

MATERIAL SUPPORTING THE AGENDA

Volume XXIIb

January 1975 - April 1975

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on January 31, March 14, and April 28, 1975.

The material is divided according to the Standing Committees and the meetings that were held and is submitted on three different colors, namely:

- (1) white paper - for the documentation of all items that were presented before the deadline date
- (2) blue paper - all items submitted to the Executive Session of the Committee of the Whole and distributed only to the Regents, Chancellor, and Deputy Chancellor
- (3) 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 maybe some people get copies and some do not get copies. If the Secretary were furnished a copy, then that material goes in the appropriate subject folder.



**BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM**

Material Supporting

**Agenda**

Meeting Date: March 14, 1975

Meeting No.: 731

Name: Office Copy

~~Board of Regents Com. BJR~~ 1

UNITED STUDENTS AGAINST RACISM AT TEXAS

Filed with  
See -  
9:45 am  
70 3/15/75

Copies to: The Members of the Legislative Black Caucus  
The Members of the Board of Regents  
Dr. Charles LeMaistre  
Dr. Lorene Rogers  
Dr. Floyd Brandt  
Dr. Donald Zacharias  
Dr. Ronald Brown  
Dr. James Duncan  
Dr. Bob Marion  
Dr. Elspeth Rostow  
Dr. Paul Trickett  
Ms. Peggy Krueger  
Dr. David Hershey  
Ms. Shirley Perry

To Governor Dolph Briscoe, Chancellor of the UT System, Charles LeMaistre, President of UT at Austin, Lorene Rogers, UT students and citizens of the State of Texas:

Recently, the U. S. Department of Health Education and Welfare, Office of Civil Rights released the findings of its report of The University of Texas and its violation of Title VI of the Civil Rights Act of 1964 which states:

No person in the United States shall, on the ground of Race, Color, or National origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

The HEW investigation revealed that The University of Texas was in violation of the Act in the following areas: University equal opportunity policy, admissions, recruitment, student financial aid, student employment, student support services, placement, housing, athletics and Greek social sororities and fraternities.

USARAT (United Student Against Racism at Texas) acknowledges the time lag that exists between the period of the investigation and the publishing of the report. We are familiar with the renovations in the present system: the Achievement Scholarship, the new corps of administrators, that 171 minority students were admitted under the new scholarship program. These improvements are in the right direction. However, the number of policy revisions, the kind of revisions, the time it took to initiate these changes make them only token renovations in a still dilapidated university environment where minorities are concerned.

The HEW report uncovers statistically the institutionalized racism that still exists at The University of Texas. In compliance with the Federal Government's HEW report, United Students Against Racism at Texas make the following demands, The University of Texas MUST:

I. Change its present policy that states: "The University of Texas at Austin shall not discriminate either in favor of or against any person on account of his or her race, creed, color or national origin."

This policy is an example of the way the University has gotten around bringing more minorities to its campus. The policy is inherently discriminatory since it maintains the existing status quo by making no positive statement favoring the increase of minorities. This racist policy should be abolished and stated favorably to increase the number of minorities to the present percentage of Blacks, Chicanos, and Native Americans, that presently exists in the state. This is only fair since this is a State institution and the campus should be representative of the ethnic composition of the state.

II. Since numerous studies have indicated that, because of cultural bias, standardized tests can affect minorities disparagingly, we demand that the SAT, GRE, LSAT and all other standardized tests should therefore be eliminated as a measure of a minority student's ability to succeed in college.

- III. Because, for the most part, Black and Chicano and other ethnic minorities come from lower economic backgrounds, we demand that more scholarships, grants, and fellowships be set aside to insure that minorities will have financial aid.
- IV. We demand that teaching assistantships and instructors proportionately represent minority population of the state.
- V. To correct the present underrepresentation of minorities at The University of Texas resulting from past practices, we demand that a full-time university-wide minority recruitment program be established. This program should consist of at least three Black and three Chicano, full-time recruiters.
- VI. We demand that more Black and Chicano faculty be hired in each department and that more minority faculty be tenured.
- VII. Ethnic Student Services does not meet minority student needs because of inadequate funding. We therefore demand that Ethnic Student Services become a line item with direct legislative budget and to be called The Division of Minority Affairs. Included in the restructuring we demand that Deans of Black and Chicano Students be created with the development of minority student Advisory Committee.
- VIII. We demand departmental status for the African & Afro-American Studies & Research Center as well as the Center for Mexican-American Studies, through the establishment of a new line item in The University of Texas budget.
- IX. We demand that funds be appropriated for developing a Black newspaper and Chicano newspaper.
- X. We demand that the new education building be named after a Black and Chicano educator to be chosen by the students.
- XI. We demand more viable cultural centers for minority displays, portraits, sculptures, reading materials, films, audio-visual equipment and recording facilities rather than mere romper rooms that are presently provided for us by the Texas Union. We demand more money be appropriated to the Texas Union Culture Committees and the construction of a minority cultural center.
- XII. We demand that a minority student committee be created to hear grievances of discriminatory and racist practices by faculty and/or administrators.

XIII. We demand that more minority doctors, nurses and other staff members be hired at the University Health Center.

We demand immediate, positive action.

March 12, 1975  
United Students Against Racism at Texas

UNITED STUDENTS AGAINST RACISM AT TEXAS

Filed with  
See -  
9:45 am  
70 31-5775

Copies to: The Members of the Legislative Black Caucus  
The Members of the Board of Regents  
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March 12, 1975

United Students Against Racism at Texas



THE UNIVERSITY OF TEXAS SYSTEM

Office of the Chancellor

601 COLORADO STREET, AUSTIN, TEXAS 78701

*Ad for Info*

March 13, 1975

MEMORANDUM

TO: Chairman Allan Shivers

FROM: Charles A. LeMaistre, M.D.  
Chancellor

1. Mr. Tom Drakos has requested permission to make an announcement at the Board meeting of the Blood Drive to be conducted by several student service organizations at UT Austin on April 7-10, 1975. Mr. Drakos would like to request that the Regents, Chancellor and President ad interim of UT Austin donate blood during this period. I recommend endorsement and recognition of this student public service undertaking. Organizations participating in the Blood Drive are: GDE, Service Organization; Alpha Phi Omega, Service Fraternity; Spooks, Service Organization; Alpha Epsilon Delta, Medical Fraternity; and the University Health Center.

2. Dr. Ronald Brown, Vice President for Student Affairs at UT Austin, has requested approval of the attendance of Mr. Lee Grace, Chairman of the Texas Student Publications Board, at the meeting of the Board on Friday. I recommend that Mr. Grace be allowed to speak for a limited time on the TSP fee, if he requests to speak. He favors the mandatory rather than the voluntary fee.

3. Dr. Brown also has said that there is an "outside" chance that the Student Government people at UT Austin will want to speak to the optional fee "Student Government-Senior Cabinet."

A REPORT  
AND RECOMMENDATIONS ON FUNDING  
FOR TEXAS STUDENT PUBLICATIONS

prepared for  
DR. RONALD BROWN  
VICE-PRESIDENT FOR STUDENT AFFAIRS

and approved by  
THE BOARD OF OPERATING TRUSTEES  
OF TEXAS STUDENT PUBLICATIONS  
SEPTEMBER 30, 1974

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- A. Nature and Scope of Texas Student Publications Activities
- B. Projection of Financial Needs
- C. Recommendations for Funding
- D. Funding Plans for Other Student Publications

REPORT AND RECOMMENDATIONS ON FUNDING FOR  
TEXAS STUDENT PUBLICATIONS

A. NATURE AND SCOPE OF TEXAS STUDENT PUBLICATIONS ACTIVITIES

Texas Student Publications is a unique auxiliary enterprise of the University governed by a board of students, faculty and professional journalists, set up by a Declaration of Trust between the Regents and the TSP Board. The TSP Board publishes the official student publications of the University, currently consisting of The Daily Texan, Cactus Yearbook, Pearl Magazine, Student Directory, and Peregrinus Law School Yearbook. In serving this publishing responsibility TSP provides the news medium, the annual record, and other information for the campus while also providing training for journalists, photographers, writers and advertising students. During 1973-74 over 350 students wrote, edited, or otherwise worked on the TSP publications. Much of this work was done in conjunction with journalism or advertising courses.

The Daily Texan averages nearly 18 pages per issue and has a circulation of 37,000 copies five days a week. Of these copies about 35,500 are picked up on and near the campus by students and faculty/staff members, while 1,500 are mailed to subscribers. The Texan is consistently rated with the finest student newspapers in the country, having won the top award, Pacemaker, three times in recent years in a nation-wide competition of the Associated Collegiate Press. It is also the major outlet for work of students in the Department of Journalism, the largest journalism department in the nation. As such, The Daily Texan plays an important role in journalism education. The Texan is funded from advertising and, at present, the optional student fee.

The Cactus Yearbook has a student staff of about 65 and is sold to over 10,000 students. The yearbook is a valuable picture record of the year and is one of the largest yearbooks in the U.S. No advertising is sold in the yearbook. Income is from sales of the book and picture and page charges to students and groups.

Pearl Magazine is a tabloid supplement to The Daily Texan. It provides magazine journalism students with an opportunity to see their efforts put into print, while giving Texan readers an extra bonus every month. Pearl Magazine contains about 15% to 25% advertising.

Peregrinus Law School Yearbook is edited by law students with the help of the TSP yearbook supervisor. It is 144 pages of class pictures, features, and law organizations, and is bought by nearly one-half of the law students. It is supported by sales of the book plus advertising.

The Student Directory is an annual directory listing all students registered with their home town as well as local address, telephone number, classification, and school or college. Over 10,000 copies are sold each fall.

In summary, the student publications serve the following important functions in the University community:

1. Provide an educational experience for student staff members.
2. Provide a forum for discussion of current issues of importance to the University community.
3. Provide an outlet for opinion through editorial columns, letter to the editor, and opinion columns.
4. Provide news of particular interest to the University community.
5. Provide cultural, entertaining, and informative material through features, stories and coverage of the arts.
6. Provide an effective advertising medium for the University community.
7. As one member of an investigating group at the University of Minnesota stated, "In the sprawling University the student newspaper is one of the few agencies capable of providing 'community'."

In addition to the official student publications, TSP sets type and prints several other publications which are appropriate for the web offset printing, such as "Texas Times", "On Campus", and "Texas Law Forum". Gross income from the printing of these publications was about \$20,000 in 1973-74.

#### B. PROJECTION OF FINANCIAL NEEDS

For the two years prior to 1974-75, Texas Student Publications was supported by the mandatory student services fee which amounted to \$136,650 each year. For 1974-75 this funding was changed to an optional fee which reduced the level of support to an estimated \$87,000. It is estimated that the ending balance for 1974-75 will be approximately \$164,000 as indicated in Exhibit 2. In determining its needs for the next five years, the TSP board has agreed that this balance should be used to support operations during this period.

In view of the TSP Board's projection that revenue will decrease under the present optional fee arrangement as students become aware that The Texan may be picked up from the uncontrolled boxes, it is essential that other means of University support be provided.

As Exhibit 1 indicates, revenues not including fees for the five-year period have been projected to total \$5,465,791. Expenses have been estimated at \$6,048,924. Hence, over the five-year period the excess of expenses over revenue would be \$583,133. Given the estimated balance in the fund as of August 31, 1975, this leaves \$418,914 to be made up from some other source. If such amount is to be spread evenly over the five-year period, then approximately \$84,000 must be provided each year. Because revenues have optimistically been projected at 10% increase compounded each year, the estimate of \$84,000 from the University is an absolute minimum.

EXHIBIT 1.

Estimated Balance in TSP Accounts August 31, 1975		\$164,219
Estimated for September 1, 1975 through August 31, 1980		
Revenues, not including fees	\$5,465,791	
Expenses	<u>-6,048,914</u>	
		<u>(583,133)</u>
Estimated Ending Balance August 31, 1980--required support from University		(\$418,914)
Divided by five-year period		<u>    +    5</u>
Required fee support each year		\$ 83,783

Projections for five-year period are presented in greater detail in Exhibit 2.

The following assumptions were made in the five-year projection:

1. Income from local, national, and classified advertising is increased 10% each year. The rate charged for advertising or volume of advertising or both will account for this increase.
2. Subscriptions and Sales are made up of Cactus, Student Directory, Peregrinus, and The Daily Texan. An arbitrary 3% increase is assumed and compounded each year.
3. Summer Directory income is from advertising and should increase the same as other advertising--10%
4. Picture and page charges in the yearbooks should increase by 5% because of rate increases as well as some increase in volume.
5. Income from other sources should increase by 5% because of service charges expected to be made for the new computerized typesetting system being installed this year.
6. Student Service Fee and Faculty/Staff Fee are figured as the amount needed, if all other estimates hold true, in order to have a near break-even budget at the end of the five-year period.
7. Salaries and Wages are increased from the 1974-75 level by 5% annually compounded for the five-year period.
8. Other Operating Expenses are increased by 10% each year.
9. \$5,000 per year is added as Allocation for Budget Adjustment.

10. Reserve for Equipment Replacement is increased from \$29,800 to \$59,400 each year because more equipment has been bought, and the rate of amortization has been changed for some of the equipment.

<u>1974-75 Budget</u>		<u>5-Year Projection</u>	
Press (\$230,000 for 20 years)	\$11,500	Press (\$220,000* for 15 yrs)	\$14,700
Other equipment (\$183,000 for 10 years)	<u>18,300</u>	Electronic equipment, photography & vehicles (\$116,913 for 4 yrs)	29,250
Total added to Reserve for 1974-75	<u>\$29,800</u>	Other equipment & furniture (\$154,426 for 10 yrs)	<u>15,450</u>
		Total added to Reserve each year during 5-yr period	<u>\$59,400</u>

\*Actual cost of press was just under \$220,000 rather than the estimated \$230,000 when amortization plan was first started. Current practice for depreciation of offset presses is 15 years.

When TSP became an auxiliary enterprise of the University in 1971, it was told to establish an adequate reserve for depreciation of facilities and equipment. In order to keep up with advances made in printing and typesetting technology, we know more funds than were originally budgeted for this reserve will be needed to update and replace equipment.

11. The ending balance from 1974-75 of \$164,219 will be used to offset deficits each year until the \$164,219 is almost depleted at the end of the five-year period.
12. It is further assumed that student enrollment will remain at about 41,000.

#### C. RECOMMENDATIONS FOR FUNDING

1. The TSP Board strongly recommends a mandatory, but refundable student fee for The Daily Texan combined with a lump sum faculty/staff fee which would provide about \$84,000 annually.
- a. The mandatory student fee would be \$.75 per semester for the fall and spring and \$.75 for the 12-week summer session, and would provide funds as follows:

Fall 1975	41,000	\$.75	\$30,750
Spring 1976	38,000	\$.75	28,500
Summer 1976	18,000	\$.75	<u>13,500</u>
	TOTAL		<u>\$72,750</u>

The fee would be refunded within the first twelve days of classes if a student applies for the refund. Since virtually all of the students pick up and read The Texan, it seems reasonable that a

small fee should be charged all, with the provision that those who object to being forced to help pay for the newspaper could get a refund.

The amount of the student fee would be reconsidered each year in light of the previous year's actual financial experience.

- b. The University would be asked to contribute a lump sum of \$11,250 for the year for faculty/staff subscriptions. This figure represents the same rate charged students times 5,000, which is our estimate of the number of faculty/staff members who would probably read The Texan. This lump sum payment by the University could be considered a fringe benefit for U.T. employees.

The amount of the faculty/staff fee would also be reconsidered each year.

Under this plan for funds from both student and faculty/staff, TSP would be assured of a stable financial base, and all students and faculty/staff would be assured of having a daily newspaper to read. Distribution would be simple and relatively inexpensive. Subscriptions would still be sold for delivery by mail and off campus pay racks would be provided for non-U.T. persons.

With a mandatory student fee and faculty/staff fee arrangement the charge would be only about 1¢ per copy, and it would allow for the continuation of mass circulation which in turn helps keep advertising rates high enough to account for a big percentage of total income.

There was no evidence of substantial student discontent while the mandatory fee for The Daily Texan was in effect during 72-73 and 73-74. A survey made by the Office of the Vice-President for Student Affairs, dated October 1973, indicated that 55.9% of the students favored The Texan being available to all through mandatory fee, while 24.2% preferred the optional fee.

Experience of the Michigan State News, Michigan State University, where the mandatory, refundable, fee system is in effect, shows that about 300 students out of an enrollment similar to our apply for the refund each quarter.

2. The TSP Board recommends as a less satisfactory alternative a mandatory, refundable, student fee for The Daily Texan without the faculty/staff lump sum fee. Under this arrangement TSP would recommend an amount per student which would provide a reasonable budget from which to operate. The disadvantage of this plan is that it is impossible to control circulation so that only students pick up the paper. It also seems impossible to get more than a few hundred faculty/staff to pay for The Texan, since they see it out in open boxes each day.

3. The TSP Board recommends as a second alternative the continuation of the optional student fee for The Daily Texan. About 64% of the students did pay the fee for 1974-75, but we think this percentage will drop next year if mass circulation is continued, for two reasons: (1) There was considerable sentiment for The Texan during preregistration for the 1974-75 year because the mandatory funding had just been cut off. It is unlikely the same publicity and sentiment will exist next spring. (2) Students will realize that circulation is not controlled and that any student, faculty or staff member may pick up a Texan whether they have paid or not.

On the assumption that 50% of the students would subscribe to The Texan on the optional fee arrangement, here are the probable consequences:

- a. Because it is grossly unfair to charge half the students and let the other half pick up The Texan free, TSP would be required to adopt controlled circulation.
- b. Controlled circulation means fewer Texans printed, which in turn would cause reduction in advertising rate and less income from advertising.
- c. Cost of circulation would be much more than for our present mass distribution.
- d. Subscription rate would have to be increased from our proposed 75¢ per student per semester to at least \$7.50 per student per semester. This is the rate charged at Indiana State University where no student fee arrangement exists.
- e. The higher rate per subscription would cause fewer students to buy it.
- f. Less income to The Texan would mean fewer pages for news and editorial material, which would mean a less effective training tool for journalism. The alternative to The Texan as a training medium is a laboratory newspaper for the Journalism Department, which would be very expensive and burdensome to the University.
- g. Second-class mailing privilege would be revoked if the number of paid subscribers drops to less than 51% of the total press run, causing much greater expense for mailing The Texan. For about 1,500 mail subscribers it is estimated that third-class mail is \$15,000 more expensive than second class and delays delivery by two to three days.

We strongly believe that this last choice of continuing on the optional fee is not in the best interest of the University as a whole, the students, faculty, or the community.

4. In addition to the recommended funding for The Daily Texan, the TSP Board also requests that the Cactus Yearbook and Peregrinus Law School Yearbook remain on the optional fee card with the amount of the subscription fee to be decided by TSP each year.

D. FUNDING PLANS OF STUDENT PUBLICATIONS OF OTHER LARGE UNIVERSITIES

Several plans for financing student newspapers exist across the country, but by far most are subsidized to some extent by the University.

1. "Associated Students" Fee

On the west coast most universities have organizations called Associated Students. A fee is collected from each student, which goes directly to Associated Students. In turn the Associated Students allot the funds to the campus radio station, student newspaper, union building, student government, etc. The student newspaper is governed by a publications committee which requests a lump sum from Associated Students each year. The paper is made available to all the students on campus. Examples of this plan are University of California at Santa Barbara (\$22,500), Cal State LA (\$28,000), and Oregon State (\$45,000).

2. Direct Mandatory Fee

Direct mandatory fees are charged at the University of Washington, Michigan State, Texas Tech, Oklahoma, and many others. At Washington each student paying tuition pays \$1.00 each semester for the newspaper which brings in over \$80,000 each year. Michigan State collects \$1.00 each semester from each student, but refunds the \$1.00 if a student files a request for the refund. Texas Tech collects about \$60,000 per year from the mandatory fee. At all three universities the newspaper is placed in boxes on campus for mass circulation. The Oklahoma Daily negotiates the amount of the mandatory fee each year based on previous year's financial operation. The Minnesota Daily, University of Minnesota, gets \$1.85 per student per quarter, mandatory, non-refundable.

3. Direct Subsidy by University

The printing bill is paid by the university at the University of Southern California instead of any direct charge to the students. About \$60,000 was paid in 1973-74 and papers were made available to all students and staff. At UCLA the student publications board negotiates with the University for an allocation of registration fees to pay for the newspapers and yearbook. This subsidy was \$170,500 for 1974-75.

4. Individual Subscriptions with Controlled Circulation

Individual subscriptions for student newspapers with controlled circulation are the exception rather than the rule. The Indiana Daily Student, Indiana University, sells subscriptions, many to individuals, some to groups such as fraternities, sororities, and their circulation is controlled. An individual subscription is \$7.50 per semester, but for 15 papers dropped in bulk to one living unit a 30% discount is given. Although they have been successful financially, they are negotiating with the university for a funding arrangement so that mass circulation will be possible.

5. Journalism Laboratory Newspapers

The Ohio State Lantern is published by the journalism department. It is distributed from 180 locations on campus and receives \$50,000 per year from the University.

