin: Recommendation to Accept Gift, Pledge, and Transfer of Funds to Establish the Clinton F. Morse Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that an \$8,000 gift and a \$17,000 pledge, payable by August 31, 1993, from the law firm of Andrews & Kurth, Houston, Texas, and a \$12,500 transfer of previously reported gifts from current restricted funds for a total of \$37,500 be accepted to establish the Clinton F. Morse Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$25,000 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$12,500 will be held and administered by the U. T. Board of Regents. When matching funds become available under The Regents' Endowed Student Fellowship and Scholarship Program, the U. T. Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

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

BACKGROUND INFORMATION

Mr. Clinton F. Morse received his LL.B. from U. T. Austin in 1948. He is a retired partner of Andrews & Kurth, Houston, Texas.

14. U. T. Austin: Recommendation to Accept Gifts, Pledge, and Transfer of Funds to Establish the Ellen Waters Olson Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that a \$50,000 gift and a \$100,000 pledge, payable by August 31, 1993, from Mr. Peter G. Olson, Newton, Connecticut, \$10,980 in gifts from various donors and a \$30,000 transfer of previously reported gifts from current restricted funds for a total of \$190,980 be accepted to establish the Ellen Waters Olson Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$160,980 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$30,000 will be held and administered by the U. T. Board of Regents. When matching funds become available under The

Regents' Endowed Student Fellowship and Scholarship Program, the U. T. Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

Income earned from the endowment will be used to award scholarships to students with demonstrated financial need whose academic qualifications indicate a high probability of success in Law School, with the scholarships being awarded at the discretion of the Dean of the School of Law or his designee.

BACKGROUND INFORMATION

Mrs. Ellen Waters Olson, deceased, received her J.D. from U. T. Austin in 1988. Mr. Peter G. Olson, widower of Ellen Waters Olson, her parents, Mr. and Mrs. Paul R. Waters, Tyler, Texas, along with her classmates, friends, and colleagues from the law firm of Gibson, Dunn & Crutcher, Los Angeles, California, and Dallas, Texas, are funding this endowment in her memory. Mr. Peter G. Olson received his J.D. from U. T. Austin in 1988. Mr. Paul R. Waters received his B.A. in 1957 from U. T. Austin.

15. U. T. Austin: Recommendation to Accept Gifts, Pledges, and Transfer of Funds to Establish the Judge Thomas M. Reavley Endowed Presidential Scholarship in Law in the School of Law.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that \$14,875 in gifts and \$10,125 in pledges, payable by August 31, 1993, from various donors and a \$12,500 transfer of previously reported gifts from current restricted funds for a total of \$37,500 be accepted to establish the Judge Thomas M. Reavley Endowed Presidential Scholarship in Law in the School of Law at U. T. Austin. Funds in the amount of \$25,000 will be held and administered by The University of Texas Law School Foundation (an external foundation) in accordance with the Regents' Rules and Regulations, and \$12,500 will be held and administered by the U. T. Board of Regents. When matching funds become available under The Regents' Endowed Student Fellowship and Scholarship Program, the U. T. Law School Foundation will transfer funds held for the endowment to the U. T. Board of Regents.

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

BACKGROUND INFORMATION

Judge Thomas M. Reavley received his B.A. from U. T. Austin in 1942. He is Circuit Judge of the Fifth Circuit. This endowment is being funded in honor of Judge Reavley's taking senior status on August 1, 1990.

16. U. T. Austin: Recommendation to Redesignate Titles of Twelve Previously Approved Endowments in the College of Engineering.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and President Cunningham that twelve previously established endowments for the benefit of the College of Engineering at U. T. Austin be redesignated as follows:

<u>From</u>	<u>To</u>
a. Engineering Foundation Graduate Fellowship Fund	Temple Foundation Graduate Fellowship Fund
b. Endowed Graduate MCD Fellowships in Engineering	Temple Foundation Graduate MCD Fellowships in Engineering
c. Engineering Foundation Endowed Professorship No. 2	Temple Foundation Endowed Professorship No. 1
d. Engineering Foundation Endowed Faculty Fellowship No. 1	Temple Foundation Endowed Faculty Fellowship No. 1
e. Engineering Foundation Endowed Faculty Fellowship No. 2	Temple Foundation Endowed Faculty Fellowship No. 2
f. Engineering Foundation Endowed Faculty Fellowship No. 3	Temple Foundation Endowed Faculty Fellowship No. 3
g. Engineering Foundation Endowed Faculty Fellowship No. 4	Temple Foundation Endowed Faculty Fellowship No. 4
h. Engineering Foundation Endowed Faculty Fellowship No. 5	Temple Foundation Endowed Faculty Fellowship No. 5
i. Engineering Foundation Endowed Faculty Fellowship No. 6	Temple Foundation Endowed Faculty Fellowship No. 6
j. Engineering Foundation Endowed Faculty Fellowship No. 7	Temple Foundation Endowed Faculty Fellowship No. 7
k. Engineering Foundation Endowed Teaching Fellowship No. 1	Temple Foundation Endowed Teaching Fellowship in Engineering No. 1
l. Engineering Foundation Endowed Teaching Fellowship No. 2	Temple Foundation Endowed Teaching Fellowship in Engineering No. 2

This recommendation is being made in accordance with the donor's request.

BACKGROUND INFORMATION

At the August 1989 meeting of the U. T. Board of Regents, a \$1,565,260 pledge, payable by August 31, 1991, from the T. L. L. Temple Foundation, Lufkin, Texas, was accepted for the benefit of the College of Engineering at U. T. Austin, with \$342,396 of that amount used in combination with funds from the College of Engineering Challenge Grant, The Regents' Endowed Teachers and Scholars Program, and The Regents' Endowed Student Fellowship and Scholarship Program to establish student and faculty endowments and increase existing endowments in the College of Engineering. Six of the eight existing endowments to which the August 1989 gift made additions were originally established with a gift from an anonymous donor and the other two were established with matching funds.

The T. L. L. Temple Foundation, Lufkin, Texas, is the donor of several other endowments in various academic fields. Several of its trustees received degrees from U. T. Austin.

17. U. T. Southwestern Medical Center - Dallas: Recommendation to Accept Gifts to Establish the George L. MacGregor Distinguished Chair in Biomedical Science and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Wildenthal that a \$400,000 gift from an anonymous donor and a \$600,000 gift from the Southwestern Medical Foundation, Dallas, Texas (to be held in trust by the Foundation), comprised of a \$500,000 gift from the Hoblitzelle Foundation and accumulated interest, for a total of \$1,000,000 be accepted to establish the George L. MacGregor Distinguished Chair in Biomedical Science at the U. T. Southwestern Medical Center - Dallas.

Additionally, it is recommended that the actual income which will be earned on the \$400,000 gift be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

BACKGROUND INFORMATION

The Hoblitzelle Foundation, Dallas, Texas, has been a major contributor to the U. T. Southwestern Medical Center - Dallas and has requested that its latest gift to the Southwestern Medical Foundation be used to establish a Distinguished Chair at the U. T. Southwestern Medical Center - Dallas to honor Mr. George L. MacGregor, retired Chief Executive Officer of

Texas Utilities and Chairman Emeritus of the Hoblitzelle Foundation. Mr. MacGregor led the community fund-raising effort that provided private support for the physical plant expansion at the U. T. Southwestern Medical Center - Dallas in the early 1970s.

See Item 1 on Page HAC - 2 related to a proposed appointment to this Distinguished Chair.

18. U. T. Medical Branch - Galveston: Six Endowed Academic Positions - Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President James that the actual income which will be earned on previously reported gifts from various donors to six endowed academic positions at the U. T. Medical Branch - Galveston be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act. The previously reported gifts and endowed academic positions are as follows:

- a. Jesse H. Jones Distinguished Chair in Burn Surgery - \$1,000,000
- b. The Rebecca Sealy Centennial Chair in the School of Nursing - \$500,000
- c. The John Sealy Centennial Chair in the Department of Radiation Therapy - \$500,000
- d. The John Sealy Centennial Chair in Cardiology in the Department of Medicine - \$500,000
- e. The John Sealy Centennial Chair in Rehabilitation Sciences - \$500,000
- f. The John Sealy Centennial Chair in Neonatology - \$500,000.