6. Faculty/Staff Subscriptions

Besides student fees and subscriptions some student newspapers get support from faculty/staff subscriptions paid in lump sums. The University of Washington pays the student newspaper \$20,000 a year so that faculty and staff may pick up the paper. At the University of Minnesota \$21,275 is paid to the Minnesota Daily by the university for faculty/staff subscriptions in addition to the mandatory student fee.

EXHIBIT 2

TEXAS STUDENT PUBLICATIONS  
FINANCIAL REPORT  
AND FIVE YEAR PROJECTION

	1972-73	1973-74	1974-75	%*	1975-76	1976-77
	Actual	Preliminary	Estimated		1975-76	1976-77
<b>ESTIMATED REVENUE</b>						
Local Display Advertising	438,726	517,634	550,000	10%	605,000	665,500
National Display Advertising	34,523	38,286	39,000	10%	40,700	44,700
Classified Advertising	63,650	79,449	85,000	10%	93,500	102,850
Subscriptions and Sales	100,969	95,798	116,000	3%	119,500	123,000
Summer Directory	1,829	1,946	2,200	10%	2,500	2,750
Representation (Yearbooks)	21,553	22,692	23,900	5%	25,000	26,250
Other Sources	20,674	47,942	26,650	5%	30,000	31,500
<b>Total Estimated Revenue</b>	<u>681,924</u>	<u>803,747</u>	<u>842,750</u>		<u>916,200</u>	<u>996,620</u>
<b>BUDGETED EXPENSES</b>						
1. Salaries	157,947	166,366	175,910	5%	184,706	193,941
2. Wages	218,387	256,413	282,340	5%	296,457	311,280
3. Other Operating Expenses	303,914	388,671	456,875	10%	502,563	552,819
4. Allocation Budget Adjust.			7,253		5,000	5,000
5. Transfers to: Reserve for Equipment Replacement;	26,300	29,800	29,800		59,400	59,400
Other Transfers	24,526					
<b>Total Budgeted Expenses</b>	<u>731,074</u>	<u>841,250</u>	<u>952,178</u>		<u>1,048,126</u>	<u>1,122,440</u>
<b>EXCESS REVENUE OVER EXPENSES WITHOUT FEES</b>	<u>(49,150)</u>	<u>(37,503)</u>	<u>(109,428)</u>		<u>(131,926)</u>	<u>(125,820)</u>
<b>FEES: Student Services</b>	136,650	136,650	87,000		72,750	72,750
Faculty/Staff Subscrip.					11,250	11,250
<b>Total Fees</b>	<u>136,650</u>	<u>136,650</u>	<u>87,000</u>		<u>84,000</u>	<u>84,000</u>
<b>EXCESS REVENUE OVER EXPENSES INCLUDING FEES</b>	87,500	99,147	(22,428)		(47,926)	(41,821)
Beginning Balance	0	87,500	186,647		164,219	116,29
Estimated Ending Balance	<u>87,500</u>	<u>186,647</u>	<u>164,219</u>		<u>116,293</u>	<u>74,47</u>

\* Per Cent increase compounded each year in projection

APPLICATIONS  
 REPORT  
 PROJECTION

1973-74 Preliminary	1974-75 Estimated	%*	5-Year Projection					TOTALS
			1975-76	1976-77	1977-78	1978-79	1979-80	
634	550,000	10%	605,000	665,500	732,050	805,255	885,780	
286	39,000	10%	40,700	44,700	49,247	54,172	59,589	
449	85,000	10%	93,500	102,850	113,135	124,449	136,894	
798	116,000	3%	119,500	123,000	126,700	130,500	134,500	
946	2,200	10%	2,500	2,750	3,000	3,300	3,600	
692	23,900	5%	25,000	26,250	27,500	28,900	30,300	
942	26,650	5%	30,000	31,500	33,000	34,700	36,400	
747	<u>842,750</u>		<u>916,200</u>	<u>996,620</u>	<u>1,084,632</u>	<u>1,181,273</u>	<u>1,287,063</u>	<u>5,465,791</u>
366	175,910	5%	184,706	193,941	203,638	213,820	224,511	
413	282,340	5%	296,457	311,280	326,844	343,186	360,345	
671	456,875	10%	502,563	552,819	608,101	668,911	735,802	
	7,253		5,000	5,000	5,000	5,000	5,000	
800	29,800		59,400	59,400	59,400	59,400	59,400	
250	<u>952,178</u>		<u>1,048,126</u>	<u>1,122,440</u>	<u>1,202,983</u>	<u>1,290,317</u>	<u>1,385,058</u>	<u>6,048,924</u>
7,503	<u>(109,428)</u>		<u>(131,926)</u>	<u>(125,820)</u>	<u>(118,351)</u>	<u>(109,041)</u>	<u>(97,995)</u>	<u>(583,133)</u>
6,650	87,000		72,750	72,750	72,750	72,750	72,750	
			11,250	11,250	11,250	11,250	11,250	
6,650	<u>87,000</u>		<u>84,000</u>	<u>84,000</u>	<u>84,000</u>	<u>84,000</u>	<u>84,000</u>	
9,147	(22,428)		(47,926)	(41,820)	(34,351)	(25,041)	(13,995)	
7,500	186,647		164,219	116,29	74,473	40,122	15,081	
6,647	<u>164,219</u>		<u>116,293</u>	<u>74,47</u>	<u>40,122</u>	<u>15,081</u>	<u>1,086</u>	

projection

# Texas Student Publications

P.O. BOX D  
AUSTIN, TEXAS 78712  
(512) 471-5244

March 13, 1975

Members of The Board of Regents  
The University of Texas System  
Austin, Texas

Dear Lady and Sirs:

Texas Student Publications desires to continue operating under the sound business principle that has been the hallmark of this organization for many years. In order to do so, TSP comes to the Board requesting institution of a refundable fee to help cover the cost of publishing The Daily Texan.

Presently, we have the financial base for a sound operation, but to continue, a minimum guaranteed income is needed to supplement revenues from advertising. This can best be provided by a refundable fee charged to all students at a rate of less than 7¢ per semester hour.

Dr. LeMaistre's office is distributing a copy of a letter to President Ad Interim Rogers outlining the legal aspects surrounding such a fee. Attached is a copy of a letter to Governor Shivers describing the various features of alternative funding plans and a report and recommendations on funding for TSP proposed for Dr. Ronald Brown, Vice-President for Student Affairs.

We regret the late submission of this material to you, but we were not aware that it would be possible for TSP to bring this matter before you for further consideration until today.

The attached 5-year plan was a recommendation for funding for Dr. Rogers' Committee on Student Services Fee. You will note that the report discusses the scope of student publications, a review of financial operations, a 5-year projection, funding plans used at other large universities for student publications, and recommendations for funding here at The University of Texas.

We call to your attention some substantial changes in the 5-year projection plan since the report was drawn last September.

1. The salary increase based on 5% annual increase per year is too conservative as shown by the 13% change already this year.

The University of Texas at Austin • Texas Student Publications Building 3.200

2. The equipment transfer fund has been found to be too conservative. It is based on the actual cost of equipment rather than the projected cost at a future purchase date. Inflation must be taken into account in order that we can provide for the future. TSP is unable to go to a bank and ask for a loan, and we don't want to be forced to come to the Regents every time money is needed to replace equipment or every time we need to purchase equipment in order to keep pace with the latest technological and teaching methods for newspaper production.
3. Equipment life projected at 15 years probably is too long. Because of advances in technology, replacement probably would be desirable much sooner.
4. A major source of income is still advertising, and we have predicted a 10% annual increase in the 5-year plan. However, considering the economy and other factors, this percentage could fluctuate considerably. Any severe dip in the economy and we could not maintain this 10% annual increase.
5. Increase cost factors are set at 10% in the 5-year plan. This has proved to be very conservative. In the past 26 months newsprint alone has jumped 38% from \$163 per ton in November 1972 to \$225 per ton in January 1975. The Texan expects to use 703 tons of newsprint this year. Ink costs also have increased by the rate of 204% from 10.5¢ per pound in November 1972 to 32¢ per pound in January 1975. The fact that we overestimated our expenses when moving into the new building and began printing under the offset process helps explain the high excess income figures we presently show.
6. A campus wide poll shows that 75% of the faculty and staff reads The Texan while not paying a subscription. In effect, we are giving them free subscriptions. You will note that the 5-year plan provided for payment of \$11,250 annually by the administration to help cover these subscriptions. However, we are willing to disregard the request at this time.
7. We now have a cash reserve, but you will note that the 5-year projected budget is designed to make use of these funds even with a refundable fee.
8. One of the prime reasons for seeking this refundable fee is to create an equitable situation on campus with all students paying their fair share for The Daily Texan. Polls also show that 90% of the students read The Texan daily. It is easy to see that more students use The Texan and benefit from it on a daily basis than use such facilities as the Texas Union which has a much higher mandatory fee. You will also note that we are willing to return any subscription fee to a student who does not want to receive the newspaper.

9. We would recommend adoption of funding proposal No. 2 found on Page 7 of the attached report. This would amount to \$.75 each semester for the fall and spring and \$.75 for the 12-week summer session. When breaking this down into the \$2.50 per semester hour cost for the student service fee, the TSP apportionment would amount to only 6 1/4¢.

Sincerely yours,



Lee Grace, President  
TSP Board of Operating Trustees

LG/dm

# Texas Student Publications

P.O. BOX D  
AUSTIN, TEXAS 78712  
(512) 471-5244

February 25, 1975

Governor Allen Shivers  
U.T. Board of Regents  
6 Niles Road  
Austin, Texas 78703

Dear Governor Shivers:

While in Wichita Falls recently, I was discussing the TSP funding problem with my grandfather, H.S. (Henry) Grace, and my father, Luke Grace, and, since you are going to be discussing funding at the next Regent's meeting, they thought I should personally write you so that you could better understand TSP's position concerning the mandatory fee.

Many possible systems for funding The Daily Texan have been discussed by TSP and the administration. These include the optional fee, the refundable or non-refundable mandatory fee, the optional fee with controlled circulation, and a free Daily Texan. Considering the factors involved in each system, only one would really work on the U.T. Austin campus at this time.

THE OPTIONAL FEE: This system was used last year with circulation being a mass distribution in open boxes throughout the campus. With 62% of the students paying the \$3.30 fee, The Texan had the necessary base income to continue producing a quality, faculty-professional advised student newspaper. As long as more than 40% of the student body pays the optional fee, the Texan will have the financial base to continue as an educational tool of the School of Communication. However, if the percentage drops below 50%, problems do arise. Because of Federal regulations, half of the daily press run must be for subscribers. In other words, we can't print more than twice the number of newspapers paid for by students paying the optional fee. Presently, we print 37,500 copies daily, approximately the number of students on campus per day. Now remember that The Texan is distributed in open boxes so that anyone can pick up a copy. This keeps circulation high and attracts advertising. If less than 18,750 students paid the optional fee (18,750 is half of 37,500) we would have to lower the number of newspapers printed each day; i.e., lower our circulation. (The reason for lowering circulation is in the next paragraph.) With our open box distribution policy, subscribers could have problems finding a paper.

If a high drop in the number of students paying the fee occurred, like 10,000 or 15,000, then these subscribers could have difficulty finding a paper. With our distribution system, we could not keep non-subscribers from picking up the paper. We believe that fewer students will pay the optional fee since they can pick up a paper for free.

The University of Texas at Austin • Texas Student Publications Building 3.200

If we printed 37,500 copies while less than half the students paid the fee, we would lose our second-class mailing permit, which states that 50% of circulation must be for subscribers. Now, a second-class permit might not seem important, but a third-class permit would cost us a minimum of \$16,000 more per year, while delivery would be slower and less consistent to our mailout subscribers.

You might wonder why we don't change our circulation system. Advertising pays most of our bills, and the larger The Texan's circulation the more attractive it is to advertisers. A drop in circulation would cost us advertisers, as our medium would reach fewer students. There is also the ethical and moral question raised by allowing all students to pick up a newspaper that only a percentage of students pay for.

THE OPTIONAL FEE WITH CONTROLLED CIRCULATION: The problem with advertisers mentioned above would occur, since the circulation would probably be less. In addition, a circulation department would have to be enlarged to handle distribution. Both professional journalists on the TSP Board agree that the costs would be tremendous, plus there are added problems in getting the newspaper to the subscriber every day. Costs would be equal or higher than those for regular newspapers--at least \$15 per student subscriber per semester. As an educational tool, The Daily Texan would be ineffective because with the high costs fewer pages could be run and fewer students could be hired to work. Still, Dr. LeMaistre has stated that he is in favor of this system, so we asked the student senate to place this question on their election referendum, along with questions concerning the mandatory fee and the present optional fee.

THE REFUNDABLE OR NONREFUNDABLE MANDATORY FEE: For many reasons this is the best system. The cost, \$.75 per semester, is low since the cost is spread out among all the students. Advertising is attracted because of the high circulation. Circulation costs are low because it can be mass-distributed throughout campus in the open boxes. This also makes it easy for students to pick up. The advertising income combined with the base income created by the fee insures the highest educational opportunities for the journalism students working on the paper. Of course, political groups could object to a non-refundable mandatory fee.

A refund system could be set up that would overcome the administration's objections of too much paperwork for the bursar's office. However, TSP could use a system similar to that used by the Athletic Office for distribution of athletic tickets. Any student wanting a refund could come by the TSP offices and receive his refund. His I.D. would be stamped to show that he had received a refund and his name would be marked on a master list to keep records of who and how many received refunds. This refund system is workable, and would not cause any complications with the bursar's office

Governor Allen Shivers  
2/25/75 - Page 3.

since they would not be involved. Numerous universities throughout the country use this system.

A FREE TEXAN: A free Texan causes federal problems with mailing, as already mentioned. We would lose the base income from student fees plus have the added expenses of \$16,000 for mailing third class. Advertising income would have to be \$40,000-\$50,000 higher to cover the lost income and added expenses. Tighter budget controls would have a negative effect on the educational aspect of The Texan since the paper would have to run fewer pages and hire fewer students.

Remember, we believe the first consideration of TSP is the educational aspect provided to journalism students. The second is the cost to our student readers. Keeping the cost as low as possible while still providing the best supervised educational working opportunities is the goal of TSP.

This is why I think the mandatory fee with TSP handling the work and the responsibility of providing refunds is the best system of The University of Texas at Austin. I'll be happy to meet with you at any time to discuss the funding issue. Thank you very much for your time.

Sincerely yours,



Lee Grace  
President, TSP Board

LG/dm



The University of Texas at Arlington  
Arlington, Texas 76019

Office of the Vice-President  
for Business Affairs  
UTA Box No. 19339

March 5, 1975

Miss Betty Anne Thedford, Secretary  
Board of Regents  
The University of Texas System  
Box N, University Station  
Austin, Texas 78712

Dear Miss Thedford:

The following students from The University of Texas at Arlington  
will be attending the Board of Regents meeting on March 14, 1975:

Mr. Bob Dillard, Shorthorn Editor  
Mr. Robert Hart, Photo Editor

Sincerely,

  
J. D. Wetsel  
Vice-President  
for Business Affairs

*Did not come.*

vs

MGMSNTA SNT  
<1-029364A072 03/13/75  
TLX FOLEYS HOU  
01 HOUSTON TX  
ZIP 78712

 **Mailgram**  
western union



▶ GOVERNOR ALLEN SHIVERS  
C/O BOARD OF REGENTS  
UNIVERSITY OF TEXAS  
AUSTIN TX 78712

*BPT file*

AS MEMBER OF SCHOOL OF COMMUNICATION ADVISORY COUNCIL, I WANT  
TO STRONGLY REITERATE MY SUPPORT OF COUNCIL POSITION  
REGARDING MANDATORY FINANCING FOR THE DAILY TEXASN. ALTHOUGH  
FUNDS MAY SEEM EXCESSIVE IN TSP RESERCE NOW, FAILURE TO FUND  
ON MANDATORY BASE WILL ZERO RESERVE WITHIN A FEW YEARS

RESULT OF NOT MANDATORY FUNDING WOULD BE DISASTROUS.  
FOLEYS LEE M DUBOW

1535 EST

MGMSNTA SNT

<

BOARD OF REGENTS: VACANCIES ON SPECIAL COMMITTEES AND REGENTAL REPRESENTATIVES. --To fill the vacancies caused by the expiring terms of former Regents Erwin and Garrett, I wish to announce membership of the following special committees and regental representatives for various organizations:

A. Special Committees

1. Joint Conference Committee of Board of Regents of The University of Texas System and Trustees of the Hermann Hospital Estate (The Affiliation Agreement with Hermann Hospital, dated January 24, 1970 provides for a Joint Conference Committee.):

Regent McNeese  
Regent Nelson  
Regent Sterling

2. Special Committee with Respect to Development of Balcones Research Center:

Chairman Shivers  
Regent Clark  
Regent Johnson

3. Special Committee on Matters Relating to Brackenridge Tract and Matters with City Council:

Chairman Shivers  
Regent Clark  
Regent Johnson

4. Special Committee on Humanities Research Center:

Regent Clark  
Regent Law

5. Special Committee on U. T. History Project:

Regent Clark  
Regent Law

6. Committee for Santa Rita Award

Regents

Regent Clark  
Regent Johnson  
Vice-Chairman Williams

Others

Dr. LeMaistre, Chancellor  
Mr. Blunk (U. T. System Director  
of Development), Secretary  
(ex officio without vote)

- B. Liaison with U. T. Austin Development Board

Regent Law

C. Regental Representatives

1. Association (National) of Governing Boards of State Universities and Allied Institutions (In the past, the Association of Governing Boards has included one representative from each Board. However, they are now very eager to have all members of the Governing Boards attend all of the meetings and all members are regental representatives to that Board.)
  
2. General Assembly of Inter-University Council in North Texas Region (The University of Texas at Arlington, The University of Texas at Dallas and The University of Texas Southwestern Medical School at Dallas are members of an inter-university council, the charter of which provides for membership of two members of the governing boards of member institutions. In the past, Regents Garrett and Vice-Chairman Williams have been regental members of this council.):

Vice Chairman Williams  
Regent Law

Statement by Dr. Ronald M. Brown, vice president for student affairs, The University of Texas at Austin:

"Just before noon today, a group of 10 people occupied the office of Dr. Lorene Rogers, president ad interim. Dr. Rogers has been out of the office almost all of this week because of illness.

"Informal discussions were held between members of the group and a number of University administrators, as well as several other interested persons, including Representatives Barrientos and Leland. These discussions resulted in clarification of some minority student concerns and in the understanding that further discussions would be held in the future. Members of the group will have an opportunity to present their views briefly to the Board of Regents at their meeting tomorrow.

"Needless to say, the University does not condone this method of expressing concerns of this nature."

3/13/75

BOARD OF REGENTS  
of  
THE UNIVERSITY OF TEXAS SYSTEM

CALENDAR

March 14, 1975

Place: Main Building, Suite 212  
The University of Texas at Austin  
Austin, Texas

Friday, March 14, 1975

8:45 a. m.

Group Picture of Regents *Cancelled*  
(Room 209)

9:00 a. m.

Meeting of the Board

Committee Meetings

System Administration Committee  
Academic and Developmental Affairs  
Committee  
Buildings and Grounds Committee  
Medical Affairs Committee  
Land and Investment Committee  
Committee of the Whole  
Open Session  
Executive Session

*2 p.m. - Jinker Room - Sel. Com for UT A Presidents*  
*3:40 - Platform party arrives*

Meeting of the Board

Telephone Numbers

Offices:

Board of Regents	471-1265
Chancellor LeMaistre	471-1434
Deputy Chancellor Walker	471-1743
President Rogers	471-1233

Hotels

Sheraton-Crest	478-9611
Driskill Hotel	474-5911
Villa Capri Motor Hotel	476-6171
Quality Inn	444-0561

Airlines:

Braniff International	476-4631
Continental	477-6716
Texas International	477-6441

**Meeting of the Board** :

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

Chairman Shivers, Presiding

Date: March 14, 1975

Time: 9:00 a.m.

Place: Main Building  
U. T. Austin  
Austin, Texas

A. CALL TO ORDER

B. APPROVAL OF MINUTES OF REGENTS' MEETING ON  
JANUARY 31, 1975

 *Interest* *W. K. Ransom*  
C. BOARD OF REGENTS: VACANCIES ON SPECIAL COMMITTEES  
AND REGENTAL REPRESENTATIVES

D. RECESS FOR MEETINGS OF STANDING COMMITTEES

1. System Administration Committee - Committee  
Chairman Williams
2. Academic and Developmental Affairs Committee -  
Committee Chairman Johnson
3. Buildings and Grounds Committee - Committee  
Chairman Bauerle
4. Medical Affairs Committee - Committee Chairman  
Nelson
5. Land and Investment Committee - Committee  
Chairman Clark
6. Committee of the Whole
  - a. Open Session
  - b. **Executive Session.** --The Board of Regents will resolve  
into Executive Session of the Committee of the Whole  
pursuant to Vernon's Civil Statutes, Article 6252-17  
Sections 2 (e) and (f) for:
    - 1) U. T. Austin: Recommendation to Lease Acreage in  
Travis County, Texas
    - 2) U. T. Austin: Recommendation to Exchange Ground  
Leases, Travis County, Texas
    - 3) Galveston Medical Branch (Galveston Medical School):  
Recommendation to Renegotiate Real Estate Note
    - 4) University Cancer Center (M. D. Anderson): Recom-  
mendation to Renegotiate Real Estate Note
    - 5) U. T. Dallas: Land Acquisition

62, Houston Health Science Center (Public Health School): Appearance  
of Representative of Southwestern Construction Company, Houston,  
Texas, with Respect to Addition of the Shelled-in Space of the 8th,  
9th and 10th Floors of the Public Health School Building

*Sec. 2(e)*

# **System Administration Committee**

**SYSTEM ADMINISTRATION COMMITTEE**  
**Committee Chairman Williams, Presiding**

Date:    **March 14, 1975**  
Time:    **9:00 a. m.**  
Place:   **Main Building, Suite 212**  
              **U. T. Austin**  
              **Austin, Texas**

<p>U. T. Arlington, U. T. Austin, U. T. El Paso, Dallas  Health Science Center (Dallas Southwestern Medical  School and Dallas Allied Health Sciences School) and  System Nursing School: Amendments to the 1974-75  Budgets (5-B-75 and 6-B-75)</p>	<p><u>Page</u>  <u>SAC</u></p> <p>Below</p>
--	---

Submitted for formal approval are the following recommendations of System Administration:

U. T. Arlington, U. T. Austin, U. T. El Paso, Dallas Health Science Center (Dallas Southwestern Medical School and Dallas Allied Health Sciences School) and System Nursing School: Amendments to the 1974-75 Budgets (5-B-75 and 6-B-75). -- It is recommended by the appropriate chief administrative officers, concurred in by System Administration, that the following amendments to the 1974-75 budgets for The University of Texas at Arlington, The University of Texas at Austin, The University of Texas at El Paso, The University of Texas Health Science Center at Dallas (Dallas Southwestern Medical School and Dallas Allied Health Sciences School) and The University of Texas System School of Nursing be approved (Pages SAC 1 - 5 ).

The University of Texas at Arlington

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
10.	Auxiliary Enterprises - Student Center Facilities			
	Transfer of Funds:	From: Unappropriated Balance - Student Center Facilities	To: Student Center Facilities - Capital Outlay	
	Amount of Transfer:	\$ 3,200	\$ 3,200	---

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
11.	Auxiliary Enterprises - Intercollegiate Athletics for Women			
	Transfer of Funds:	From: Unappropriated Balance - Inter- collegiate Athletics for Women - via Estimated Income	To: Intercollegiate Athletics for Women - Maintenance and Operation \$ 690 Travel <u>1,085</u>	
	Amount of Transfer:	\$ 1,775	<u>\$ 1,775</u>	---
12.	Auxiliary Enterprises - Intramurals			
	Transfer of Funds	From: Unappropriated Balance - Intramurals via Estimated Income	To: Intramurals - Travel	
	Amount of Transfer	\$ 400	\$ 400	---

The University of Texas at Austin

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
36.	Auxiliary Enterprises - Intercollegiate Athletics for Women			
	Transfer of Funds:	From: Unappropriated Balance - Inter- collegiate Athletics for Women - via Estimated Income	To: Intercollegiate Athletics for Women - Other Expenses	
	Amount of Transfer:	\$ 2,167	\$ 2,167	---
37.	Auxiliary Enterprises - Women's Residence Halls			
	Transfer of Funds:	From: Housing and Food Service - Un- appropriated Balances	To: Kinsolving Dormitory - General Operating Expenses (Repair of Building)	
	Amount of Transfer:	\$ 5,890	\$ 5,890	---
38.	Auxiliary Enterprises - U. T. Austin Student Publications			
	Transfer of Funds:	From: U. T. Austin Student Publications Unappropriated Balance via Estimated Income	To: Budgeted Expenses - Wages \$ 12,970 Other Operating Expense <u>58,955</u>	
	Amount of Transfer:	\$ 71,925	<u>\$ 71,925</u>	---
	<u>Activity</u>	<u>Wages</u>	<u>Operating Expenses</u>	
	General Overhead	\$	\$ 6,593	
	Daily Texan	2,500	21,986	
	Summer Texan	9,800	17,373	
	Cactus		9,920	
	Pearl	670	<u>3,083</u>	
	Total	<u>\$ 12,970</u>	<u>\$ 58,955</u>	

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
39.	Inter-American Conference of Science and Technology			
	Transfer of Funds	From: Unappropriated Balance	To: Inter-American Conference on Science and Technology	
	Amount of Transfer	\$ 30,000	\$ 30,000	---
40.	Unallocated Accounts			
	Transfer of Funds	From: Unappropriated Balance	To: Unallocated Maintenance and Operation	
	Amount of Transfer	\$ 200,000	\$ 200,000	---
41.	Auxiliary Enterprises - Jester Center Halls			
	Transfer of Funds	From: Housing and Food Service Unappropriated Balance via Estimated Income	To: Jester Center Halls - Wages \$3,700 Other Operating Expense 350 Unallocated 450	
	Amount of Transfer	\$ 4,500	<u>\$4,500</u>	---

42. Auxiliary Enterprises - Intercollegiate Athletics

Reappointment of Football Coaching Staff:

Name and Title	Annual Salary Rate as of 1/31/75	Annual Salary Rate with Mandatory Increase (S.B. 1) as of 2/1/75	Proposed Annual Salary Rate as of 2/1/75
Assistant Athletics Director			
Billy M. Ellington	\$ 21,200	\$ 23,108	\$ 24,500
Assistant Football Coach			
William M. Campbell	26,680	28,768	28,768
Willie F. Zapalac	21,200	23,108	23,108
R. M. Patterson	20,060	21,865	22,000
Timothy M. Doerr	17,070	18,606	18,606
David L. McWilliams	16,030	17,473	18,000
William T. Dykes	15,000	16,368	18,000
Kenneth D. Dabbs	15,000	16,368	18,000
Prenis Williams	14,000	15,368	16,000
Donald C. Breaux	22,000	23,980	23,980

(appointment effective 1/2/75)

Source of Funds: Intercollegiate Athletics - Allocation for Budget Adjustments

The University of Texas at El Paso

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
12.	Auxiliary Enterprises - I. D. Card - Ticket Center			
	Transfer of Funds	From: Auxiliary Administration Un- appropriated Balance	To: I. D. Card - Ticket Center	
	Amount of Transfer	\$ 14,100	\$ 14,100	---

13. Auxiliary Enterprises - Intercollegiate Athletics

Reappointment of Football Coaching Staff

Name and Title	Annual Salary Rate as of 1/31/75	Annual Salary Rate with Mandatory Increase (S.B. 1) as of 2/1/75	Proposed Annual Salary Rate as of 2/1/75
Head Football Coach Gilbert C. Bartosh	\$ 25,000	\$ 27,088	\$ 27,500
Assistant Football Coach			
Thomas J. Hardy	12,500	13,868	13,868
Horace J. Harrington	15,000	16,368	16,368
Marvin C. Kristynik	15,500	16,896	16,896
Donald E. Smith	17,000	18,528	18,528
Burl W. Wood	14,000	15,368	15,368
	14,000	14,000	14,000

The University of Texas  
Health Science Center at Dallas

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>Dallas Allied Health Science School</u>				
7.	Ralph Johnson (Non-tenure) Physical Medicine and Rehabilitation and Physical Therapy	Assistant Professor	Assistant Professor	
	Salary Rate	\$ 24,050	\$ 30,000	1/1/75
	Source of Funds: Unallocated Faculty Salaries			

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
<u>Dallas Southwestern Medical School and Dallas Allied Health Sciences School</u>				
8.	Phala A. Helm (Non-tenure) Physical Medicine and Rehabilitation and Physical Therapy	Assistant Professor	Assistant Professor	
	Salary Rate	\$ 25,185	\$ 29,247	2/1/75
	Source of Funds: Unallocated Faculty Salaries			

The University of Texas System  
School of Nursing

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
3.	San Antonio Nursing School			
	Transfer of Funds:	From: Unappropriated Balance via Estimated Income	To: San Antonio Nursing School - Maintenance and Operation	
	Amount of Transfer:	\$ 7,612	\$ 7,612	---

**Academic and Developmental Affairs  
Committee**

# Texas Student Publications

*at distributed  
the  
meeting*

P.O. BOX D  
AUSTIN, TEXAS 78712  
(512) 471-5244

March 13, 1975

Members of The Board of Regents  
The University of Texas System  
Austin, Texas

Dear Lady and Sirs:

Texas Student Publications desires to continue operating under the sound business principle that has been the hallmark of this organization for many years. In order to do so, TSP comes to the Board requesting institution of a refundable fee to help cover the cost of publishing The Daily Texan.

Presently, we have the financial base for a sound operation, but to continue, a minimum guaranteed income is needed to supplement revenues from advertising. This can best be provided by a refundable fee charged to all students at a rate of less than 7¢ per semester hour.

Dr. LeMaistre's office is distributing a copy of a letter to President Ad Interim Rogers outlining the legal aspects surrounding such a fee. Attached is a copy of a letter to Governor Shivers describing the various features of alternative funding plans and a report and recommendations on funding for TSP proposed for Dr. Ronald Brown, Vice-President for Student Affairs.

We regret the late submission of this material to you, but we were not aware that it would be possible for TSP to bring this matter before you for further consideration until today.

The attached 5-year plan was a recommendation for funding for Dr. Rogers' Committee on Student Services Fee. You will note that the report discusses the scope of student publications, a review of financial operations, a 5-year projection, funding plans used at other large universities for student publications, and recommendations for funding here at The University of Texas.

We call to your attention some substantial changes in the 5-year projection plan since the report was drawn last September.

1. The salary increase based on 5% annual increase per year is too conservative as shown by the 13% change already this year.

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2. The equipment transfer fund has been found to be too conservative. It is based on the actual cost of equipment rather than the projected cost at a future purchase date. Inflation must be taken into account in order that we can provide for the future. TSP is unable to go to a bank and ask for a loan, and we don't want to be forced to come to the Regents every time money is needed to replace equipment or every time we need to purchase equipment in order to keep pace with the latest technological and teaching methods for newspaper production.
3. Equipment life projected at 15 years probably is too long. Because of advances in technology, replacement probably would be desirable much sooner.
4. A major source of income is still advertising, and we have predicted a 10% annual increase in the 5-year plan. However, considering the economy and other factors, this percentage could fluctuate considerably. Any severe dip in the economy and we could not maintain this 10% annual increase.
5. Increase cost factors are set at 10% in the 5-year plan. This has proved to be very conservative. In the past 26 months newsprint alone has jumped 38% from \$163 per ton in November 1972 to \$225 per ton in January 1975. The Texan expects to use 703 tons of newsprint this year. Ink costs also have increased by the rate of 204% from 10.5¢ per pound in November 1972 to 32¢ per pound in January 1975. The fact that we overestimated our expenses when moving into the new building and began printing under the offset process helps explain the high excess income figures we presently show.
6. A campus wide poll shows that 75% of the faculty and staff reads The Texan while not paying a subscription. In effect, we are giving them free subscriptions. You will note that the 5-year plan provided for payment of \$11,250 annually by the administration to help cover these subscriptions. However, we are willing to disregard the request at this time.
7. We now have a cash reserve, but you will note that the 5-year projected budget is designed to make use of these funds even with a refundable fee.
8. One of the prime reasons for seeking this refundable fee is to create an equitable situation on campus with all students paying their fair share for The Daily Texan. Polls also show that 90% of the students read The Texan daily. It is easy to see that more students use The Texan and benefit from it on a daily basis than use such facilities as the Texas Union which has a much higher mandatory fee. You will also note that we are willing to return any subscription fee to a student who does not want to receive the newspaper.

9. We would recommend adoption of funding proposal No. 2 found on Page 7 of the attached report. This would amount to \$.75 each semester for the fall and spring and \$.75 for the 12-week summer session. When breaking this down into the \$2.50 per semester hour cost for the student service fee, the TSP apportionment would amount to only 6 1/4¢.

Sincerely yours,



Lee Grace, President  
TSP Board of Operating Trustees

LG/dm

# Texas Student Publications

P.O. BOX D  
AUSTIN, TEXAS 78712  
(512) 471-5244

February 25, 1975

Governor Allen Shivers  
U.T. Board of Regents  
6 Niles Road  
Austin, Texas 78703

Dear Governor Shivers:

While in Wichita Falls recently, I was discussing the TSP funding problem with my grandfather, H.S. (Henry) Grace, and my father, Luke Grace, and, since you are going to be discussing funding at the next Regent's meeting, they thought I should personally write you so that you could better understand TSP's position concerning the mandatory fee.

Many possible systems for funding The Daily Texan have been discussed by TSP and the administration. These include the optional fee, the refundable or non-refundable mandatory fee, the optional fee with controlled circulation, and a free Daily Texan. Considering the factors involved in each system, only one would really work on the U.T. Austin campus at this time.

THE OPTIONAL FEE: This system was used last year with circulation being a mass distribution in open boxes throughout the campus. With 62% of the students paying the \$3.30 fee, The Texan had the necessary base income to continue producing a quality, faculty-professional advised student newspaper. As long as more than 40% of the student body pays the optional fee, the Texan will have the financial base to continue as an educational tool of the School of Communication. However, if the percentage drops below 50%, problems do arise. Because of Federal regulations, half of the daily press run must be for subscribers. In other words, we can't print more than twice the number of newspapers paid for by students paying the optional fee. Presently, we print 37,500 copies daily, approximately the number of students on campus per day. Now remember that The Texan is distributed in open boxes so that anyone can pick up a copy. This keeps circulation high and attracts advertising. If less than 18,750 students paid the optional fee (18,750 is half of 37,500) we would have to lower the number of newspapers printed each day; i.e., lower our circulation. (The reason for lowering circulation is in the next paragraph) With our open box distribution policy, subscribers could have problems finding a paper.

If a high drop in the number of students paying the fee occurred, like 10,000 or 15,000, then these subscribers could have difficulty finding a paper. With our distribution system, we could not keep non-subscribers from picking up the paper. We believe that fewer students will pay the optional fee since they can pick up a paper for free.

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If we printed 37,500 copies while less than half the students paid the fee, we would lose our second-class mailing permit, which states that 50% of circulation must be for subscribers. Now, a second-class permit might not seem important, but a third-class permit would cost us a minimum of \$16,000 more per year, while delivery would be slower and less consistent to our mailout subscribers.

You might wonder why we don't change our circulation system. Advertising pays most of our bills, and the larger The Texan's circulation the more attractive it is to advertisers. A drop in circulation would cost us advertisers, as our medium would reach fewer students. There is also the ethical and moral question raised by allowing all students to pick up a newspaper that only a percentage of students pay for.

THE OPTIONAL FEE WITH CONTROLLED CIRCULATION: The problem with advertisers mentioned above would occur, since the circulation would probably be less. In addition, a circulation department would have to be enlarged to handle distribution. Both professional journalists on the TSP Board agree that the costs would be tremendous, plus there are added problems in getting the newspaper to the subscriber every day. Costs would be equal or higher than those for regular newspapers--at least \$15 per student subscriber per semester. As an educational tool, The Daily Texan would be ineffective because with the high costs fewer pages could be run and fewer students could be hired to work. Still, Dr. LeMaistre has stated that he is in favor of this system, so we asked the student senate to place this question on their election referendum, along with questions concerning the mandatory fee and the present optional fee.

THE REFUNDABLE OR NONREFUNDABLE MANDATORY FEE: For many reasons this is the best system. The cost, \$.75 per semester, is low since the cost is spread out among all the students. Advertising is attracted because of the high circulation. Circulation costs are low because it can be mass-distributed throughout campus in the open boxes. This also makes it easy for students to pick up. The advertising income combined with the base income created by the fee insures the highest educational opportunities for the journalism students working on the paper. Of course, political groups could object to a non-refundable mandatory fee.

A refund system could be set up that would overcome the administration's objections of too much paperwork for the bursar's office. However, TSP could use a system similar to that used by the Athletic Office for distribution of athletic tickets. Any student wanting a refund could come by the TSP offices and receive his refund. His I.D. would be stamped to show that he had received a refund and his name would be marked on a master list to keep records of who and how many received refunds. This refund system is workable, and would not cause any complications with the bursar's office

Governor Allen Shivers  
2/25/75 - Page 3.

since they would not be involved. Numerous universities throughout the country use this system.

A FREE TEXAN: A free Texan causes federal problems with mailing, as already mentioned. We would lose the base income from student fees plus have the added expenses of \$16,000 for mailing third class. Advertising income would have to be \$40,000-\$50,000 higher to cover the lost income and added expenses. Tighter budget controls would have a negative effect on the educational aspect of The Texan since the paper would have to run fewer pages and hire fewer students.

Remember, we believe the first consideration of TSP is the educational aspect provided to journalism students. The second is the cost to our student readers. Keeping the cost as low as possible while still providing the best supervised educational working opportunities is the goal of TSP.

This is why I think the mandatory fee with TSP handling the work and the responsibility of providing refunds is the best system of The University of Texas at Austin. I'll be happy to meet with you at any time to discuss the funding issue. Thank you very much for your time.

Sincerely yours,



Lee Grace  
President, TSP Board

LG/dm

A REPORT  
AND RECOMMENDATIONS ON FUNDING  
FOR TEXAS STUDENT PUBLICATIONS

prepared for  
DR. RONALD BROWN  
VICE-PRESIDENT FOR STUDENT AFFAIRS

and approved by  
THE BOARD OF OPERATING TRUSTEES  
OF TEXAS STUDENT PUBLICATIONS  
SEPTEMBER 30, 1974

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- B. Projection of Financial Needs
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REPORT AND RECOMMENDATIONS ON FUNDING FOR  
TEXAS STUDENT PUBLICATIONS

A. NATURE AND SCOPE OF TEXAS STUDENT PUBLICATIONS ACTIVITIES

Texas Student Publications is a unique auxiliary enterprise of the University governed by a board of students, faculty and professional journalists, set up by a Declaration of Trust between the Regents and the TSP Board. The TSP Board publishes the official student publications of the University, currently consisting of The Daily Texan, Cactus Yearbook, Pearl Magazine, Student Directory, and Peregrinus Law School Yearbook. In serving this publishing responsibility TSP provides the news medium, the annual record, and other information for the campus while also providing training for journalists, photographers, writers and advertising students. During 1973-74 over 350 students wrote, edited, or otherwise worked on the TSP publications. Much of this work was done in conjunction with journalism or advertising courses.

The Daily Texan averages nearly 18 pages per issue and has a circulation of 37,000 copies five days a week. Of these copies about 35,500 are picked up on and near the campus by students and faculty/staff members, while 1,500 are mailed to subscribers. The Texan is consistently rated with the finest student newspapers in the country, having won the top award, Pacemaker, three times in recent years in a nation-wide competition of the Associated Collegiate Press. It is also the major outlet for work of students in the Department of Journalism, the largest journalism department in the nation. As such, The Daily Texan plays an important role in journalism education. The Texan is funded from advertising and, at present, the optional student fee.

The Cactus Yearbook has a student staff of about 65 and is sold to over 10,000 students. The yearbook is a valuable picture record of the year and is one of the largest yearbooks in the U.S. No advertising is sold in the yearbook. Income is from sales of the book and picture and page charges to students and groups.

Pearl Magazine is a tabloid supplement to The Daily Texan. It provides magazine journalism students with an opportunity to see their efforts put into print, while giving Texan readers an extra bonus every month. Pearl Magazine contains about 15% to 25% advertising.

Peregrinus Law School Yearbook is edited by law students with the help of the TSP yearbook supervisor. It is 144 pages of class pictures, features, and law organizations, and is bought by nearly one-half of the law students. It is supported by sales of the book plus advertising.

The Student Directory is an annual directory listing all students registered with their home town as well as local address, telephone number, classification, and school or college. Over 10,000 copies are sold each fall.

In summary, the student publications serve the following important functions in the University community:

1. Provide an educational experience for student staff members.
2. Provide a forum for discussion of current issues of importance to the University community.
3. Provide an outlet for opinion through editorial columns, letter to the editor, and opinion columns.
4. Provide news of particular interest to the University community.
5. Provide cultural, entertaining, and informative material through features, stories and coverage of the arts.
6. Provide an effective advertising medium for the University community.
7. As one member of an investigating group at the University of Minnesota stated, "In the sprawling University the student newspaper is one of the few agencies capable of providing 'community'."

In addition to the official student publications, TSP sets type and prints several other publications which are appropriate for the web offset printing, such as "Texas Times", "On Campus", and "Texas Law Forum". Gross income from the printing of these publications was about \$20,000 in 1973-74.