BACKGROUND INFORMATION

The above endowments were never previously certified for matching under the Texas Eminent Scholars Program.

19. U. T. Medical Branch - Galveston and U. T. Health Science Center - Houston: Recommendation to Accept Remainder Interests in The Mavis P. Kelsey, Sr. and Mary Wilson Kelsey Charitable Remainder Trust and to Accept Appointment as Trustee.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, President James, and President Low that a \$1,000 gift and a pledge of approximately \$300,000, payable by December 31, 1990, from Dr. and Mrs. Mavis P. Kelsey, Sr., Houston, Texas, for a total in excess of \$300,000 be accepted to fund The Mavis P. Kelsey, Sr. and Mary Wilson Kelsey Charitable Remainder Trust at the U. T. Medical Branch - Galveston and the U. T. Health Science Center - Houston. Additionally, it is recommended that the U. T. Board of Regents accept appointment as Trustee of the Trust.

The trust agreement provides for the payment of six percent of the annual net fair market value of the trust assets or the actual income, whichever is less, to be paid quarterly to Dr. and Mrs. Mavis P. Kelsey during their lifetimes and then to their surviving sons for their lifetimes, or, if earlier, until the twentieth anniversary of the establishment of the Trust.

Upon termination of the Trust, the corpus and any accumulated or undistributed income of the Trust shall be distributed in equal shares to establish The Mary W. and Mavis P. Kelsey Endowment at the U. T. Medical Branch - Galveston and for addition to The Mary Wilson Kelsey Professorship in the Medical Sciences at the U. T. Health Science Center - Houston. A final report will be made at a later date.

BACKGROUND INFORMATION

Dr. Mavis P. Kelsey, Sr., founder of the Kelsey-Seybold Clinic, Houston, Texas, received his M.D. in 1936 from the U. T. Medical Branch - Galveston. As founder of the Kelsey-Seybold Foundation for Medical Research and Education, Dr. Kelsey has been instrumental in furthering a number of medical research and training programs, including several in clinical cancer research in conjunction with the U. T. M.D. Anderson Cancer Center. Mrs. Mary W. Kelsey served as the fourth President of the U. T. Health Science Center - Houston Development Board. She has also done extensive volunteer work for numerous civic and charitable organizations in and around Houston.

20. U. T. Health Science Center - Houston: Recommendation to Accept Gifts to Establish the Bernard Saltzberg Research Scholarship Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Low that gifts totaling \$33,000 from Mrs. Evalyn Saltzberg, Houston, Texas, family members, colleagues, and friends of Dr. Bernard Saltzberg be accepted to establish the Bernard Saltzberg Research Scholarship Fund at the U. T. Health Science Center - Houston.

Ninety percent of the income earned from the endowment will be used for student scholarships and awards for excellence in the areas of electrophysiology, signal analysis, and other related fields in the Department of Psychiatry and Behavioral Sciences. The remaining ten percent of the income earned will be reinvested in the corpus of the endowment.

BACKGROUND INFORMATION

This endowment is being funded in memory of Dr. Bernard Saltzberg who was Research Professor of the Department of Psychiatry and Behavioral Sciences at the U. T. Health Science Center - Houston at the time of his death. Mrs. Evalyn Saltzberg, widow of Dr. Saltzberg, is the primary donor and solicitor of additional funds.

21. U. T. Health Science Center - San Antonio: Recommendation to Accept Transfer of the Dr. Frederic C. Bartter Memorial Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that the transfer of the Dr. Frederic C. Bartter Memorial Fund at the National Institutes of Health, Bethesda, Maryland, totaling \$43,962.75 be accepted to establish an endowment at the U. T. Health Science Center - San Antonio to be named the Dr. Frederic C. Bartter Memorial Fund.

Income earned from the endowment will be used to support undergraduate medical students involved in short-term studies to learn the basic elements of clinical research within the Department of Medicine at the U. T. Health Science Center - San Antonio.