#### B. PROJECTION OF FINANCIAL NEEDS

For the two years prior to 1974-75, Texas Student Publications was supported by the mandatory student services fee which amounted to \$136,650 each year. For 1974-75 this funding was changed to an optional fee which reduced the level of support to an estimated \$87,000. It is estimated that the ending balance for 1974-75 will be approximately \$164,000 as indicated in Exhibit 2. In determining its needs for the next five years, the TSP board has agreed that this balance should be used to support operations during this period.

In view of the TSP Board's projection that revenue will decrease under the present optional fee arrangement as students become aware that The Texan may be picked up from the uncontrolled boxes, it is essential that other means of University support be provided.

As Exhibit 1 indicates, revenues not including fees for the five-year period have been projected to total \$5,465,791. Expenses have been estimated at \$6,048,924. Hence, over the five-year period the excess of expenses over revenue would be \$583,133. Given the estimated balance in the fund as of August 31, 1975, this leaves \$418,914 to be made up from some other source. If such amount is to be spread evenly over the five-year period, then approximately \$84,000 must be provided each year. Because revenues have optimistically been projected at 10% increase compounded each year, the estimate of \$84,000 from the University is an absolute minimum.

EXHIBIT 1.

Estimated Balance in TSP Accounts August 31, 1975		\$164,219
Estimated for September 1, 1975 through August 31, 1980		
Revenues, not including fees	\$5,465,791	
Expenses	<u>-6,048,914</u>	
		<u>(583,133)</u>
Estimated Ending Balance August 31, 1980--required		(\$418,914)
support from University		
Divided by five-year period		<u>    +    5</u>
Required fee support each year		\$ 83,783

Projections for five-year period are presented in greater detail in Exhibit 2.

The following assumptions were made in the five-year projection:

1. Income from local, national, and classified advertising is increased 10% each year. The rate charged for advertising or volume of advertising or both will account for this increase.
2. Subscriptions and Sales are made up of Cactus, Student Directory, Peregrinus, and The Daily Texan. An arbitrary 3% increase is assumed and compounded each year.
3. Summer Directory income is from advertising and should increase the same as other advertising--10%
4. Picture and page charges in the yearbooks should increase by 5% because of rate increases as well as some increase in volume.
5. Income from other sources should increase by 5% because of service charges expected to be made for the new computerized typesetting system being installed this year.
6. Student Service Fee and Faculty/Staff Fee are figured as the amount needed, if all other estimates hold true, in order to have a near break-even budget at the end of the five-year period.
7. Salaries and Wages are increased from the 1974-75 level by 5% annually compounded for the five-year period.
8. Other Operating Expenses are increased by 10% each year.
9. \$5,000 per year is added as Allocation for Budget Adjustment.

10. Reserve for Equipment Replacement is increased from \$29,800 to \$59,400 each year because more equipment has been bought, and the rate of amortization has been changed for some of the equipment.

<u>1974-75 Budget</u>		<u>5-Year Projection</u>	
Press (\$230,000 for 20 years)	\$11,500	Press (\$220,000* for 15 yrs)	\$14,700
Other equipment (\$183,000 for 10 years)	<u>18,300</u>	Electronic equipment, photography & vehicles (\$116,913 for 4 yrs)	29,250
Total added to Reserve for 1974-75	<u>\$29,800</u>	Other equipment & furniture (\$154,426 for 10 yrs)	<u>15,450</u>
		Total added to Reserve each year during 5-yr period	<u>\$59,400</u>

\*Actual cost of press was just under \$220,000 rather than the estimated \$230,000 when amortization plan was first started. Current practice for depreciation of offset presses is 15 years.

When TSP became an auxiliary enterprise of the University in 1971, it was told to establish an adequate reserve for depreciation of facilities and equipment. In order to keep up with advances made in printing and typesetting technology, we know more funds than were originally budgeted for this reserve will be needed to update and replace equipment.

11. The ending balance from 1974-75 of \$164,219 will be used to offset deficits each year until the \$164,219 is almost depleted at the end of the five-year period.
12. It is further assumed that student enrollment will remain at about 41,000.

#### C. RECOMMENDATIONS FOR FUNDING

1. The TSP Board strongly recommends a mandatory, but refundable student fee for The Daily Texan combined with a lump sum faculty/staff fee which would provide about \$84,000 annually.
- a. The mandatory student fee would be \$.75 per semester for the fall and spring and \$.75 for the 12-week summer session, and would provide funds as follows:

Fall 1975	41,000	\$.75	\$30,750
Spring 1976	38,000	\$.75	28,500
Summer 1976	18,000	\$.75	<u>13,500</u>
	TOTAL		<u>\$72,750</u>

The fee would be refunded within the first twelve days of classes if a student applies for the refund. Since virtually all of the students pick up and read The Texan, it seems reasonable that a

small fee should be charged all, with the provision that those who object to being forced to help pay for the newspaper could get a refund.

The amount of the student fee would be reconsidered each year in light of the previous year's actual financial experience.

- b. The University would be asked to contribute a lump sum of \$11,250 for the year for faculty/staff subscriptions. This figure represents the same rate charged students times 5,000, which is our estimate of the number of faculty/staff members who would probably read The Texan. This lump sum payment by the University could be considered a fringe benefit for U.T. employees.

The amount of the faculty/staff fee would also be reconsidered each year.

Under this plan for funds from both student and faculty/staff, TSP would be assured of a stable financial base, and all students and faculty/staff would be assured of having a daily newspaper to read. Distribution would be simple and relatively inexpensive. Subscriptions would still be sold for delivery by mail and off campus pay racks would be provided for non-U.T. persons.

With a mandatory student fee and faculty/staff fee arrangement the charge would be only about 1¢ per copy, and it would allow for the continuation of mass circulation which in turn helps keep advertising rates high enough to account for a big percentage of total income.

There was no evidence of substantial student discontent while the mandatory fee for The Daily Texan was in effect during 72-73 and 73-74. A survey made by the Office of the Vice-President for Student Affairs, dated October 1973, indicated that 55.9% of the students favored The Texan being available to all through mandatory fee, while 24.2% preferred the optional fee.

Experience of the Michigan State News, Michigan State University, where the mandatory, refundable, fee system is in effect, shows that about 300 students out of an enrollment similar to our apply for the refund each quarter.

2. The TSP Board recommends as a less satisfactory alternative a mandatory, refundable, student fee for The Daily Texan without the faculty/staff lump sum fee. Under this arrangement TSP would recommend an amount per student which would provide a reasonable budget from which to operate. The disadvantage of this plan is that it is impossible to control circulation so that only students pick up the paper. It also seems impossible to get more than a few hundred faculty/staff to pay for The Texan, since they see it out in open boxes each day.

3. The TSP Board recommends as a second alternative the continuation of the optional student fee for The Daily Texan. About 64% of the students did pay the fee for 1974-75, but we think this percentage will drop next year if mass circulation is continued, for two reasons: (1) There was considerable sentiment for The Texan during preregistration for the 1974-75 year because the mandatory funding had just been cut off. It is unlikely the same publicity and sentiment will exist next spring. (2) Students will realize that circulation is not controlled and that any student, faculty or staff member may pick up a Texan whether they have paid or not.

On the assumption that 50% of the students would subscribe to The Texan on the optional fee arrangement, here are the probable consequences:

- a. Because it is grossly unfair to charge half the students and let the other half pick up The Texan free, TSP would be required to adopt controlled circulation.
- b. Controlled circulation means fewer Texans printed, which in turn would cause reduction in advertising rate and less income from advertising.
- c. Cost of circulation would be much more than for our present mass distribution.
- d. Subscription rate would have to be increased from our proposed 75¢ per student per semester to at least \$7.50 per student per semester. This is the rate charged at Indiana State University where no student fee arrangement exists.
- e. The higher rate per subscription would cause fewer students to buy it.
- f. Less income to The Texan would mean fewer pages for news and editorial material, which would mean a less effective training tool for journalism. The alternative to The Texan as a training medium is a laboratory newspaper for the Journalism Department, which would be very expensive and burdensome to the University.
- g. Second-class mailing privilege would be revoked if the number of paid subscribers drops to less than 51% of the total press run, causing much greater expense for mailing The Texan. For about 1,500 mail subscribers it is estimated that third-class mail is \$15,000 more expensive than second class and delays delivery by two to three days.

We strongly believe that this last choice of continuing on the optional fee is not in the best interest of the University as a whole, the students, faculty, or the community.

4. In addition to the recommended funding for The Daily Texan, the TSP Board also requests that the Cactus Yearbook and Peregrinus Law School Yearbook remain on the optional fee card with the amount of the subscription fee to be decided by TSP each year.

D. FUNDING PLANS OF STUDENT PUBLICATIONS OF OTHER LARGE UNIVERSITIES

Several plans for financing student newspapers exist across the country, but by far most are subsidized to some extent by the University.

1. "Associated Students" Fee

On the west coast most universities have organizations called Associated Students. A fee is collected from each student, which goes directly to Associated Students. In turn the Associated Students allot the funds to the campus radio station, student newspaper, union building, student government, etc. The student newspaper is governed by a publications committee which requests a lump sum from Associated Students each year. The paper is made available to all the students on campus. Examples of this plan are University of California at Santa Barbara (\$22,500), Cal State LA (\$28,000), and Oregon State (\$45,000).

2. Direct Mandatory Fee

Direct mandatory fees are charged at the University of Washington, Michigan State, Texas Tech, Oklahoma, and many others. At Washington each student paying tuition pays \$1.00 each semester for the newspaper which brings in over \$80,000 each year. Michigan State collects \$1.00 each semester from each student, but refunds the \$1.00 if a student files a request for the refund. Texas Tech collects about \$60,000 per year from the mandatory fee. At all three universities the newspaper is placed in boxes on campus for mass circulation. The Oklahoma Daily negotiates the amount of the mandatory fee each year based on previous year's financial operation. The Minnesota Daily, University of Minnesota, gets \$1.85 per student per quarter, mandatory, non-refundable.

3. Direct Subsidy by University

The printing bill is paid by the university at the University of Southern California instead of any direct charge to the students. About \$60,000 was paid in 1973-74 and papers were made available to all students and staff. At UCLA the student publications board negotiates with the University for an allocation of registration fees to pay for the newspapers and yearbook. This subsidy was \$170,500 for 1974-75.

4. Individual Subscriptions with Controlled Circulation

Individual subscriptions for student newspapers with controlled circulation are the exception rather than the rule. The Indiana Daily Student, Indiana University, sells subscriptions, many to individuals, some to groups such as fraternities, sororities, and their circulation is controlled. An individual subscription is \$7.50 per semester, but for 15 papers dropped in bulk to one living unit a 30% discount is given. Although they have been successful financially, they are negotiating with the university for a funding arrangement so that mass circulation will be possible.

5. Journalism Laboratory Newspapers

The Ohio State Lantern is published by the journalism department. It is distributed from 180 locations on campus and receives \$50,000 per year from the University.

6. Faculty/Staff Subscriptions

Besides student fees and subscriptions some student newspapers get support from faculty/staff subscriptions paid in lump sums. The University of Washington pays the student newspaper \$20,000 a year so that faculty and staff may pick up the paper. At the University of Minnesota \$21,275 is paid to the Minnesota Daily by the university for faculty/staff subscriptions in addition to the mandatory student fee.

EXHIBIT 2

TEXAS STUDENT PUBLICATIONS  
FINANCIAL REPORT  
AND FIVE YEAR PROJECTION

	1972-73 Actual	1973-74 Preliminary	1974-75 Estimated	%*	1975-76	1976-77	
<b>ESTIMATED REVENUE</b>							
Local Display Advertising	438,726	517,634	550,000	10%	605,000	665,500	
National Display Advertising	34,523	38,286	39,000	10%	40,700	44,700	
Classified Advertising	63,650	79,449	85,000	10%	93,500	102,850	
Subscriptions and Sales	100,969	95,798	116,000	3%	119,500	123,000	
Summer Directory	1,829	1,946	2,200	10%	2,500	2,750	
Representation (Yearbooks)	21,553	22,692	23,900	5%	25,000	26,250	
Other Sources	20,674	47,942	26,650	5%	30,000	31,500	
Total Estimated Revenue	<u>681,924</u>	<u>803,747</u>	<u>842,750</u>		<u>916,200</u>	<u>996,620</u>	<u>1,0</u>
<b>BUDGETED EXPENSES</b>							
1. Salaries	157,947	166,366	175,910	5%	184,706	193,941	2
2. Wages	218,387	256,413	282,340	5%	296,457	311,280	3
3. Other Operating Expenses	303,914	388,671	456,875	10%	502,563	552,819	6
4. Allocation Budget Adjust.			7,253		5,000	5,000	
5. Transfers to: Reserve for Equipment Replacement; Other Transfers	26,300 24,526	29,800	29,800		59,400	59,400	
Total Budgeted Expenses	<u>731,074</u>	<u>841,250</u>	<u>952,178</u>		<u>1,048,126</u>	<u>1,122,440</u>	<u>1,2</u>
<b>EXCESS REVENUE OVER EXPENSES WITHOUT FEES</b>							
	<u>(49,150)</u>	<u>(37,503)</u>	<u>(109,428)</u>		<u>(131,926)</u>	<u>(125,820)</u>	<u>(1</u>
<b>FEES: Student Services</b>							
Faculty/Staff Subscrip.	136,650	136,650	87,000		72,750	72,750	
Total Fees	<u>136,650</u>	<u>136,650</u>	<u>87,000</u>		<u>11,250</u> <u>84,000</u>	<u>11,250</u> <u>84,000</u>	
<b>EXCESS REVENUE OVER EXPENSES INCLUDING FEES</b>							
	87,500	99,147	(22,428)		(47,926)	(41,820)	(
Beginning Balance	<u>0</u>	<u>87,500</u>	<u>186,647</u>		<u>164,219</u>	<u>116,293</u>	
Estimated Ending Balance	<u>87,500</u>	<u>186,647</u>	<u>164,219</u>		<u>116,293</u>	<u>74,473</u>	

\* Per Cent increase compounded each year in projection

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ECTION

-74 inary	1974-75 Estimated	%*	5-Year Projection					TOTALS
			1975-76	1976-77	1977-78	1978-79	1979-80	
634	550,000	10%	605,000	665,500	732,050	805,255	885,780	
286	39,000	10%	40,700	44,700	49,247	54,172	59,589	
449	85,000	10%	93,500	102,850	113,135	124,449	136,894	
798	116,000	3%	119,500	123,000	126,700	130,500	134,500	
946	2,200	10%	2,500	2,750	3,000	3,300	3,600	
692	23,900	5%	25,000	26,250	27,500	28,900	30,300	
942	26,650	5%	30,000	31,500	33,000	34,700	36,400	
747	<u>842,750</u>		<u>916,200</u>	<u>996,620</u>	<u>1,084,632</u>	<u>1,181,273</u>	<u>1,287,063</u>	<u>5,465,791</u>
366	175,910	5%	184,706	193,941	203,638	213,820	224,511	
413	282,340	5%	296,457	311,280	326,844	343,186	360,345	
671	456,875	10%	502,563	552,819	608,101	668,911	735,802	
	7,253		5,000	5,000	5,000	5,000	5,000	
800	29,800		59,400	59,400	59,400	59,400	59,400	
250	<u>952,178</u>		<u>1,048,126</u>	<u>1,122,440</u>	<u>1,202,983</u>	<u>1,290,317</u>	<u>1,385,058</u>	<u>6,048,924</u>
(503)	<u>(109,428)</u>		<u>(131,926)</u>	<u>(125,820)</u>	<u>(118,351)</u>	<u>(109,041)</u>	<u>(97,995)</u>	<u>(583,133)</u>
650	87,000		72,750	72,750	72,750	72,750	72,750	
			11,250	11,250	11,250	11,250	11,250	
650	<u>87,000</u>		<u>84,000</u>	<u>84,000</u>	<u>84,000</u>	<u>84,000</u>	<u>84,000</u>	
9,147	(22,428)		(47,926)	(41,820)	(34,351)	(25,041)	(13,995)	
7,500	186,647		164,219	116,293	74,473	40,122	15,081	
6,647	164,219		116,293	74,473	40,122	15,081	1,086	

projection

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE  
Committee Chairman (Mrs.) Johnson, Presiding

Date: March 14, 1975

Time: Following the Meeting of the System Administration Committee

Place: Main Building, Suite 212  
U. T. Austin  
Austin, Texas

	<u>Pages</u> <u>A &amp; D</u>
1. U. T. System: Chancellor's Docket	Below
2. U. T. Austin: Request for Approval in Principle of General Faculty Recommendations Regarding Building Priorities and the Use of the Available Fund	Below
3. U. T. Austin: Proposed 1975-76 Student Services Fee (Optional)	4

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DOCUMENTATION

- ✓ 1. U. T. System: Chancellor's Docket .--It is recommended that the Chancellor's Docket be approved.
- ✓ 2. U. T. Austin: Request for Approval in Principle of General Faculty Recommendations Regarding Building Priorities and the Use of the Available Fund .--

Chancellor LeMaistre and President ad interim Rogers recommend that the Board of Regents approve in principle the four recommendations set forth below, except for the phrase deleted in Recommendation 2, and direct that Chancellor LeMaistre and President Rogers develop administrative guidelines which will ensure the implementation of these recommendations. A general comment on each recommendation by Chancellor LeMaistre and President Rogers is set forth for the information of the Board.

RECOMMENDATION 1. "Significantly increasing amounts of money from the Available Fund be designated for non-building purposes such as, but not limited to, departmental operating funds, instructional equipment, teaching effectiveness, merit awards to outstanding teachers, increased research funding, faculty and staff fringe benefits, and endowments for academic purposes such as fellowships, scholarships, professorships, and chairs."

GENERAL COMMENT: The resources of the Available Fund are determined by the amount of PUF income which is not required for debt service. The specific programmatic uses to which the Available Fund resources will be allocated are a matter for the president to determine, prioritize and recommend to System Administration. System Administration directed U.T. Austin to emphasize commitments to academic purposes in the preparation of the 1974-1975 Available Fund budget. We understand this to be in agreement with the general thrust of the General Faculty recommendation.

RECOMMENDATION 2. "Recognizing the importance of environmental factors to every aspect of University life, we recommend that the Board of Regents, in planning the physical plant of this campus, seek the **counsel of the U.T. Austin Administration, faculty and students [and appropriate-legislative-bodies-and-committees].**"

GENERAL COMMENT: We believe the Board of Regents will agree with the General Faculty on "the importance of environmental factors to every aspect of University life." We are in agreement that information regarding the environmental factors relating to planning the physical plant of U.T. Austin which may be developed by the Faculty Building Committee, other representative faculty/student groups, or committees which may be appointed will be forwarded to the Board of Regents for their consideration. As in all such communications, however, the opportunity for review and comment by the president and the Chancellor prior to regental consideration will be continued.

RECOMMENDATION 3. "In accordance with its official charge, the Faculty Building Advisory Committee should be actively involved in all stages including the final plans for a building or other major construction."

GENERAL COMMENT: System Administration will agree to an administrative requirement that the Faculty Building Committee be given an opportunity to review and comment at the project authorization, preliminary plans, and final plans for all campus buildings or other major construction, and that these comments be transmitted to the Board for their consideration. As in Item two (2) above, these comments should be administratively processed with the president's recommendations to System Administration and to the Board. It must be understood, however, that this review and comment process must occur in a timely manner so as not to impede the planning process.

RECOMMENDATION 4. "The President should annually publicize to the University community the projected University budget for the coming year and the actual budget for the preceding year, specifically delineating the special appropriations from the Available Fund."

GENERAL COMMENT: Following regental approval of the annual operating budgets, these become a matter of public record and are filed with several State agencies as directed by the Legislature. Each president has ample authority to publicize the institution's approved budget in a manner that best serves the interests of that institution. It is emphasized that such publicizing relates to regentally approved budgets, and not to draft or unapproved budgets. We believe it would be improper to publicize a budget prior to action by those who have legal responsibility for budget approval.

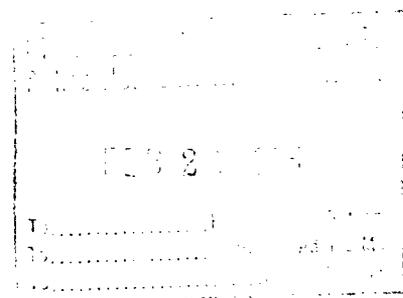


THE UNIVERSITY OF TEXAS AT AUSTIN  
OFFICE OF THE PRESIDENT  
AUSTIN, TEXAS 78712

President

February 21, 1975

Charles A. LeMaistre, M. D.  
Chancellor  
The University of Texas System  
601 Colorado



Dear Chancellor LeMaistre:

This letter will serve as a replacement for my letter dated October 30, 1974 to you transmitting the recommendation of the General Faculty contained on page 11426 of the Documents and Minutes of the General Faculty entitled Recommendations Regarding Building Priorities and the Use of the Available Fund.

In general, I support and approve the recommendations of the General Faculty as contained in the document. To this approval I would append the following exceptions:

Paragraph 2: I would exclude the last six words "... and appropriate legislative bodies and committees." from the paragraph. I am also interpreting the language "faculty and students" to mean some representative process.