BACKGROUND INFORMATION

Dr. Frederic C. Bartter, a former faculty member, made many important contributions to the development of research programs at the U. T. Health Science Center - San Antonio, which are commemorated in the Dr. Frederic C. Bartter Clinical Research Center at the U. T. Health Science Center - San Antonio. After his death in 1983, an endowment fund was created by his family, friends, and colleagues which has been maintained at the National Institutes of Health in Bethesda, Maryland. Mrs. Frederic C. Bartter, San Antonio, Texas, widow of Dr. Bartter, has initiated the transfer of these funds to the U. T. Health Science Center - San Antonio to be utilized in support of Dr. Bartter's area of major interest and contribution.

22. U. T. Health Science Center - San Antonio: Thelma and Joe Crow Endowed Professorship - Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that the actual income which will be earned on a previously accepted grant of \$200,000 for the Thelma and Joe Crow Endowed Professorship at the U. T. Health Science Center - San Antonio be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

BACKGROUND INFORMATION

The Thelma and Joe Crow Endowed Professorship was established at the August 1990 meeting of the U. T. Board of Regents with a \$200,000 grant from the Veritas Foundation, Austin, Texas.

23. U. T. Health Science Center - San Antonio: Texas Research Park Professorship - Recommendation to Accept Additional Gift and Pledge and Redesignate as the Alice P. McDermott Distinguished University Chair in Molecular Medicine and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that a \$1,300,000 gift and a \$600,000 pledge, payable by December 31, 1990, from the Texas Research and Technology Foundation, San Antonio, Texas, for a total of \$1,900,000 be accepted for addition to the Texas Research Park Professorship for a

total endowment of \$2,000,000 and that the Professorship be redesignated as the Alice P. McDermott Distinguished University Chair in Molecular Medicine at the U. T. Health Science Center - San Antonio.

It is further recommended that the actual income which will be earned on \$1,900,000 in additional gifts and pledges, as received, be certified to the appropriate State authorities for matching under the Texas Eminent Scholars Program as set out in Chapter 51, Subchapter I of the Texas Education Code, when matching funds are made available under that act.

BACKGROUND INFORMATION

The Texas Research Park Professorship was established at the February 1988 meeting of the U. T. Board of Regents with a \$100,000 gift. This endowment is being funded with a portion of the \$3,000,000 commitment received under an agreement entitled Agreement in Support of Biosciences Initiative, dated April 22, 1988, and amended November 3, 1989, by and among the Communities Foundation of Texas, Inc., the Texas Research and Technology Foundation, and the U. T. Board of Regents to provide endowed academic positions in support of the U. T. Institute of Biotechnology. While the entire corpus of the endowment amount has not been transferred to U. T., an agreement with the Texas Research and Technology Foundation requires the payment of an equivalent income stream to the U. T. Health Science Center - San Antonio for current expenditure.

The endowment is being established in memory of Mrs. Alice P. McDermott, wife of General Robert F. McDermott, Chairman of the Board of Trustees of the Texas Research and Technology Foundation, San Antonio, Texas. Mrs. McDermott died on October 12, 1990. She was an active supporter of many educational and community service organizations in San Antonio and a staunch advocate of both the U. T. Institute of Biotechnology and the U. T. Health Science Center - San Antonio.

See Item 2 on Page HAC - 2 related to a proposed appointment to the Distinguished University Chair.

24. U. T. Health Science Center - San Antonio: Recommendation to Accept Gift to the U. T. System Pooled Income Fund.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Howe that a gift of 2,107 shares of Southwest Airlines Company common stock valued at \$30,946.56 from Dr. Milton S. Jacobs, San Antonio, Texas, be accepted for addition to the U. T. System Pooled Income Fund.

Dr. Milton S. Jacobs will receive the income generated by this gift during his lifetime and upon his death, the remainder interest in this gift will be used to establish the Dr. Milton S. Jacobs Endowment Fund at the U. T. Health Science Center - San Antonio for the benefit of the U. T. Medical School - San Antonio. A final report will be made at a later date.