Paragraph 4: I favor the publicizing of approved budgets but I oppose publicizing unapproved budgets. I think it would be improper to publicize a budget which had not been approved by those who have legal responsibility for budget approval. This does not in any way affect the normal process of seeking information that constitutes the routine procedure for formulating a budget recommendation.

If you concur, will you take those actions you deem necessary to submit these recommendations to the Regents?

Sincerely yours,

*Lorene L. Rogers*  
Lorene L. Rogers  
President ad interim

LLR/aj

3. U. T. Austin: Proposed 1975-76 Student Services Fee (Optional). --

Chancellor LeMaistre recommends Board approval of the 1975-1976 Student Services Fee (Optional) schedule set forth by President ad interim Rogers in her letter dated February 18, 1975, reproduced below.

The services included in the fees are the same as for the current year, and the amount of the fee is the same except as follows:

1. Intercollegiate Athletics for Men will be allocated \$18.00. The current allocation is \$16.00.
2. The Intercollegiate Athletics for Men and Women fee will be combined at \$20.00 (\$18.00 men, \$2.00 women). For 1974-1975 these were offered as separate check off fees of \$16.00 and \$2.00. The second semester only fee remains the same as for 1974-1975.
3. Administratively, a positive check off will be used in 1975-1976 to replace the negative check off system used in 1974-1975.

As in 1974-1975 the form used for paying these fees will also provide the opportunity for paying for the Cactus, gym lockers and parking.



THE UNIVERSITY OF TEXAS AT AUSTIN  
OFFICE OF THE PRESIDENT  
AUSTIN, TEXAS 78712

President

February 18, 1975

Charles A. LeMaistre, M.D.  
Chancellor  
The University of Texas System

Dear Chancellor LeMaistre:

This is to reaffirm my earlier recommendation concerning optional student service fees and to recommend amounts for 1975-76. As requested by the ad hoc Student-Faculty Committee appointed to study the matter, I shall appoint special committees to study long-range approaches to funding Texas Student Publications and the

*add this*

Students' Attorney. In the meantime, I recommend the following optional fees for 1975-76:

<u>Student Services Fee (Optional)</u>	<u>Academic Year</u>	<u>Second Semester only</u>
Cultural Entertainment Committee	\$ 10.00	\$ 5.00
Intercollegiate Athletics for Men and Women	20.00	6.35
Student Government (includes Students' Association, Election Commission, Senior Cabinet and Student Councils)	2.70	1.35
The Daily Texan	<u>3.30</u>	<u>1.65</u>
	\$ 36.00	\$ 14.35
<u>Student Spouse Services Fee (Optional)</u>	<u>Academic Year</u>	<u>Second Semester only</u>
Intercollegiate Athletics for Men and Women	\$ 32.00	\$ 10.35
Cultural Entertainment Committee	<u>10.00</u>	<u>5.00</u>
	\$ 42.00	\$ 15.35

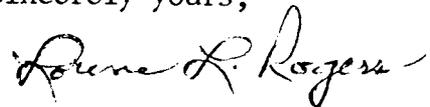
These fees are the same as this year, except for Intercollegiate Athletics. I recommend a combined Intercollegiate Athletics fee of \$20.00, with \$18.00 earmarked for the Men's program and \$2.00 designated for the Women's program. I believe that combining the two fees will produce much-needed additional revenue for the Women's program without any appreciable negative effect on the Men's program.

It is my intention to present these optional fees to students as a positive check-off item to avoid the confusion caused by this year's negative check-off.

I shall recommend 1975-76 mandatory student fees at a later date, since those fees involve possible legislative action. However, I should like the optional fees to be acted upon by the Board of Regents at their March 15 meeting so that they may be included in preregistration materials to be used during April.

I am informing the involved organizations of my recommendation. Should they wish to offer other recommendations, I shall write you to ask permission for them to be heard at the March 15 meeting.

Sincerely yours,



Lorene L. Rogers  
President ad interim

LLR:gp

## **Buildings & Grounds Committee**

**BUILDINGS AND GROUNDS COMMITTEE**  
(Committee Chairman Bauerle)

Date: March 14, 1975

Time: Following the Meeting of the Academic and Developmental  
Affairs Committee

Place: Main Building, Suite 212  
U. T. Austin  
Austin, Texas

Page  
B & G

**U. T. SYSTEM**

1. Ashbel Smith Hall: Presentation of Revised Final Plans for Part of 9th Floor, Request for Authorization to Advertise for Bids and Appointment of Committee to Award Contract 3

**U. T. ARLINGTON**

2. College of Business Administration Building: Presentation of Final Plans and Specifications and Request for Authorization to Advertise for Bids 3
3. College of Engineering Laboratory Building: Presentation of Final Plans and Specifications and Request for Authorization to Advertise for Bids 4
4. Renovation of Engineering Technology Building: Committee Not Activated; Recommendation to Reject Bids and Request for Authorization to Revise Final Plans and Readvertise for Bids 4

**U. T. AUSTIN**

5. Addition to Art Building: Recommended Inscription on Plaque 6
6. Addition to Drama Building: Recommended Inscription on Plaque 6
7. Printing and Press Building: Recommendation to Award Contract to Ricks Construction Company, Inc., Austin, Texas 7
8. Tennis Center Expansion: Request for Authorization for Support Facilities, Preparation of Final Plans and Authorization to Advertise for Bids 8
9. Parking Lot - 19th and Trinity: Presentation of Final Plans and Request for Authorization to Advertise for Bids 8

DALLAS HEALTH SCIENCE CENTER

10. Dallas Southwestern Medical School - Parking Lot Expansion: Presentation of Final Plans and Request for Authorization to Advertise for Bids 9

GALVESTON MEDICAL BRANCH

11. Galveston Medical School: Request for Authorization to Grant Underground Easement to Houston Lighting and Power Company for Extension of Electric Distribution System 9

1. U. T. Austin: Utilities Extension North of 26th Street: Recommended Contract Award

✓  
1.

U. T. SYSTEM: ASHBEL SMITH HALL (PROJECT NO. 101-5) - PRESENTATION OF REVISED FINAL PLANS FOR PART OF THE NINTH FLOOR, REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS AND APPOINTMENT OF A COMMITTEE TO AWARD A CONTRACT.--Construction of Ashbel Smith Hall is expected to be completed in May 1975, except for the Regents' Meeting Room and associated administrative areas located on the Ninth Floor. To provide for a more traditional meeting room, utilize the present furniture to the maximum extent possible and to improve the efficient use of floor space, it was necessary for the Project Architect, Jessen Associates, Inc., to revise in part the design for the Ninth Floor. A separate contract should be awarded for the work to avoid delay in completion and acceptance of the remainder of the building.

The appointment of a committee for award of this contract between meetings of the Board will expedite the schedule and provide for an early construction start. System Administration recommends that the Board:

- a. Approve the revised final plans for the Ninth Floor of Ashbel Smith Hall and authorize the Office of Facilities Planning and Construction to advertise for bids
- b. Appoint a Committee consisting of Director Kristoferson, Associate Deputy Chancellor Landrum, Deputy Chancellor Walker, Committee Chairman Bauerle, and Chairman Shivers to award a construction contract within previously appropriated funds.

✓  
2.

U. T. ARLINGTON: COLLEGE OF BUSINESS ADMINISTRATION BUILDING (PROJECT NO. 301-255) - PRESENTATION OF FINAL PLANS AND SPECIFICATIONS AND REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS.--In accordance with authorization given at the Regents' Meeting held November 1, 1974, final plans and specifications have been prepared for the College of Business Administration Building at The University of Texas at Arlington by the Project Architect, Albert S. Komatsu and Associates. These plans and specifications provide for a building of approximately 140,500 gross square feet at an estimated total project cost of \$8,100,000.00.

President Nedderman and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$8,100,000.00
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids subject to final review.

3.

U. T. ARLINGTON: COLLEGE OF ENGINEERING LABORATORY BUILDING - PRESENTATION OF FINAL PLANS AND SPECIFICATIONS AND REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS.--In accordance with authorization given at the Regents' Meeting held November 1, 1974, final plans and specifications have been prepared for the College of Engineering Laboratory Building at The University of Texas at Arlington by the Project Architect, Preston M. Geren, Architects and Engineers and Associates. These plans and specifications provide for a building of approximately 50,000 gross square feet at an estimated total project cost of \$2,900,000.00.

President Nedderman and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$2,900,000.00
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids subject to final review.

4.

U. T. ARLINGTON: RENOVATION OF ENGINEERING TECHNOLOGY BUILDING (PROJECT NO. 301-260) - COMMITTEE NOT ACTIVATED, RECOMMENDATION TO REJECT BIDS AND REQUEST FOR AUTHORIZATION TO REVISE FINAL PLANS AND READVERTISE FOR BIDS.-- Upon authorization given at the Regents' Meeting held December 13, 1974, bids for the Renovation of the Engineering Technology Building at The University of Texas at Arlington were called for and were received, opened and tabulated on February 18, 1975, as shown on the attached sheet. (Page \_\_\_\_\_)

All bids received exceed the construction funds available within the \$2,300,000.00 total project cost previously approved and appropriated for this project. Evaluations made by the Office of Facilities Planning and Construction and the Project Architect indicate that with some reductions in scope and certain other changes the construction cost can be reduced to permit completion of the project within appropriated funds.

President Nedderman and System Administration recommend that the Board:

- a. Reject all bids received for the project on February 18, 1975
- b. Instruct the Office of Facilities Planning and Construction and the Project Architect to revise the plans and specifications to incorporate all practical cost reductions
- c. Authorize re-advertising for bids to be received together with the bids to be taken for the College of Engineering Laboratory at The University of Texas at Arlington. Bids for these two projects will be brought to a future Board meeting.

(The committee appointed at the Regents' meeting on January 31, 1975, was not used since the bids did not come within the funds appropriated for this project.)

RENOVATION OF THE ENGINEERING TECHNOLOGY BUILDING  
THE UNIVERSITY OF TEXAS AT ARLINGTON, ARLINGTON, TEXAS

Bids Received at 2:00 P. M., February 18, 1975, in  
E. E. Davis Hall, The University of Texas at Arlington, Arlington, Texas

B & G - 5

Bidder	Base Bid	Add Alternates					Bidder's Bond
		No. 1	No. 2	No. 3	No. 4	No. 5	
Wm. S. Baker, Inc. - General Contractors, Dallas, Texas	\$2,104,873.00	\$175,124.00	\$203,288.00	\$29,733.00	\$8,988.00	\$39,150.00	5%
Chas. H. Berry, General Contractor, Inc., Arlington, Texas	2,072,016.00	140,000.00	235,500.00	22,000.00	4,400.00	47,500.00	5%
Cadenhead Construction Company, Inc., Fort Worth, Texas	2,150,000.00	114,000.00	199,500.00	12,500.00	9,000.00	37,129.00	5%
James H. Conlee Division - Austin Building Company, Fort Worth, Texas	2,123,500.00	135,743.00	114,450.00	13,900.00	3,600.00	36,000.00	5%
Connell Construction Company, Inc., Dallas, Texas	2,166,849.00	127,000.00	199,500.00	14,000.00	3,700.00	36,000.00	5%
Kugler-Morris, General Contractors, Inc., Dallas, Texas	2,100,000.00	170,000.00	200,000.00	14,000.00	4,000.00	39,000.00	5%
Frank J. Rooney, Inc., Dallas, Texas	2,195,627.00	173,000.00	203,000.00	14,000.00	3,700.00	37,200.00	5%
C. & L. Stone, Builders, Inc., Dallas, Texas	2,094,649.00	177,000.00	200,100.00	14,500.00	4,000.00	42,250.00	5%
Olson Construction Company dba Texas Olson Construction Company, Dallas, Texas	2,119,800.00	115,000.00	200,000.00	14,000.00	3,600.00	38,000.00	5%
Walker Construction Company, Fort Worth, Texas	2,086,000.00	118,000.00	195,000.00	14,000.00	3,500.00	35,000.00	5%
Ed A. Wilson, Inc., Fort Worth, Texas	2,187,000.00	120,000.00	198,000.00	13,500.00	3,400.00	37,500.00	5%

5. U. T. AUSTIN: ADDITION TO ART BUILDING - RECOMMENDED INSCRIPTION ON PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the Addition to Art Building at The University of Texas at Austin. This inscription follows the standard pattern approved by the Board at the meeting held October 1, 1966.

ADDITION TO ART BUILDING

1974

BOARD OF REGENTS

A. G. McNeese, Jr., Chairman  
Dan C. Williams, Vice-Chairman  
James E. Bauerle, D. D. S.  
Edward Clark  
Frank C. Erwin, Jr.  
Jenkins Garrett  
Mrs. Lyndon B. Johnson  
Joe T. Nelson, M. D.  
Allan Shivers

Charles A. LeMaistre, M. D.,  
Chancellor, The University  
of Texas System  
Stephen H. Spurr, President,  
The University of Texas at  
Austin

John E. Breen, Chairman,  
Faculty Building Advisory  
Committee, The University  
of Texas at Austin

Fisher and Spillman Architects  
Inc., Project Architect  
B. L. McGee Construction Company  
and B. L. McGee, Inc., Joint  
Venture, Contractor

6. U. T. AUSTIN: ADDITION TO DRAMA BUILDING - RECOMMENDED INSCRIPTION ON PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the Addition to Drama Building at The University of Texas at Austin. This inscription follows the standard pattern approved by the Board at the meeting held October 1, 1966.

ADDITION TO DRAMA BUILDING

1974

BOARD OF REGENTS

A. G. McNeese, Jr., Chairman  
Dan C. Williams, Vice-Chairman  
James E. Bauerle, D. D. S.  
Edward Clark  
Frank C. Erwin, Jr.  
Jenkins Garrett  
Mrs. Lyndon B. Johnson  
Joe T. Nelson, M. D.  
Allan Shivers

Charles A. LeMaistre, M. D.,  
Chancellor, The University  
of Texas System  
Stephen H. Spurr, President,  
The University of Texas at  
Austin

John E. Breen, Chairman,  
Faculty Building Advisory  
Committee, The University  
of Texas at Austin

Fisher and Spillman Architects  
Inc., Project Architect  
J. C. Evans Construction  
Company, Inc., Contractor

7. U. T. AUSTIN: PRINTING AND PRESS BUILDING (PROJECT NO. 102-39) - RECOMMENDED AWARD OF CONTRACT TO RICKS CONSTRUCTION COMPANY, INC., AUSTIN, TEXAS.--In accordance with authorization given at the Regents' Meeting held December 13, 1974, bids were called for and were received, opened and tabulated on February 25, 1975, as shown below for the Printing and Press Building at The University of Texas at Austin:

Bidder	Base Bid	Deduct Alternate No. 1	Bidder's Bond
B-F-W Construction Company, Inc., Temple, Texas	\$3,204,000.00	\$4,000.00	5%
Faulkner Construction Company, Austin, Texas	3,230,000.00	3,800.00	5%
Lawless and Alford, Inc., Austin, Texas	3,455,000.00	3,650.00	5%
Avery Mays Construction Company, Dallas, Texas	3,519,000.00	4,000.00	5%
Ricks Construction Company, Inc., Austin, Texas	3,181,000.00	3,800.00	5%
John J. Stokes dba/ Stokes Construction Company, San Marcos, Texas	3,344,433.00	3,000.00	5%
Zapata Warrior Constructors, A Division of Zapata Constructors, Inc., Houston, Texas	3,297,000.00	3,800.00	5%

The proposed award can be made within previously appropriated funds.

President ad interim Rogers and System Administration recommend that the Board:

- a. Award the construction contract for the Printing and Press Building at The University of Texas at Austin to the low bidder, Ricks Construction Company, Inc., Austin, Texas, as follows:

Base Bid	\$3,181,000.00
Deduct Alternate No. 1 (Delete Service Contract)	<u>3,800.00</u>
Total Recommended Contract Award	<u>\$3,177,200.00</u>

- b. Authorize a revised total project cost of \$3,822,000.00 to cover the recommended building construction contract award, movable furnishings and equipment, air balancing, landscaping, fees and miscellaneous expenses within previously appropriated funds.

8.

U. T. AUSTIN: TENNIS CENTER EXPANSION (PROJECT NO. 102-222) - REQUEST FOR AUTHORIZATION FOR SUPPORT FACILITIES, PREPARATION OF FINAL PLANS AND AUTHORIZATION TO ADVERTISE FOR BIDS.--At the present time, the existing Tennis Courts adjacent to the Intramural Field at The University of Texas at Austin are without toilet and other support facilities. In 1973 a contemplated major expansion of the tennis facilities at 51st Street was delayed by funding limitations. To provide the needed facilities, the Office of Facilities Planning and Construction has developed schematic plans for an initial building which could be utilized in future development. The estimated total project cost is \$75,000.00 for a permanent building to provide toilet rooms, locker rooms, first aid room, court assignment office and conference area, storage and small observation deck.

President ad interim Rogers and System Administration recommend that the Board:

- a. Authorize the construction of the initial phase of support facilities at the existing Tennis Courts at an estimated total project cost of \$75,000.00 within funds previously appropriated for Project No. 102-222, Tennis Center Expansion
- b. Instruct the Office of Facilities Planning and Construction, with any required consultants, to prepare the final plans and specifications and advertise for bids which will be brought to the Board at a future meeting.

9.

U. T. AUSTIN: PARKING LOT - 19TH AND TRINITY - PRESENTATION OF FINAL PLANS AND REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS.-- In accordance with authorization given at the Regents' Meeting held September 11, 1972, final plans and specifications have been prepared for the Parking Lot at 19th and Trinity Streets at The University of Texas at Austin by the Office of Facilities Planning and Construction. These plans and specifications provide for parking facilities for 128 cars and associated periphery campus development of brick walls, campus lighting and landscape planting.

President ad interim Rogers and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$200,000.00, which has already been appropriated
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids which will be brought to the Board at a future meeting.

10.

DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL): PARKING LOT EXPANSION (PROJECT NO. 303-326) - PRESENTATION OF FINAL PLANS AND REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS.--In accordance with authorization given at the Regents' Meeting held December 13, 1974, final plans and specifications for a Parking Lot Expansion at The University of Texas Health Science Center at Dallas (Dallas Southwestern Medical School), have been prepared by the Project Engineer, Raymond L. Goodson, Jr., Inc., Dallas, Texas. These plans provide for approximately 300 additional parking spaces adjacent to the Physical Plant Building and Central Energy Plant at an estimated total project cost of \$150,000.00, which has been previously appropriated.

President Sprague and System Administration recommend that the Board:

- a. Approve the final plans and specifications for the Parking Lot Expansion
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids to be brought to the Board at a later meeting.

11.

GALVESTON MEDICAL BRANCH: REQUEST FOR AUTHORIZATION TO GRANT AN EASEMENT TO HOUSTON LIGHTING AND POWER COMPANY FOR AN EXTENSION OF UNDERGROUND ELECTRIC DISTRIBUTION SERVICE.--In order to provide electric service to the new John Sealy Addition and the Child Health Center, Houston Lighting and Power Company has requested an easement under, across and through a certain tract or parcel of land out of Block 608 in the City of Galveston, being the same property described by a deed dated April 21, 1938, from Sealy and Smith Foundation to State of Texas, recorded in Volume 565, Page 497, of the Galveston County Deed Records.

The location of the easement is more fully described in the easement document which will be available for examination at the Board Meeting.

It is recommended by President Levin and System Administration that approval be given by the Board for such an easement, to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University of Texas attorney.

BUILDINGS AND GROUNDS COMMITTEE

EMERGENCY ITEM

March 14, 1975

	<u>Page</u> <u>B &amp; G</u>
U. T. AUSTIN	
12. Utilities Extension North of 26th Street: Award of Contract to Faulkner Construction Company, Austin, Texas	11

12. U. T. AUSTIN: UTILITIES EXTENSION NORTH OF 26TH STREET (PROJECT NO. 102-246) - RECOMMENDED AWARD OF CONTRACT TO FAULKNER CONSTRUCTION COMPANY, AUSTIN, TEXAS.--In accordance with authorization given at the Regents' Meeting held January 31, 1975, bids were called for and were received, opened and tabulated on March 4, 1975, as shown below for the Utilities Extension North of 26th Street at The University of Texas at Austin:

Bidder	Base Bid	Bidder's Bond
Air Conditioning, Inc., Austin, Texas	\$827,000.00	5%
J. C. Evans Construction Company, Inc., Austin, Texas	760,000.00	5%
Faulkner Construction Company, Austin, Texas	678,000.00	5%
Rex D. Kitchens Construc- tion Company, Inc., Austin, Texas	839,595.00	5%
Chas. M. Morton Construc- tion Company, Austin, Texas	765,400.00	5%

The proposed award provides for a major extension of chilled water and steam carried under a pedestrian bridge spanning 26th Street and continuing underground North to the site of the future Animal Resources Center.

This project has previously been authorized and funds appropriated as part of the Animal Resources Center including Utilities Extension and Widening of Speedway and 27th Street.