BACKGROUND INFORMATION

Milton S. Jacobs, M.D., is a physician in San Antonio, Texas, and serves on the clinical faculty of the U. T. Health Science Center - San Antonio. He received his M.D. from the U. T. Medical Branch - Galveston in 1950. He has made several prior gifts to U. T. Austin and U. T. San Antonio.

25. U. T. M.D. Anderson Cancer Center: Wilfred George Barnts Charitable Remainder Unitrust - Recommendation to Accept Appointment as Successor Trustee.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that the U. T. Board of Regents accept appointment as successor trustee of the Wilfred George Barnts Charitable Remainder Unitrust for the benefit of the U. T. M.D. Anderson Cancer Center.

BACKGROUND INFORMATION

At the February 1990 meeting, the U. T. Board of Regents accepted a remainder interest in the Wilfred George Barnts Charitable Remainder Unitrust funded by Mr. Wilfred George Barnts, Stafford, Texas. The trust agreement provides for the payment of seven percent of the annual net fair market value of the Trust assets to be paid quarterly to Mr. Barnts during his lifetime. Upon termination of the Trust, the remaining principal and income of the Trust will be used to fund an endowment to be named the Barnts Family Fund for Cancer Research at the U. T. M.D. Anderson Cancer Center.

Mr. Barnts serves on the Steering Committee of the President's Council of the University Cancer Foundation and has served as a volunteer at the U. T. M.D. Anderson Hospital.

26. U. T. M.D. Anderson Cancer Center: Recommendation to Accept Transfer of Funds to Establish the Robert D. Moreton Endowment Fund for Patient Affairs.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that a transfer of \$200,000 of previously reported gifts from current restricted funds be accepted to establish a quasi-endowment to be named the Robert D. Moreton Endowment Fund for Patient Affairs at the U. T. M.D. Anderson Cancer Center.

Income earned from the endowment will be used to provide perpetual funding for the patient affairs programs at the U. T. M.D. Anderson Cancer Center.

BACKGROUND INFORMATION

This endowment is being named in tribute to Robert D. Moreton, M.D., currently Vice President Emeritus for Patient Affairs and Special Assistant to the President. He has served faithfully as an advocate for the institution's patients and has led the effort for funding of patient programs at the U. T. M.D. Anderson Cancer Center.

27. U. T. M.D. Anderson Cancer Center: Recommendation to Accept Bequest from the Estate of Clara Lee Webb, Amber, Oklahoma.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President LeMaistre that a specific bequest from the Estate of Clara Lee Webb, Amber, Oklahoma, comprised of 250 shares of Texaco, Inc. common stock which realized proceeds of \$15,099.48 be accepted and used for current expenditures in general support of the U. T. M.D. Anderson Cancer Center.

BACKGROUND INFORMATION

Under the terms of the Last Will and Testament of Ms. Clara Lee Webb, the U. T. M.D. Anderson Cancer Center was named to receive a specific bequest of 250 shares of Texaco, Inc. common stock and a one twenty-sixth interest in Ms. Webb's residual estate. Subsequent to a contest of the Will by several family members, the U. T. System Office of General Counsel recommended acceptance of a settlement agreement in which the U. T. M.D. Anderson Cancer Center relinquished its right to its share of the residual estate in exchange for distribution of the Texaco, Inc. holdings.

Although Ms. Clara Lee Webb had no known affiliation with the U. T. M.D. Anderson Cancer Center, she was interested in the furtherance of cancer research at that institution as evidenced by her generous bequest.

III. OTHER MATTERS

1. U. T. System: Recommendation to Approve The University of Texas System Standards of Conduct Policy for Investment Professionals.--

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Asset Management that the Board approve The University of Texas System Standards of Conduct Policy for Investment Professionals set forth below.

BACKGROUND INFORMATION

In 1989, the State Auditors recommended that the U. T. System approve an ethical policy focused on circumstances that arise in the investment of the Permanent University Fund and other funds under the supervision of the U. T. Board of Regents. The policy set forth below has the concurrence of the Investment Advisory Committee. It will provide clear guidelines and a reporting mechanism to protect the integrity of the investment function as well as the members of the investment staff.