President ad interim Rogers and System Administration recommend that the Board:

- a. Award the construction contract for the Utilities Extension North of 26th Street at The University of Texas at Austin to the low bidder, Faulkner Construction Company, Austin, Texas, in the amount of the base bid of \$678,000.00
- b. Authorize a total project cost of \$880,500.00 for Utilities Extension North of 26th Street to include the recommended construction contract award, fees and miscellaneous expenses from previously appropriated funds.

# **Medical Affairs Committee**

**MEDICAL AFFAIRS COMMITTEE**  
**Committee Chairman Nelson, Presiding**

Date: March 14, 1975

Time: Following the Meeting of the Buildings and Grounds Committee

Place: Main Building, Suite 212  
 U. T. Austin  
 Austin, Texas

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1) Dallas Health Science Center (Dallas Southwestern Medical School):  
Ratification of Appointment of Jean D. Wilson, M.D., to The  
Eugene McDermott Chair for Study of Human Growth and Develop-  
ment. --

Chancellor LeMaistre concurs in the recommendation of President Sprague that Jean D. Wilson, M.D., be appointed by the Board as the initial holder of the Eugene McDermott Chair for the Study of Human Growth and Development. Dr. Wilson is currently a Professor of Internal Medicine at the Dallas Health Science Center with a worldwide reputation in his field and was the unanimous choice of the Search Committee. Dr. Wilson will also serve as Director of the Eugene McDermott Center for the Study of Human Growth and Development.

**Effective Date of Appointment is March 1, 1975.**

**February 12, 1975**

Dr. Charles A. LeMaistre  
Chancellor  
The University of Texas System  
601 Colorado Street  
Austin, TX 78701

Dear Mickey:

Attached is a letter from Dean Bonte in which he conveys the unanimous recommendation of the Search Committee nominating Jean D. Wilson, M.D., Professor of Internal Medicine, The University of Texas Health Science Center at Dallas, to the position of Director of the Eugene McDermott Center for the Study of Human Growth and Development as well as his appointment to the Eugene McDermott Chair for the Study of Human Growth and Development.

Dean Bonte concurs in this recommendation, and I must say that I also do so enthusiastically. Dr. Wilson is clearly a world authority in his field; and with his enthusiasm for the potential of this Center, I would predict a major development over the next decade.

I would request your approval and that of the Board of Regents with respect to this nomination. If there is any additional supporting information that would be helpful to you or the Board of Regents, please let me know.

Sincerely,



Charles C. Sprague, M.D.  
President

ccs:lbc  
Enclosure

cc: Dr. Bonte  
Dr. Eichenwald

*approved*  
*Charles Maistre*  
*Feb 15, 1975*

2. Galveston Medical Branch (Galveston School of Allied Health Sciences):  
Proposed Affiliation Agreements for the Clinical Training of Allied  
Health Students with Permian Basin Rehabilitation Center, Odessa,  
Texas and Heart of Texas Region Mental Health Mental Retardation  
Center, Waco, Texas; and Amendments to Agreements with Ruthe  
B. Cowl Rehabilitation Center, Laredo, Texas and West Texas  
Rehabilitation Center, Abilene, Texas.--

Chancellor LeMaistre concurs in the recommendation of President Levin that the affiliation agreements for the clinical training of allied health students at The University of Texas Medical Branch at Galveston listed below be approved and that the Chairman be authorized to execute the agreements. The agreements are the same as the model agreement approved by the Board on March 6, 1970 and have received appropriate approvals as to form and content by System Administration officials. This request for advance approval of these agreements conforms to the action taken by the Board of Regents on July 30, 1971, in amending the processing procedure previously approved on March 6, 1970.

<u>Clinical Facility</u>	<u>Location</u>	<u>Specialty</u>
Permian Basin Rehabilitation Center	Odessa	Occupational Therapy
Heart of Texas Region Mental Health Mental Retardation Center	Waco	Occupational Therapy

Approval is also requested to amend the affiliation agreements with Ruthe B. Cowl Rehabilitation Center of Laredo and West Texas Rehabilitation Center of Abilene, originally approved by the Board on March 16, 1970 for physical therapy students to include occupational therapy students. The amendments have been approved as to form and content by appropriate System Administration officials and authorization for the Chairman to execute is also requested.

The academic justifications for these agreements have been supplied by Dean Bing and are set forth below.

Permian Basin Rehabilitation Center, Odessa. The Permian Basin Rehabilitation Center is a needed facility for clinical education of occupational therapy students in the area of long-term treatment of the severely physically disabled. The occupational therapy students will also have the opportunity to participate in consultation programs provided by this facility.

Heart of Texas Region Mental Health Mental Retardation Center, Waco. This Center can provide field work experience for occupational therapy students in a group oriented approach to the treatment of psychiatric patients when discharged from a hospital setting. Secondly, it is located in a smaller community than many of our other affiliation centers, thus providing students an opportunity to work in a non-metropolitan area.

Ruthe B. Cowl Rehabilitation Center, Laredo. This is the first clinical affiliation center for occupational therapy students in this geographical area of Texas. Such centers are needed for students who are residents of that area and for those who are potentially interested in working in that area.

West Texas Rehabilitation Center, Abilene. This facility can provide clinical educational experiences for senior occupational therapy students in a long-term rehabilitation treatment center. The number of such centers in Texas is currently limited. With increasing needs for this type of service, more of our students will have opportunity for learning the specialized procedures requisite for working in this type of health care facility.

3. San Antonio Health Science Center (San Antonio Dental School):  
Proposed Affiliation Agreement with San Antonio Metropolitan  
Health District. --

Chancellor LeMaistre concurs in the recommendation of President Harrison and requests Board approval of the affiliation agreement between the San Antonio Metropolitan Health District and the Board of Regents, for and on behalf of The University of Texas Dental School at San Antonio, as set forth below. This agreement has been approved as to form and content by appropriate System officials and authorization for the Chairman to execute is requested. President Harrison's letter of recommendation is also set forth below.

February 20, 1975

Dr. Charles A. LeMaistre  
Chancellor  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

Dear Dr. LeMaistre:

Enclosed are four copies of the recommended affiliation agreement with the San Antonio Metropolitan Health District. We would like to have this item included in the agenda for consideration by the Board of Regents on March 14, 1975. The Director of the Metropolitan Health District has requested that two executed copies be returned to him.

A draft of this affiliation agreement was reviewed by Mr. Burnell Waldrep prior to its execution.

Sincerely,



Frank Harrison  
President

FH:ma

AGREEMENT

THE STATE OF TEXAS    |  
COUNTY OF BEXAR       |

This AGREEMENT is executed on \_\_\_\_\_, 1975,  
between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on  
behalf of The University of Texas Dental School at San Antonio, San Antonio,  
Texas, hereinafter sometimes referred to as "University," and the SAN  
ANTONIO METROPOLITAN HEALTH DISTRICT, hereinafter sometimes referred to as  
"District,"

WITNESSETH:

WHEREAS, it is mutually recognized that the University and the District  
have the following common objectives: (1) the advancement of dental services  
through excellent professional care of patients; (2) the education and  
training of dental, dental auxiliary, and ancillary personnel; (3) the  
promotion of personal and community health, and that each can accomplish  
these objectives in larger measure and more effectively through affiliated  
operations; and

WHEREAS, it is the desire of both parties that the facilities operated  
by the District shall be available for use as teaching facilities of the  
University in order that both parties may accomplish their objectives in  
larger measure and more effectively one with another:

NOW, THEREFORE, with these objectives in mind, and with an intent to  
develop both institutions to the maximum extent consistent with the interests  
of each, the University and the District agree as follows:

(1) The University will be established and operated as a reputable  
and accredited school of dentistry as prescribed by the laws of the State of  
Texas and the requirements of the American Dental Association with the Board  
of Regents of The University of Texas System retaining all jurisdictional  
powers incident to separate ownership, including the power to determine the  
general and fiscal policies of the institution and to appoint its administrative  
faculty, and other personnel under the terms of subsequent paragraphs of this  
agreement.

(2) The District shall retain for its facilities all jurisdictional powers incident to separate ownership, including the powers to determine general and fiscal policies and to appoint its administrative officers and other personnel, under terms of subsequent paragraphs of this agreement. Such teaching facilities as furnished by the District shall be fully integrated with the programs of the University. The District is not to be understood as intending to obligate the Metropolitan Health District to undertake activities, or patient care, which are properly the responsibility of the University.

(3) The District retains final jurisdiction over the administration and supervision of its facilities and over admission of patients. The District will seek the counsel and advice of the Dean of the Dental School when the exercise of such jurisdiction affects the programs of teaching and research related to University programs.

(4) The University, when required, will provide qualified members from its faculty to supervise and direct certain agreed upon professional dental services to patients of the District, and that said members shall supervise all dental training activities conducted in the facilities as such training relates to the University's educational responsibilities and goals.

(5) Representatives of the University and the District shall meet as often as necessary to study the dental program and the terms of this agreement and make such suggestions and changes as are needed.

(6) University personnel, faculty, and students will be subject to the rules and regulations established by the District when in District facilities:

(A) the District will charge the University no fees for dental education opportunity afforded students;

(B) students will be responsible for their own meals, laundry, and transportation to and from the District facilities;

(C) the District will not be responsible for the student's out-patient or in-patient health needs while in the performance of this agreement.

(7) Only insofar as it is authorized by law to do so, the University agrees to hold the District harmless from and against any and all liability for

personal injury, including injury resulting in death, or damage to property, or both, resulting directly or indirectly from the use by the University of the District facilities, and agrees to reimburse the District for all reasonable expenses, including attorney's fees, incurred by the District in defending any such claim or claims.

(8) All expenses incurred for the operation of the facilities of the District shall be paid by the District, and all expenses incurred for the operation of the University shall be paid by the University. However, nothing in this paragraph shall prohibit subsequent agreements, subject to the legal powers and limitations of the parties, for the joint employment of personnel and for the pro rata apportionment of salaries thereof or for the pro rata apportionment of other related costs and expenditures.

(9) Decisions regarding the number of undergraduate students in the District clinics, and the extent of clinic-based programs will be made jointly by the Dean of the Dental School and the Director of the District, and in the event agreement cannot be reached, the issue shall be referred for negotiation between the District Board of Health and the Board of Regents.

(10) The parties to this affiliation agreement hereby acknowledge that the success of the combined program of dental training and dental patient care can only be achieved through faithful communication and sympathetic cooperation between the District Board of Health and the Board of Regents, as well as between the Dean of the Dental School and the Director of the District.

(11) The District and the University are not prohibited from subsequent agreements, subject to legal powers and limitations of the parties, to negotiate for dental services for District patients in the clinical facilities of the University.

(12) The salaries and expenses of any instructors, supervisors, or other employees of the University will be paid by the University. The University agrees that members of its faculty will serve as consultants and on committees of the District when requested.

(13) This agreement is for a term of one year and thereafter from year to year unless terminated by either party upon giving six months advance written notice to the other party by certified mail. It may be amended by either party upon such terms and conditions as are agreeable to the parties.

EXECUTED on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_  
Secretary

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

ATTEST:

SAN ANTONIO  
METROPOLITAN HEALTH DISTRICT

\_\_\_\_\_  
*Sarah T. Henderson*

By \_\_\_\_\_  
Director

Approved as to Form:

Approved as to Content:

\_\_\_\_\_  
University Attorney

\_\_\_\_\_  
Deputy Chancellor for  
Administration

\_\_\_\_\_  
Assistant to the Chancellor for  
Health Affairs

4. System School of Nursing (Austin Nursing School): Proposal to  
Extend Existing Affiliation Agreement with Bergstrom Air Force  
Base.--

Chancellor LeMaistre concurs in the recommendation of President Willman and Dean Brown that the affiliation agreement between the Board of Regents, for and on behalf of The University of Texas System School of Nursing, and the USAF Hospital, Bergstrom Air Force Base, Austin, Texas, approved by the Board on September 11, 1972 be extended through September 1975.

This agreement requires an annual renewal by mutual agreement. As Colonel Hein's letter (reproduced below) indicates, a renewal was inadvertently not secured for the 1973-74 year, and in effect this extension period will be from September, 1973 through September, 1975.

If this extension is approved, every effort will be made between now and September, 1975 to secure approval by the Air Force of a termination procedure which would preclude the need for an annual renewal action.

The Bergstrom Air Force Base Hospital continues to be a valuable asset in the clinical education of the Austin based nursing students.

DEPARTMENT OF THE AIR FORCE  
USAF HOSPITAL, BERGSTROM  
BERGSTROM AIR FORCE BASE, TEXAS 78743



3 February 1975

Board of Regents  
University of Texas  
Austin, Texas 78712

FEB 6 1975

It has come to my attention that the affiliation agreement between the Board of Regents, University of Texas System and USAF Hospital Bergstrom, concerning nursing students, has not been updated in accordance with paragraph 14a of that agreement.

This letter is to effect such updating of our agreement. Since the agreement has lapsed one year, from September 1973 to September 1974, this letter is to effect a two year update from September 1973 through September 1975.

Please be advised that we have no changes or modifications at this time.

Please return a copy of this letter to us, with your endorsed concurrence, for our files.

  
W. R. HEIN, Colonel, USAF MC  
Director, Base Medical Services

5. System Nursing School (El Paso Nursing School): Proposed Memorandum of Understanding (Affiliation Agreement) with William Beaumont Army Medical Center, El Paso, Texas.--

Chancellor LeMaistre concurs in the recommendation of President Willman that the Memorandum of Understanding between the Board of Regents of The University of Texas System and the William Beaumont Army Medical Center ( **Pages MED 11-14** ) for the clinical education of students in the El Paso Nursing School be approved and that the Chairman be authorized to execute the agreement.

As is frequently the case in dealing with armed service facilities, the final format does not conform to the model agreement previously approved by the Board so the complete instrument is set forth for review. The Memorandum of Understanding has been reviewed by appropriate System Administration officials and approved as to form and content.

MEMORANDUM OF AGREEMENT

I. BACKGROUND

1. The Board of Regents of the University of Texas School of Nursing at El Paso has established an approved professional program of special training in preparation for a Bachelor's Degree in nursing. The program requires clinical facilities where the nursing students can obtain the clinical learning experience required in the curriculum.

2. The U.S. Army medical facility, William Beaumont Army Medical Center, El Paso, Texas, has the needed clinical facilities for nursing students at the University of Texas School of Nursing at El Paso to obtain part of the clinical learning experience required. It is to the benefit of the University of Texas School of Nursing at El Paso for nursing students to use the clinical facilities of the U.S. Army medical facility, William Beaumont Army Medical Center, to obtain their clinical learning experience.

3. The U.S. Army medical facility, William Beaumont Army Medical Center, and the Department of the Army will benefit from making clinical facilities available to nursing students of the University of Texas School of Nursing at El Paso. The Army will obtain the students' clinical learning experience while contributing to the educational preparation of a future supply of professional nurses.

4. Clinical trainees, during clinical training at the Army medical facility, will be under the jurisdiction of the facility officials for training purposes and will follow facility rules.

5. The affiliation is controlled by and subject to title 5, US Code, section 5351-6, 8144, and 8331-2, and AR 350-222.

II. UNDERSTANDING

1. The U.S. Army medical facility will
  - a. Make available the clinical and related facilities needed for the clinical learning experience in the following

areas, as available and when coordinated with the designated Army Nurse Corps Officer: medical nursing, surgical nursing, pediatric nursing, and obstetrical nursing by nursing students enrolled in the basic professional nursing program at the University of Texas School of Nursing at El Paso, and who are designated by the University of Texas School of Nursing at El Paso for such learning experience under the supervision of the University of Texas School of Nursing at El Paso.

b. Arrange clinical experience schedules that will not conflict with those of the educational institution.

c. Designate an Army Nurse Corps Officer to coordinate the students' clinical learning experience in the nursing service. This will involve planning with faculty or staff members for the assignment of trainees to specific clinical cases and experiences, including their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

d. Provide, whenever possible, in connection with the trainees' clinical learning experience, reasonable classroom, conference room, office, and storage space for participating trainees and their faculty or staff supervisors, if assigned, and if feasible, dressing and locker room space.

e. Permit, on reasonable request, the inspection of clinical and related facilities by agencies charged with responsibility for accreditation of the professional nursing program, University of Texas School of Nursing at El Paso.

f. Special provisions

(1) Lodging and transportation are the responsibility of the University of Texas School of Nursing at El Paso and/or the individual student.

(2) Food. Students and faculty members of the University of Texas School of Nursing at El Paso will be allowed, at the students' and faculty's sole expense, to use the Army medical facility dining room during those periods while on duty at William Beaumont Army Medical Center.

2. The University of Texas School of Nursing at El Paso will:

a. Provide the commanding officer of the facility with the number of trainees to be assigned, the dates and hours they will be assigned, and the clinical service to which they will be assigned, by the beginning of each training period.

b. Where indicated and upon mutual agreement, provide faculty or staff members to assume the responsibility for instruction and supervision of the trainees' clinical learning experiences.

c. Have the faculty or staff member coordinate with designated Army Nurse Corps Officer, the assignment that will be assumed by the trainees while participating in their clinical learning experience, and their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

d. Provide and maintain the personal records and reports necessary for conducting the trainees' clinical learning experience.

e. Enforce rules and regulations governing trainees that are mutually agreed on by the non-Federal institution and the facility.

f. Be responsible for health examinations and such other medical examinations and protective measures as the facility and non-Federal institution mutually find to be necessary.

g. Prohibit the publication by the trainees and faculty or staff members of any material relative to their clinical learning experience that has not been approved for release for publication by the Army medical facility and the University of Texas School of Nursing at El Paso.

III. TRAINING

The training term shall be from 1 August to 31 July.  
This agreement may be terminated by either institution or an individual trainee by written notification to all concerned. Except under unusual conditions, such information will be submitted prior to the beginning of a particular training period.

ATTEST: BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_  
Secretary

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

ATTEST: William Beaumont Army Medical Center  
(NAME OF CLINICAL FACILITY)

Geroldine R. Sand  
Secretary

BY Robert M. Hardaway  
(Title) ROBERT M. HARDAWAY, III, M.D.  
Brigadier General, MC  
Commanding

Approved as to Form:

Approved as to Content

Buneece Washop  
University Attorney

Carl W. Miller  
Deputy Chancellor for  
Administration

William H. Kinsley  
Assistant to the Chancellor  
for Health Affairs

# **Land & Investment Committee**

LAND AND INVESTMENT COMMITTEE  
(Committee Chairman Clark)

Date: March 14, 1975

Time: Following the meeting of the Medical Affairs Committee

Place: Main Building, Suite 212  
U. T. Austin  
Austin, Texas

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I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

Report on Clearance of Monies to Permanent University Fund and Available University Fund.--The Auditor, Auditing Oil and Gas Production reports the following with respect to monies cleared by the General Land Office to the Permanent University Fund and Available University Fund for the current fiscal year through January 1975:

<u>Permanent University Fund</u>	<u>January 1975</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
Royalty			
Oil	\$2,554,529.84	\$11,098,167.04	\$ 9,984,432.00
Gas - Regular	1,950,413.90	7,417,525.16	3,543,607.85
- F.P.C.	7.63	20.11	9.25
- Market Value Settlements	<u>709,414.30</u>	<u>4,410,013.28</u>	39,500.00
Water	3,406.43	40,909.75	83,715.85
Salt Brine	2,274.70	8,886.92	8,629.85
Rental on Mineral Leases	2,772.19	362,212.99	186,120.55
Rental on Water Contracts	697.96	4,259.43	31,534.80
Rental on Brine Contracts	- 0 -	200.00	83.30
Amendments and Extensions of Mineral Leases	3,607.89	48,123.24	110,290.70
	<u>5,227,124.84</u>	<u>23,390,317.92</u>	<u>13,987,924.15</u>
Bonuses, Mineral Lease Sales, (actual)	- 0 -	7,816,000.00	11,124,800.00
Total, Permanent University Fund	<u>5,227,124.84</u>	<u>31,206,317.92</u>	<u>25,112,724.15</u>
<u>Available University Fund</u>			
Rental on Easements	5,310.33	87,224.14	126,049.25
Interest on Easements and Royalty	1,267.15	17,424.24	1,191.95
Correction Fees-Easements	- 0 -	- 0 -	- 0 -
Transfer and Relinquishment Fees	260.12	1,151.92	2,664.95
Total, Available University Fund	<u>6,837.60</u>	<u>105,800.30</u>	<u>129,906.15</u>
Total, Permanent and Available University Funds	<u>\$5,233,962.44</u>	<u>\$31,312,118.22</u>	<u>\$25,242,630.30</u>

Oil and Gas Development - January 31, 1975

Acreage Under Lease	733,094
Number of Producing Acres	329,238
Number of Producing Leases	1,460

B. LAND MATTERS

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the following applications for easements, surface leases, material source permits and an assignment of a grazing lease on University Lands be approved. All have been approved as to content by the appropriate officials. Payment has been received in advance unless otherwise indicated, and each document is on the University's standard form and is at the standard rate:

1. Easements and Surface Leases 3891-3920

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3891	Maria Vigil	Surface Lease (residential site)	Ward	16	Lot #1, Block #2, South Pyote Addition	1/1/75- 12/31/75*	\$ 75.00 (annually)
3892	Halley Long	Surface Lease (residential site)	Ward	16	Lots 8, 9 Block #2, South Pyote Addition	1/1/75- 12/31/75*	75.00 (annually)
3893	Mrs. W. E. Taylor	Surface Lease (residential site)	Ward	16	Lots 5,6,7,8 Block #21, South Pyote Addition	1/1/75- 12/31/75*	75.00 (annually)
3894	Mrs. Narcissa Morales	Surface Lease (residential site)	Ward	16	Lots 2,7,8 Block #3, South Pyote Addition	1/1/75- 12/31/75*	75.00 (annually)
3895	Gregorio Alaniz	Surface Lease (residential site)	Ward	16	Lot #6, Block #3, South Pyote Addition	1/1/75- 12/31/75*	75.00 (annually)
3896	Mr. & Mrs. J. D. Roddy	Surface Lease (residential site)	Ward	16	Lots 2, 3 Block #2, South Pyote Addition	1/1/75- 12/31/75*	75.00 (annually)

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

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3897	Mr. & Mrs. J. L. Duncan	Surface Lease (residential site)	Ward	16	Lot #24, Block #1, South Pyote Addition	1/1/75-12/31/75*	\$ 75.00 (annually)
3898	Manuel Mendoza	Surface Lease (residential site)	Ward	16	Lot #6, NE corner of Block #19, South Pyote Addition	1/1/75-12/31/75*	75.00 (annually)
3899	El Paso Natural Gas Company (renewal of 2028)	Pipe Line	Reagan	58	3.03 rds. 4½ inch	6/1/75-5/31/85	75.00 (min.)
3900	LSG Transtexas Gas Company and Lone Star Gas Company	Pipe Line	Ward	18	418.18 rds. 6 and 8 inch	1/1/75-12/31/84	627.27
3901	Phillips Petroleum Company (renewal of 2014 and 2024)	Pipe Line	Andrews	9, 10, 14	19.5 rds. 4½ inch 466.2 rds. 3½ inch	2/1/75-1/31/85	364.28
3902	Phillips Petroleum Company (renewal of 1990 and 2011)	Pipe Line	Crane	30, 31	344.4 rds. 3½ inch	2/1/75-1/31/85	258.30
3903	Lone Star Gas Company and LSG Transtexas Gas Company	Pipe Line	Ward	18	21.82 rds. 6 inch	1/1/75-12/31/84	75.00 (min.)