The University of Texas System Standards of Conduct Policy for Investment Professionals

Section I. Summary

This Policy sets forth standards of conduct for U. T. investment professionals responsible for funds entrusted to their care. In all business matters, a high standard of ethical conduct is absolutely required. Each employee is expected to act in a manner that places their U. T. related interests above their own.

Investment professionals are required annually to sign a copy of this Policy acknowledging their responsibilities, as well as provide in writing the required disclosures. By signature, the investment professionals further affirm awareness of and compliance with the Regents' Rules and Regulations, Part One, Chapter III, Section 4 (Code of Ethics) and other standards in the Investment Policy Statements for the various funds administered by U. T.

Section II. Definitions

Affiliated - a relationship as an officer or director (unless serving as a director at the instruction of U. T.), service in an advisory role, or owner (including personal and family monies as defined) of five percent or more of the voting securities of a publicly traded corporation.

Family - a relative of the first degree that includes a parent, spouse, child, brother, or sister.

Material - of more than nominal value with potential to influence the business or investment decisions of an employee to whom they are made.

Personal or family monies - family funds benefitting directly or indirectly the U. T. investment professional and/or his/her family, and where the individual purchase and sale of securities are determined or influenced by the employee. This definition includes funds provided through a trust, codicil, or other equivalent arrangement.

Section III. Standards

- The primary duty of a U. T. investment professional is to evaluate and execute investment transactions to the best of his/her ability solely for the benefit of the various funds entrusted to his/her supervision by the U. T. System.
- U. T. investment professionals shall comply with all laws and regulations relating to the use of material non-public information.
- U. T. investment professionals shall not receive material compensation or benefits in any form for rendering investment advice outside of their duties to the University except in conjunction with the management of personal or family monies. U. T. investment professionals are, however, encouraged to use their experience and expertise to assist and advise charitable and other non-profit organizations in investment management practices to further the goals of such organizations.
- U. T. investment professionals shall not participate in external investment activities which require or provide discretionary authority to the U. T. employee for investment decisions except for the investment of personal or family monies.
- U. T. investment professionals shall disclose promptly to their supervisor and the Executive Vice Chancellor for Asset Management (or equivalent position) all publicly traded corporations with which they are affiliated. Such employees are prohibited from participation in U. T.'s decisions to purchase or sell securities of a publicly traded corporation with which they are affiliated.
- U. T. investment professionals, in connection with U. T.'s investment in private (non-public) securities transactions,
 - May not invest in private transactions either under review, committed to, or invested in by U. T.
 - Will not use the prospective or actual investment by U. T. to induce a sponsor to permit subsequent personal investment by the employee in other transactions at lower than established minimum amounts and/or on terms more favorable than those offered to equivalent investors.

- May join a corporate board of directors (subject to approval by the Regents' Land and Investment Committee) to monitor U. T.'s investment or other interest in the corporation, but such individual may not accept personal compensation for serving on the board. Rather the U. T. employee will direct any such income for credit to the U. T. System or as directed by the Regents' Land and Investment Committee.
- U. T. investment professionals conduct extensive business with external vendor-organizations who provide an array of services essential to the successful and professional management of U. T.'s various funds. In making decisions with regard to such vendor-organizations as well as transacting on-going business relations, U. T. investment professionals:
 - Will only do business with organizations which are believed to exercise professional integrity and have financial substance adjudged to be adequate in light of the size and nature of the business involved.
 - Shall not accept any material gifts or favors from vendor-organizations and shall promptly notify their immediate supervisor if improper offers are received.
 - Shall not solicit contributions or gifts for any purpose from vendor-organizations.

Section IV. Disclosures

- The following information will be provided on a timely basis as known and be updated annually. (Submit on a separate sheet of paper listing the organization, nature of the affiliation or relationship, and appropriate dates.)
 - All public companies in which the employee is an officer or director.
 - All public companies in which the employee through personal or family monies owns five percent or more of the voting securities.
 - All public companies in which the employee serves in an advisory capacity.
 - All positions held in non-family entities where the employee serves as a trustee, advisory committee member, or equivalent.