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

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3904	Robert G. Ragland	Surface Lease (cave and filling station site)	Pecos	16	212' x 433'	1/1/75- 12/31/75*	\$ 150.00 (annually)
3905	Cap Rock Electric Cooperative, Inc. (renewal of 1934)	Power Line	Reagan	58	81.33 rds. single pole	9/1/74- 8/31/84	75.00 (min.)
3906	Cap Rock Electric Cooperative, Inc. (renewal of 2025)	Power Line	Reagan	10	171.15 rds. single pole	5/1/75- 4/30/85	119.81
3907	Cap Rock Electric Cooperative, Inc. (renewal of 1922)	Power Line	Reagan	58	74 rds. single pole	7/1/74- 6/30/84	75.00 (min.)
3908	The Permian Corporation	Pipe Line	Reagan	58	336.52 rds. 4 inch	2/1/75- 1/31/85	252.39
3909	Exxon Pipeline Company (renewal of 2009)	Pipe Line	Crane	30	133.18 rds. 2-3/8 inch	5/1/75- 4/30/85	99.89
3910	Shell Oil Company (renewal of 2017)	Pipe Line	Ector	35	380.5 rds. 10 inch 1,148.4 rds. 8 inch	4/1/75- 3/31/85	2,293.35
3911	Shell Oil Company (renewal of 2018)	Surface Lease (meter station site)	Ector	35	0.195 acre	4/1/75- 3/31/85	750.00 (full)

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

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3912	Shell Oil Company (renewal of 2019)	Surface Lease (meter station site)	Ector	35	0.195 acre	4/1/75- 3/31/85	\$ 750.00 (full)
3913	El Paso Natural Gas Company (renewal of 1997)	Pipe Line	Reagan	11	222.061 rds. 4½ inch	7/1/75- 6/30/85	166.55
3914	Gulf Refining Company	Pipe Line	Ward	16	186.1 rds. 2-7/8 inch	2/1/75- 1/31/85	139.58
3915	Pecos Company (renewal of 1988)	Pipe Line	Reagan	48	588.55 rds. 4 inch	3/1/75- 2/28/85	441.41
3916	Smith Brothers	Surface Lease (business site)	Ward	16	2½ acres (approximately)	2/1/75- 1/31/76*	450.00 (annually)
3917	Scurlock Oil Company	Pipe Line	Winkler	21	242.54 rds. 2½ inch	1/1/75- 12/31/84	181.91
3918	DeFoyd Welding Service (renewal of 2004)	Surface Lease (business site)	Ward	16	230' x 300'	2/1/75- 1/31/76*	300.00 (annually)
3919	Shell Pipe Line Corporation	Surface Lease (cathodic protection unit)	Upton	14	Less than 1 acre	2/15/75- 2/14/85	75.00 (full)
3920	Gulf Refining Company (renewal of 2021)	Pipe Line	Ector	35	238 rds. 6-5/8 inch	6/1/75- 5/31/85	357.00

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

Land Matters - Continued--

2. Assignment of Grazing Lease No. 1138

No.	Assignor	Assignee	County	Location	Area	Period	Consideration
1138	A. G. McCarver	S. F. Henderson	Ector	35	3,316.26 acres	1/1/73- 12/31/82	*

3. Material Source Permits Nos. 469-474

No.	Grantee	County	Location	Quantity	Consideration
469	Larry Knowlton	Crockett	Block 46	1,055 cubic yards caliche	\$ 316.50
470	Strain Brothers, Inc.	Pecos	Block 24	8,550 tons base and 20,308 cubic yards borrow	1,453.57
471	Charles Wright Lease Work & Construction Company	Ward	Block 16	230 cubic yards chat	230.00
472	W. A. "Bill" Farmer Construction Company	Andrews	Block 9	850 cubic yards caliche	255.00
473	Texas Highway Department	Hudspeth	Block D	1,032 cubic yards rock screening	123.84
474	Helmerich and Payne, Inc.	Pecos	Block 16	500 cubic yards caliche	150.00

\*There is no cash bonus for this assignment. The assignee has agreed to root plow and reseed 640 acres at an estimated cost of \$16,000.00 in lieu of constructing five miles of fencing.

Material Source Permits (Continued)

<u>No.</u>	<u>Grantee</u>	<u>County</u>	<u>Location</u>
475	Border Road Construction Company	Ward	Block 16 (approximately 30 acres)

The Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the University Land Agent, recommends the granting of a Material Source Permit to the Border Road Construction Company, a corporation with its principal place of business at Monahans, Texas, covering approximately thirty (30) acres out of Sections 27 and 34, Block 16, University Lands, Ward County, Texas, upon, among other things, the following terms and conditions:

- (1) Covers the mining and removal of caliche and other materials for a period of ten years commencing March 1, 1975.
- (2) The royalty for the first five-year period shall be twelve cents (\$0.12) per cubic yard or nine cents (\$0.09) per ton for all caliche and other materials so produced and removed. Royalty during the second five-year period shall be a sum of money equal to the same rate as paid for similar materials by the State Highway Department, which sum shall be approved by the University Land Agent. The minimum semi-annual royalty payment shall be \$500, and the lessee has paid to the University the sum of \$1,000 which shall be credited to the first year on this contract.
- (3) Lessee shall have the right to drill a water well or wells located upon the leased premises and to produce water as may be necessary for its operations hereunder. Lessee agrees to pay the sum of \$500 per year as the royalty for such water produced, same to be payable \$250 on September 10th and \$250 on March 10th of each year during the term hereof.

<u>No.</u>	<u>Grantee</u>	<u>County</u>	<u>Location</u>
476	Valley Concrete Company	El Paso	Block L

The Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the University Land Agent, recommends the granting of a Material Source Permit to the Valley Concrete Company, a corporation with its principal place of business at Fabens, Texas, covering approximately thirty (30) acres out of the South 1/3 of Sections 4 and 5, Block L, University Lands, El Paso County, Texas, upon, among other things, the following terms and conditions:

- (1) Covers the production and removal of sand and gravel products for a ten-year period commencing October 1, 1974.
- (2) The royalty to be paid for all sand and gravel products produced and removed from the leased premises shall be thirty cents (\$0.30) per cubic yard computed on a semi-annual basis. The minimum semi-annual royalty payment shall be \$500, and lessee has paid \$1,000 which shall be credited against the royalty during the ninth year of said contract.

4. Proposed Revised (a) Rate Schedule for Easements and Surface Leases and (b) Damage Schedule. --The Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the University Land Agent, recommends that the (a) rate schedule for easements and surface leases and (b) damage schedule as hereinafter set out be approved. The last revision in rates was effective as of January 1, 1973:

- a. RATE SCHEDULE EFFECTIVE APRIL 1, 1975  
(Payable to The University of Texas System)

		<u>RATES</u>	
		<u>Current</u>	<u>Proposed</u>
I. <u>PIPE LINE EASEMENTS</u>			
A. Standard rates for varying sizes of pipe line, OD diameters, the rates being per rod for a ten year period, payable in advance:			
1.	Lines under 6 inches	\$ 0.75	\$ 1.00
2.	Lines 6" and under 12"	1.50	1.75
3.	Lines 12" and under 25"	2.30	2.60
4.	Lines 25" and under 36"	3.15	3.50
5.	Lines 36" and over	4.00	4.50
B. MINIMUM for a pipe line easement			
		75.00	100.00
C. FILING FEE in the amount of \$5.00 made payable to the <u>General Land Office</u> must be submitted with all easements			
II. <u>POWER AND TELEPHONE LINE EASEMENTS</u>			
A. Standard rates for varying types of lines, the rates being per rod for a ten year period, payable in advance:			
1.	Single pole construction	0.70	0.90
2.	Buried telephone cable	0.75	1.00
3.	H-frame pole construction	1.15	1.50
4.	Steel tower construction	3.45	4.00
B. MINIMUM for a power or telephone line easement			
		75.00	100.00
C. FILING FEE in the amount of \$5.00 made payable to the <u>General Land Office</u> must be submitted with all easements			

		<u>RATES</u>	
		<u>Current</u>	<u>Proposed</u>
III.	<u>SURFACE LEASE</u> (other than grazing)		
A.	Standard rates for various leases:		
1.	Plant sites, Booster stations, etc., per acre per year (Payable in advance for ten year period)	\$ 23.00	\$ 30.00
2.	Tower sites, per year (Payable in advance for ten year period)	150.00	175.00
3.	Cathodic protection unit installation (Payable in advance for ten year period)	75.00	100.00
4.	Business sites, residential sites, and other miscellaneous leases (Annual rental payment)	Negotiated	
B.	MINIMUM for any type surface lease, per year	75.00	100.00
C.	NO FILING FEE required		
IV.	<u>MATERIAL SOURCE PERMITS</u> (Caliche, etc.)		
A.	Standard rate for one project		
1.	Per cubic yard, under 20,000 cubic yards	0.30	0.30
2.	20,000 cubic yards or over	Negotiated (0.10 minimum)	Negotiated (0.12 minimum)
B.	MINIMUM for each permit	75.00	100.00
C.	Separate check must be submitted for State Sales Tax at the then current rate		
D.	NO FILING FEE required		
V.	<u>ASSIGNMENTS, TRANSFER, OR CORRECTION OF EASEMENTS, LEASES, ETC.</u>	75.00	100.00

(The only exception will be if other consideration, in the amount of \$100.00 or more, such as bonus for grazing leases, is paid to The University of Texas System.)

b. DAMAGE SCHEDULE EFFECTIVE APRIL 1, 1975

		<u>RATE</u>	
		<u>Current</u>	<u>Proposed</u>
<u>I. OIL FIELD OPERATIONS</u>			
A. WELL LOCATIONS (As permitted by Railroad Commission)			
1.	15,000 feet (currently 14,000 feet) or less (Drilling Depth), per location	\$175.00	\$200.00
2.	In excess of 15,000 feet (currently 14,000 feet) (Drilling Depth), per location	350.00	400.00
3.	Re-entry (No charge until expiration or release of lease, then rates shown under (1) and (2) are to be followed.)		
The above rates include space for tank batteries.			
4.	Skidding of rig, prorated per mile	150.00	200.00
5.	New road construction, prorated per mile	150.00	175.00
B. <u>PIPE LINE CONSTRUCTION</u> (OD diameters)			
1.	Water and fuel lines used for drilling purposes, per rod	0.30	0.40
2.	Flow lines, per rod	0.45	0.60
3.	Lines under 6 inches, per rod	0.70	0.90
4.	Lines 6 inches and under 12 inches, per rod	0.90	1.20
5.	Lines 12 inches or over, per rod	1.20	1.50
6.	Removal or replacement of buried lines, per rod	0.45	0.60
C. <u>POWER AND TELEPHONE LINE CONSTRUCTION</u>			
1.	Single pole, per mile	75.00	100.00
2.	Buried cables, per rod	0.70	0.90
3.	H-frame or steel tower, per mile	120.00	200.00
4.	Removal of line, per mile	45.00	60.00
5.	Removal of buried cable, per rod	0.45	0.60
D. <u>MATERIAL SOURCE PERMITS</u> and road access			
	Per entry and use of access road	50.00	75.00
(Before caliche can be removed, permission must be obtained from the University Land Agent and Oil Field Supervisor or his representatives, and at his request pits must be levelled in an acceptable manner.) Opening of new pit - additional \$200.00			

<u>RATES</u>	
<u>Current</u>	<u>Proposed</u>

II. GEOPHYSICAL OPERATIONS

Damage Payments for Geophysical Operations shall be as follows:

1. Gravity meter and magnetometer survey operations, per crew, per day	\$ 25.00	\$ 50.00
2. Single shot (reflection or refraction shooting), per shot hole	15.00	30.00
3. Seismic weight dropping, vibrators, Dinoseis operations, per mile	100.00	150.00
4. Shooting crews, per mile	175.00	225.00

III. GUIDELINES FOR OPERATING UNDER THIS SCHEDULE

All monies due for damages (except those attributable to acts of negligence) on lands leased to a grazing lessee, pursuant to this schedule of damages, shall be paid to the University for the account of the lessee of the land on which the damage was incurred. All funds so received shall be handled as set out below in Paragraph IV.

The payment of the standard damage rates does not in any way limit the liability of a company or operator in an action at law for any damages caused by reason of acts of negligence. Compensation for acts of negligence, such as loss or injury to livestock or excessive grass damage, shall be paid directly to the grazing lessee. In the event of a disagreement between the grazing lessee and operator, the University will arbitrate and fix damage payments.

No fence shall be cut or cattle guards installed without permission of the University Land Agent and Oil Field Supervisor.

All operators must notify Land Agent and Oil Field Supervisor and grazing lessee before any operations begin.

All standard damage payments or correspondence concerning this schedule shall be mailed to:

Mr. Billy Carr  
University Land Agent and Oil Field Supervisor  
P. O. Drawer 553  
Midland, Texas 79701

IV. DAMAGE PROGRAM

- A. All payments for damages per paragraph 14 of Surface Leasing Policies effective January 1, 1973, to be made to The University of Texas System, as Agent for the Lessee.
- B. A separate account will be maintained for damage payments received for each lessee. (Lessee will be notified of all payments received, as they are received.)

- C. Annually, as of October 1, each lessee shall be permitted to withdraw funds from his account in accordance with the following principles:
1. Withdrawals shall be permitted, up to the total in the account, equal to the total amount actually expended by the lessee subsequent to October 1, 1969, for ranch or range improvements on the leased premises, reduced by the amount theretofore withdrawn from his account.
  2. Expenditures for ranch or range improvements, other than Soil Conservation Service approved programs, must be authorized in advance by the University Land Agent.
  3. Proof of expenditures shall be such as is required by the University Land Agent.
- D. At the termination of any lease, any unexpended balance in the lessee's account shall be paid to him.
- E. Any earnings from temporary investments of funds in this account may be expended for such conservation programs related to University Lands as may be recommended by the Land Agent and approved by the Associate Deputy Chancellor for Investments, Trusts and Lands.

## II. TRUST AND SPECIAL FUNDS

### A. GIFTS, BEQUESTS AND ESTATES

1. U. T. Austin - Recommendation to Accept John Tilford Jones, Jr., Endowed Presidential Scholarship Fund. --The Associate Deputy Chancellor for Investments, Trusts and Lands joins President ad interim Rogers in recommending acceptance of a gift of \$50,000 from Capital Cities Communications, Inc., of New York City for the endowment of two Presidential Scholarships in the School of Communication in honor of Mr. John Tilford Jones, Jr., of Houston. Further, it is recommended that the two endowed Presidential Scholarships be established. One endowment account will be carried to provide the two scholarships.
2. Dallas Health Science Center (Dallas Southwestern Medical School) - Elmer E. Stalcup Fund - Report on Closing of the Administration of the Estate by the First National Bank of Odessa, Independent Executor. --The Board of Regents at its meeting held on January 4, 1971, accepted the bequest under the terms of the Will of Elmer E. Stalcup, Deceased, and at subsequent meetings approved the joinder in the sale with the Independent Executor of certain real estate comprising a portion of the assets thereof. The First National Bank of Odessa has now concluded the administration and has delivered to the Board of Regents of The University of Texas System for the use and benefit of The University of Texas Health Science Center at Dallas (Dallas Southwestern Medical School) cash, securities and a purchase money mortgage covering a portion of the real estate with a book value as of January 7, 1975, of ~~\$94,888.60~~.

*92,000*

Under the terms of the Will of Elmer E. Stalcup, Deceased, all of the rest and residue of his estate was devised "to the governing board of the Southwestern Medical School at Dallas to be used and expended for the benefit of such school in any manner it deemed appropriate." The Associate Deputy Chancellor for Investments, Trusts and Lands recommends that this report of the distribution of the assets of the Estate of Elmer E. Stalcup, Deceased, be received and that the same shall be invested in the Common Trust Fund as a permanent endowment as of March 1, 1975.

3. Galveston Medical Branch (Galveston Medical School) - Recommendation for Acceptance of Gift and Establishment of the Jane W. and Roland K. Blumberg Fund.--The Associate Deputy Chancellor for Investments, Trusts and Lands joins President Levin in recommending acceptance of a gift of \$10,000 from Dr. and Mrs. Roland K. Blumberg of Seguin and establishment of the "Jane W. and Roland K. Blumberg Fund" with income remitted to the Galveston Medical School for unrestricted purposes. Dr. and Mrs. Blumberg plan to add to the fund and may at a later date designate specific use or uses of the income.
  
4. University Cancer Center (M. D. Anderson) - Recommendation for Acceptance of Bequest Under the Will of Walter C. Hill and Use of the Fund for Cancer Research.--The Associate Deputy Chancellor for Investments, Trusts and Lands joins President Clark in recommending acceptance of a bequest under the Will of the late Walter C. Hill of Houston and use of the fund for cancer research at M. D. Anderson. Mr. Hill died around 1972 leaving his estate in trust with First City National Bank of Houston for the benefit of his wife, Mrs. Jane Mary Hill, and upon her death, after small cash bequests, 55% of the remainder to M. D. Anderson without further direction or expression as to use. Mrs. Hill died recently, and the University is receiving approximately \$33,487 in cash and title to two small lots in San Leon, Galveston County, worth a total of about \$600 from Mr. Hill's estate. Mrs. Hill made a cash bequest of \$2,000 to M. D. Anderson. However, it appears that some pro-ration of her bequests will be necessary, and it may be that less than \$2,000 will be received.

## B. REAL ESTATE MATTERS

1. U. T. Austin - Tom Slick Memorial Trust for The University of Texas at Austin - Recommendation for Ratification of Joinder in Oil and Gas Lease to F. W. Foran on Tract in Starr County.--Deputy Chancellor Walker and Associate Deputy Chancellor Lobb recommend that the Board of Regents ratify the execution on February 24 of joinder in an oil and gas lease to Mr. F. W. Foran of Corpus Christi for a primary term of one year, 1/4th royalty, and bonus of \$10 per acre covering 640 acres described as Survey No. 541, Certificate 509, Abstract 370, C.C.S.D. & R.R.N.G. R.R., Starr County, save and except the rights from the surface to a depth of 5,621 feet in 40 acres around the Bentsen-Whittington et al No. 1 Slick-Urschel Trustees Well which is producing oil under an earlier lease. Mr. Foran was anxious to begin a well as soon as possible due to the fact that an offset gas well may be draining the tract, and all other owners of minerals under the tract have joined in the lease. The University's interest in the minerals under this tract is an undivided 1/108th, or about 6 mineral acres.