Section V. Acknowledgement

- I have read and agree to comply with the Standards of Conduct Policy and have made all disclosures as required.

Date

Signature

2. U. T. System: Consideration of Guidelines for the Investment of the Permanent University Fund and the Common Trust Fund in Privately Placed Securities.--

These Guidelines are still in the process of development and will be distributed to the Board of Regents in advance of the meeting.

LAND AND INVESTMENT COMMITTEE

SUPPLEMENTAL MATERIAL

December 6, 1990

2. U. T. System: Request for Approval of Guidelines for the Investment of the Permanent University Fund and the Common Trust Fund in Privately Placed Securities.--

The University of Texas System
Private Placement Investment Policy Statement

I. **PURPOSE**

The purpose of this policy is to orient and limit U. T. private placement investments to business situations with a high probability of excellent returns over time, but without avoidable risks or risks out of proportion to expected returns. Good communication and flexibility are desired results from implementation of this policy.

This policy shall govern the use of private placements in all funds under the supervision of the Board of Regents.

II. **INVESTMENT OBJECTIVES**

The primary investment objective of the private placement investment portfolio is long-term capital appreciation in excess of the return expected from publicly traded stocks. The portfolio's target annual rate of return is 15%, evaluated on a long-term basis. Equity investments or their equivalent will be emphasized to accelerate growth of capital and maximize the private placement investment portfolio's potential as an inflation hedge.

A second investment objective of the private placement investment portfolio is to provide a means of prudent diversification of the total fund, recognizing both the absolute growth of private investment in a global economy as well as the inherently greater balance afforded over funds limited to publicly traded securities.

III. **SPECIAL ADVISORS**

The Regents' Land and Investment Committee shall designate a minimum of two Special Advisors to assist and provide guidance to the private placement investment function. These advisors shall generally be selected from members of the Investment Advisory Committee. Their role shall be to provide experienced input and judgment to the decision process and transaction structuring. In practice their counsel will cover both portfolio strategy as well as specific transactions.

IV. **INVESTMENT APPROVAL AND MANAGEMENT**

The Private Placement Office within the Asset Management organization is responsible for all investigation, due diligence, and monitoring of each private placement investment.

Approval of individual investments shall involve a four step process.

- 1) The Private Placement Office shall conduct a thorough evaluation of specific investment proposals. Upon group decision to proceed, the proposed transaction and structure will be presented to the Special Advisors.
- 2) Interaction with the Special Advisors will provide for a complete discussion of the recommended investment including relevant information about the business or partnership, lead investor (if any), management, proposed terms, promote involved (if applicable), and expected returns. Risk elements and exit strategies shall also be disclosed to the extent known.
- 3) The Executive Vice Chancellor for Asset Management shall make the investment decision, considering fully all information available and the advice of the Special Advisors. Affirmative decisions shall be communicated by the Executive Vice Chancellor for Asset Management to the chairman and members of the Land and Investment Committee.
- 4) The Chairman of the Land and Investment Committee shall make a determination as to whether the investment decision is satisfactory as to process and conclusion or if additional Land and Investment Committee input and review is appropriate. Approval of the Land and Investment Committee shall be the highest authority required to approve a specific private placement investment.

The approval process is designed to assure the adequacy of experienced input to the decision process, a timely response capability, and sufficiency of information for the Board of Regents. For logistical reasons, any meeting or information exchange may occur in person or via telephone.

V. INVESTMENT PORTFOLIO LIMITS

The funded and outstanding private placement investment portfolio (at cost) may not exceed 10% of the book value of fund groups authorized to use this class of investment without prior approval of the Land and Investment Committee.

Funded private placement investments plus unfunded commitments to partnership/fund-type investments may exceed the 10% cap due to the multi-year investment cycle generally associated with partnerships. The absolute level of unfunded commitments shall be reviewed quarterly with the Land and Investment Committee.

New investment commitments irrespective of type are limited to 25% of the funded portfolio cap in any fiscal year without prior approval of the Land and Investment Committee. The Board of Regents in establishing this limit, recognize both the opportunity driven nature of private placement investments as well as the prudence associated with a relatively stable and manageable influx of new investments over time.

The maximum investment in any one entity shall not exceed 10% of the funded investment cap.

VI. INVESTMENT GUIDELINES

All investment decisions shall be made in compliance with the "prudent person standard." Portfolio investments shall be based upon the projected ability of the underlying business or project to create incremental value through the expansion or improved efficiency of operations or by the development and production of natural resources. Investments may be used to finance capital expenditures and working capital at any stage of a company's growth and/or to effect a change of control.

Investments with the following risk characteristics shall be avoided.

- a. Financial risk associated with highly leveraged transactions where the business is closely tied to either the economy or a specific industry cycle, securities denominated in soft currencies, fluctuating interest rates, commodity prices, or exchange rates.
- b. Operating risk associated with a single product or patent, extreme reliance on an individual in management, dominant suppliers or customers, or low barriers to entry.
- c. Regulatory risk associated with regulated industries subject to politicization of rate setting, base service decisions, or where success is highly dependent on continued access to public resources or favorable tax policy.
- d. Environmental risk associated with products or manufacturing processes deemed unusually hazardous to the environment.

Additional prohibitions shall include:

- 1) Participation in hostile takeovers
- 2) Start-ups or early stage companies involved in high technology product lines, unless made through a properly structured venture capital partnership/fund or via coinvestment with such an organization.
- 3) Equity ownership in entities in bankruptcy

The private placement portfolios shall minimize ownership of securities and participation in other activities that would cause the income attributable to these investments to be classified as unrelated business taxable income.

Waiver of any of these guidelines requires the approval of the Land and Investment Committee.

VII. INVESTMENT MANAGEMENT FIRMS/PARTNERSHIPS

The private placement portfolios may be invested in any authorized area through management contracts with unaffiliated organizations possessing specialized investment skills. Such investment may be in the form of interests in limited partnerships, trusts, joint ventures, etc., where principals of the management firms have investment discretion. The principals of such firms shall have a demonstrated record of accomplishment and performance in the area of investment being undertaken and shall be required to invest on the same terms as the participating investors. Management fees and performance compensation payable under such contracts shall not exceed prevailing norms at the time of negotiation.

Private placement investments may include coinvestment directly in transactions sponsored and invested in by a management firm/partnership in which U. T. is already an investor.

VIII. BOARD REPRESENTATION

The Board of Regents recognizes that private placement investments frequently result in ownership of an interest in a company sufficient to warrant joining the board of directors to monitor and participate in oversight of the company. The decision to accept a board seat shall be the responsibility of the Land and Investment Committee.

IX. PRIVATE PLACEMENT PORTFOLIO VALUATION

The valuation of the private placement investments is an important ongoing yet inherently subjective process. To avoid unwarranted fluctuations and to assure a consistent methodology, all valuations will adhere to the process established and approved in Attachment A. U. T. Private Placement Valuation Criteria.

Executive Session of the Board

BOARD OF REGENTS
EXECUTIVE SESSION
Pursuant to Vernon's Texas Civil Statutes
Article 6252-17, Sections 2(e), (f) and (g)

Date: December 6, 1990

Time: Following the meeting of the Land and
Investment Committee

Place: Shivers Conference Room, Tenth Floor
R. Lee Clark Clinic Building
U. T. M.D. Anderson Cancer Center

1. Pending and/or Contemplated Litigation - Section 2(e)
U. T. Southwestern Medical Center - Dallas:
Proposed Settlement of Medical Liability
Litigation

2. Land Acquisition, Purchase, Exchange, Lease or Value of
Real Property and Negotiated Contracts for Prospective
Gifts or Donations - Section 2(f)
U. T. Austin: Consideration of Acceptance
of Gift Including Real Estate and Authoriza-
tion to Execute Related Documents

3. Personnel Matters [Section 2(g)] Relating to Appointment,
Employment, Evaluation, Assignment, Duties, Discipline,
or Dismissal of Officers or Employees