- \* 2. U. T. El Paso - Josephine Clardy Fox Estate - Recommendation for Granting Two Easements to the El Paso Electric Company and Mountain States Telephone and Telegraph Company.--The Board of Regents has received a request from the El Paso Electric Company for two easements covering a portion of Tract 34, E. Bennett Survey #11, El Paso, El Paso County, Texas, to serve tenants of The University of Texas System.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the Board of Regents grant two easements to the El Paso Electric Company and Mountain States Telephone and Telegraph Company as follows:

(1) An easement approximately ten (10) feet in width and fifty (50) feet in length to serve a building presently being constructed by Lloyd E. Innerarity of Midland, Texas, under a lease from the Board of Regents which will be sublet to the Texas Department of Welfare.

(2) A temporary easement located upon the West line of the property being leased by Mr. Innerarity, approximately five (5) feet in width and one hundred fifty (150) feet in length to serve a used car lot leased from the Board of Regents which occupies a portion of Tract 34, E. Bennett Survey #11, El Paso, El Paso County, Texas. This easement will provide that such line will be relocated in the event that the Board of Regents desires to sell the subject property or use the same for a different purpose.

In connection with easement No. Two referred to above the same will consist of two poles and serves the tenant which is occupying the property under a month to month lease. It is anticipated that the area occupied by the used car lot may ultimately be used for surface parking by Mr. Lloyd E. Innerarity, thus the necessity for inclusion in said easement of a relocation or removal clause.

### III. OTHER MATTERS

PUF and Trust and Special Funds: Report of Securities Transactions for the Month of December 1974.--In accordance with present procedure, the report of securities transactions for the Permanent University Fund and Trust and Special Funds for the month of December 1974 was mailed Feb. 19, 1975, by Secretary Thedford to the members of the Board of Regents. If any questions regarding this report have been submitted, the Secretary will so report at the meeting of the Land and Investment Committee.

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- \* **SECRETARY'S NOTE:** If these easements are granted, the Minutes will reflect that an exception to the policy relating to underground easements was approved. These easements are on trust and special lands and not on the campus of any component institution.

## **Committee of the Whole**

COMMITTEE OF THE WHOLE  
Chairman Shivers, Presiding

Date: March 14, 1975  
Time: Following the Meeting of the Land and Investment Committee  
Place: Main Building, Suite 212  
U. T. Austin  
Austin, Texas

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I. SPECIAL ITEMS

A. Board of Regents

1. Rules and Regulations, Part Two: Proposed Amendments to Chapter III, Section 13 (Relating to Reimbursement of Travel Expense). --

To conform Chapter III of Part Two of the Regents' Rules and Regulations with recently enacted legislation regarding salaries and official reimbursement of state employees, System Administration recommends the following amendments to the Regents' Rules and Regulations:

Amend the following provisions of Chapter III of Part Two of the Regents' Rules and Regulations:

- (1) Amend Subdivision 13.431 of Subsection 13.43 to read as follows:

13.43 Allowances for Meals and Lodging.--Travel Status for Continuous Period of Twenty-Four (24) Hours or More.-- An employee who is traveling on official University business and is in continuous travel for a period of twenty-four (24) hours or more will be reimbursed in accordance with the following:

13.431 In-State--A per diem allowance, in lieu of actual expenses for meals and lodging, will be paid at the rate of \$22.00 [~~\$18.00~~] per calendar day, and at the rate of \$5.50 [~~\$4.50~~] for each period of six (6) hours or fraction thereof (at least 2 hours).

(2) Amend Subdivision 13.442 to read as follows:

13.442 An employee who is traveling on official University business in-state for a continuous period of a minimum of six (6) hours but less than twenty-four (24) hours which does involve over-night stay will be reimbursed for meals and lodging at an amount not in excess of \$22.00 [~~\$18.00~~] at the rate of \$5.50 [~~\$4.50~~] for each six (6) hour period involved or fraction thereof (at least 2 hours).

(3) Amend Subdivision 13.472 to read as follows:

13.472 Private Motor Vehicle.--An employee traveling in his personally owned motor vehicle shall be reimbursed at the rate of sixteen [~~twelve~~] cents 16¢ [~~12¢~~] per mile on the basis of the shortest practical route between points. No additional expense incidental to the operation of such motor vehicle shall be allowed.

(4) Amend Subdivision 13.473 to read as follows:

13.473 Private Airplane.--The [~~current-Appropriations Bill-provides-that-the~~] rate of reimbursement to executive heads and other state employees for travel in their personally owned airplanes within and outside the boundaries of Texas and between points of necessary official business shall be twenty-one [~~sixteen~~] cents 21¢ [~~16¢~~] per highway mile. [~~The-rate-for-reimbursement-for-other-state-employees-for-such-travel-in-their-personally-owned-airplanes-shall-be-twelve cents-12¢-per-highway-mile.~~]

1a. Appointment of Student and Faculty Representatives on Selection Committee for U. T. Permian Basin Chief Administrative Officer.--

## B. U. T. System

### 2. Recommendation to Rescind Regental Policy Statement Adopted on September 20, 1968 Relating to Building Dedications and Other Similar Events.--

Chairman Shivers and Chancellor LeMaistre recommend that the Board rescind its Policy Statement on Building Dedications and Other Similar Events adopted on September 20, 1968 and direct Chancellor LeMaistre to establish by administrative memorandum guidelines for major public ceremonies at the component institutions which would vest the primary staff responsibility and the arrangements for such ceremonies with the institutions' Chief Administrative Officer unless otherwise specifically directed by the Chairman of the Board of Regents or the Chancellor. Such guidelines will continue the responsibility of the Chancellor to monitor and coordinate such events, ascertain from the Chairman regental participation, and, to avoid duplication, clear invitations to participants who are prominent on the national or state scene.

### 3. Proposed 1975-76 Budget Policies.--System Administration recommends the following 1975-76 Budget Policies:

#### 1975-76 BUDGET POLICIES AND LIMITATIONS

for General Operating Budgets, Auxiliary Enterprises, Contract Areas, Current Restricted Funds, and Service and Revolving Fund Activities

Chief Administrative Officers are to write the "first" draft of their operating budgets conservatively, utilizing the following policy items. The recommendations for salary increases for both teaching and non-teaching personnel are subject to the current regulations and directives included in the General Appropriations Bill.

1. Over-all budget totals, including reasonable reserves, must be limited to the funds available for the year from:
  - a. General Revenue Appropriations,
  - b. Estimates of local income, and
  - c. Limited use of institutional Unappropriated Balances.
2. Selective merit salary advances may be provided for the faculty and professional staff. In the case of faculty, merit advances or advances in rank are to be on the basis of teaching effectiveness. This policy relating to faculty salary increases applies to all fund sources. *Dunham*
3. New faculty positions are to be based on conservative estimates of enrollment increases. Total faculty staffing should be reviewed in terms of planned increases in work-load.
4. All classified positions that are currently "off-step" resulting from application of the provisions of Senate Bill No. 1 are to be adjusted at least to the next highest step, and rank order of personnel re-established. Merit salary advances for classified personnel in accordance with the Personnel Pay Plan policies approved by the Board may be given only to individuals who will have been employed by the institution for at least 6 months as of August 31, 1975.

5. New classified positions are to be requested only where increased work-load justifies.
  6. Maintenance, Operation, and Equipment items should be based only on such amounts as are needed. Increases are not to exceed 15% in total over amounts budgeted in 1974-75 except as related to new programs or newly developing institutions.
  7. Travel funds are to be shown as separate line items.
  8. All requests for Special Equipment must be supported with detailed descriptions and justification.
  9. Unless specific prior approval of the Chancellor is obtained, with appeal to the Board of Regents by the institutional head permitted, no increase in salary may be made for any faculty member or administrator while he is on research leave, on leave without pay, or on assignment outside of the U. T. System institutions.
10. MAXIMUM SALARY LIMITATIONS (Medical Units - 12 Months Basis) FOR FISCAL YEAR 1975-76 .

<u>Rank</u>	<u>Maximum State Salary Rates</u>	<u>Maximum Remuneration</u>
Professor and Chairman	\$ 47,000	\$ 70,500
Professor	45,000	67,500
Associate Professor	40,000	60,000
Assistant Professor	35,500	53,250
Instructor	29,500	44,250

Remuneration may be paid to ranked faculty from multiple fund sources including general budget funds, contract funds, gift funds, etc., subject to maximum limitations approved by the Board of Regents.

Remuneration may include professional income earned and deposited in the institutional trust fund account or other available trust or grant funds. Maximum remuneration in the 1975-76 budget is limited to 50 percent above the maximum State salary rate, by rank, except that in "Exceptional Situations" the limit is not to exceed 75 percent.

1975-76 BUDGET CALENDAR

March 14, 1975	Board Approval of Policies
April 15, 1975	<u>Four</u> Draft Copies of budgets due to System Administration (including supplemental data)
May 1, 1975	Budget Hearings with System Administration
June 2, 1975	Thirty Copies of Budgets due to System Administration (with adjusted supplemental data as applicable)
July 1, 1975	Budgets mailed to Board of Regents
July 25, 1975	Regents' Budget Meeting

C. U. T. Arlington

4. Request to Waive Regents' Rules and Regulations, Part One, Chapter III, Sections 5.3 and 5.32 (Nepotism) to Permit Employment of Mrs. Neeradha Lakshmikantham Mannar. --

Chancellor LeMaistre concurs in the recommendation of President Nedderman that the Board of Regents waive Sections 5.3 and 5.32 of Chapter III of Part One of the Regents' Rules and Regulations to permit the employment of Mrs. Neeradha Lakshmikantham Mannar as a Graduate Teaching Assistant in the Department of Mathematics for the Spring semester, 1975.

Mrs. Mannar is the daughter of the Chairman of the Department of Mathematics. Her selection as a Graduate Teaching Assistant was recommended by the Teaching Assistantship Committee of that Department and was justified in their report as follows:

1. Mrs. Mannar's academic record was equal to, if not better than, the twelve other teaching assistantship applications on file which were not acted on affirmatively. (Five other teaching assistantships were offered and accepted.)
2. Any graduate student presently enrolled in the graduate program and performing well, who applies for departmental support, is given strong consideration. Mrs. Mannar entered our program in the fall of 1974 and during her graduate work here had a grade point of 3.67.

President Nedderman has informed me that Mrs. Mannar will not be assigned as a Teaching Assistant for any course in which her father has primary teaching responsibility.



The University of Texas at Arlington  
Arlington, Texas 76019

Office of the Vice-President  
for Business Affairs  
UTA Box No. 19339

January 14, 1975

Dr. Charles A. LeMaistre, Chancellor  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

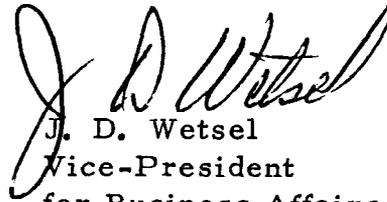
Dear Dr. LeMaistre:

Enclosed is a letter requesting approval of the employment of Mrs. Neeradha Lakshmikantham Mannar, daughter of Dr. V. Lakshmikantham, Chairman of the Department of Mathematics, as a Graduate Teaching Assistant in the Department of Mathematics effective January 16, 1975.

We believe the attached letter justifies our request for the nepotism rule to be waived and ask that Board of Regents approval be requested.

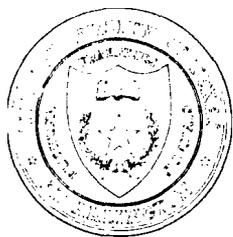
We will be pleased to provide additional information if needed.

Sincerely,

  
J. D. Wetsel  
Vice-President  
for Business Affairs

JDW/vs  
enc

*An Equal Opportunities/Affirmative Action Employer*



The University of Texas at Arlington  
Arlington, Texas 76019

Department of Mathematics

January 9, 1975

MEMO TO: Cathy Adkins  
Personnel

In deciding to offer Mrs. Neerada Mannar a teaching assistantship for the spring semester 1975, two major factors were considered.

1. Mrs. Mannar's academic record was equal to, if not better than, the twelve other teaching assistantship applications on file which were not acted on affirmatively. (Five other teaching assistantships were offered and accepted.)
2. Any graduate student presently enrolled in the graduate program and performing well, who applies for departmental support, is given strong consideration. Mrs. Mannar entered our program in the fall of 1974 and during her graduate work here had a grade point of 3.67.

Based on those factors, the decision was made by the Teaching Assistantship Committee to offer Mrs. Mannar a teaching assistantship.

A handwritten signature in cursive script, appearing to read 'A. Richard Mitchell'.

A. Richard Mitchell, Chairman  
Teaching Assistantship Committee

ARM: gb

*An Equal Opportunities/Affirmative Action Employer*

D. U. T. Austin

5. Request to Amend Regental Action of July 19, 1974 with Regard to Employment Under Nepotism Rule (Regents' Rules and Regulations, Part One, Chapter III, Sections 5.3 and 5.32) of Mrs. Leslie Gallery.--

On the recommendation of President ad interim Rogers, as set forth in her letter below dated January 6, 1975, Chancellor LeMaistre concurs that the limitation imposed by the regental action of July 19, 1974 be amended to delete the termination of Mrs. Gallery's employment following the 1974-75 academic year. Upon the recommendation of the budget council, it is the intention of the U.T. Austin Administration to continue the employment of Mrs. Gallery on a regular full-time basis.

For information the minute order from the meeting of July 19, 1974 is set forth below.

U.T. AUSTIN: WAIVER OF REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTIONS 5.3 and 5.32 ON SEPTEMBER 14, 1973, WITH REGARD TO MRS. LESLIE GALLERY AMENDED.--Sections 5.3 and 5.32 of Chapter III of Part One of the Regents' Rules and Regulations were waived on September 14, 1973, to permit the employment of Mrs. Leslie Gallery to a two year part-time appointment as an Assistant Professor in the School of Architecture of The University of Texas at Austin.

Upon the recommendation of President Spurr, concurred in by Chancellor LeMaistre, this waiver was extended to permit the full-time appointment of Mrs. Leslie Gallery for the academic year 1974-75 with the understanding that (1) Dr. Gallery as Associate Dean will not during 1974-75 participate in any discussion or determination related to his wife's appointment status; and (2) if, after 1974-1975, Dr. Gallery continues as Associate Dean or in a similar administrative position in the School of Architecture Mrs. Gallery will not be considered for reappointment to the faculty. If he does not occupy such a position, reappointment of Mrs. Gallery will be considered on the merits of the case as any other faculty appointment.

Regent Erwin voted "No," explaining that his vote was not because of the person involved but as a matter of principle.

As stated in Dr. Rogers' letter, "the condition that her husband, John Gallery, will not participate in any discussion or determination related to his wife's appointment status, remains in effect."



THE UNIVERSITY OF TEXAS AT AUSTIN  
OFFICE OF THE PRESIDENT  
AUSTIN, TEXAS 78712

*President*

January 6, 1975

Charles A. LeMaistre, M. D.  
Chancellor  
The University of Texas System

Dear Chancellor LeMaistre:

The employment of Dr. John Gallery as Associate Dean of the School of Architecture and the employment of his wife as a part-time assistant professor of architecture with a two year appointment was approved at the September 14, 1973 meeting of the Board of Regents at which time the nepotism rule (Part One, Chapter III, Section 5.32) was waived. The part-time provision was removed by the Regents at the August 19, 1974 meeting.

At this time I recommend that the waiver of the nepotism rule be extended and that the terminal provision of Mrs. Leslie Gallery's appointment be changed to permit a regular full-time appointment. The condition that her husband John Gallery will not participate in any discussion or determination related to his wife's appointment status remains in effect.

Mrs. Gallery's substantial contributions to the School of Architecture and more specifically her role as the only faculty member competent to teach the required course in landscape architecture warrants this change of status. The budget council has voted unanimously to reappoint her on a regular full time basis.

If you concur, would you submit the proposal for regental action?

Sincerely yours,

A handwritten signature in cursive script that reads "Lorene L. Rogers".

Lorene L. Rogers  
President ad interim

LLR/aj

II. RATIFICATION (AFFILIATION AGREEMENTS)

A. U. T. Austin

6. Proposed Affiliation Agreement with Metropolitan General Hospital of San Antonio, Texas.--

Chancellor LeMaistre concurs in the recommendation of President ad interim Rogers that the affiliation agreement with Metropolitan General Hospital of San Antonio to provide clinical experience for pharmacy students be ratified and that the Chairman be authorized to execute the agreement.

This agreement conforms to the model agreement approved by the Board on September 8, 1971 and has been approved as to form and content by appropriate administrative officials.

B. System Nursing School

7. Proposed Affiliation Agreement with Harris Hospital and Duncan Memorial Hospital of Fort Worth, Texas.--

Chancellor LeMaistre concurs in the recommendation of President Willman that the affiliation agreements listed below be ratified and that the Chairman be authorized to execute the agreements.

The agreements conform to the model agreement approved by the Board on September 12, 1970 and have been approved as to form and content by appropriate System administration officials.

Harris Hospital, Fort Worth  
Duncan Memorial Hospital, Fort Worth

**III. SCHEDULED MEETINGS AND EVENTS.** --Below is a schedule of meetings and events. The Board of Regents has previously scheduled the following meetings:

April 28, 1975, in Dallas  
By common consent, the meeting scheduled on April 26 has been rescheduled on April 28, 1975.

June 6, 1975, in Austin  
July 25, 1975

Holiday Schedule

**1975**  
March 28 Good Friday (1/2 day)  
May 26 Memorial Day  
July 4 Independence Day  
August 27 Lyndon Baines Johnson's Birthday

Commencement Exercises

**1975**  
May 17 U. T. El Paso  
U. T. Austin  
U. T. Dallas  
U. T. Permian Basin  
May 24 U. T. Arlington  
Dallas Health Science Center  
(Dallas Southwestern Medical School and Dallas G. S. B. S.)  
May 31 Galveston Medical Branch  
San Antonio Health Science Center  
Houston Health Science Center  
June 7 \* U. T. San Antonio  
August 17 U. T. San Antonio  
August 22 Galveston Allied Health Sciences School  
August 24 Dallas Health Science Center  
(Dallas Allied Health Sciences School)

**1975**

	S	M	T	W	T	F	S		S	M	T	W	T	F	S	
<b>JAN.</b>				1	2	3	4		<b>JULY</b>			1	2	3	4	5
5	6	7	8	9	10	11		6	7	8	9	10	11	12		
12	13	14	15	16	17	18		13	14	15	16	17	18	19		
19	20	21	22	23	24	25		20	21	22	23	24	25	26		
26	27	28	29	30	31			27	28	29	30	31				
<b>FEB.</b>							1		<b>AUG.</b>						1	2
2	3	4	5	6	7	8		3	4	5	6	7	8	9		
9	10	11	12	13	14	15		10	11	12	13	14	15	16		
16	17	18	19	20	21	22		17	18	19	20	21	22	23		
23	24	25	26	27	28			24	25	26	27	28	29	30		
								31								
<b>MAR.</b>							1		<b>SEP.</b>		1	2	3	4	5	6
2	3	4	5	6	7	8		7	8	9	10	11	12	13		
9	10	11	12	13	14	15		14	15	16	17	18	19	20		
16	17	18	19	20	21	22		21	22	23	24	25	26	27		
23	24	25	26	27	28	29		28	29	30						
30	31															
<b>APR.</b>			1	2	3	4	5		<b>OCT.</b>			1	2	3	4	
6	7	8	9	10	11	12		5	6	7	8	9	10	11		
13	14	15	16	17	18	19		12	13	14	15	16	17	18		
20	21	22	23	24	25	26		19	20	21	22	23	24	25		
27	28	29	30					26	27	28	29	30	31			
<b>MAY</b>					1	2	3		<b>NOV.</b>							1
4	5	6	7	8	9	10		2	3	4	5	6	7	8		
11	12	13	14	15	16	17		9	10	11	12	13	14	15		
18	19	20	21	22	23	24		16	17	18	19	20	21	22		
25	26	27	28	29	30	31		23	24	25	26	27	28	29		
								30								
<b>JUNE</b>	1	2	3	4	5	6	7		<b>DEC.</b>		1	2	3	4	5	6
8	9	10	11	12	13	14		7	8	9	10	11	12	13		
15	16	17	18	19	20	21		14	15	16	17	18	19	20		
22	23	24	25	26	27	28		21	22	23	24	25	26	27		
29	30							28	29	30	31					

Other Events

March 14 Dedication of Communication Building at U. T. Austin  
4:00 p. m.  
April 4 Dedication of San Antonio Nursing School Building  
9:30 a. m.  
U. T. Austin Roundup  
April 27 Dedication of Buildings at Dallas Health Science Center  
2:30 p. m.  
July 25 Dedication of San Antonio Dental School Building  
3:00 p. m.

1975 FOOTBALL SCHEDULE, U. T. AUSTIN \*\*

September 13	Colorado State	at Austin	
September 20	Washington	at Seattle	Day
September 27	Texas Tech	at Austin	Night
October 4	Utah	at Austin	Night
October 11	Oklahoma	at Dallas	Day
October 18	Arkansas	at Little Rock	Night
October 25	Rice	at Austin	Night
November 1	S. M. U.	at Dallas	Day
November 8	Baylor	at Austin	Day
November 15	T. C. U.	at Austin	Day
November 27	Texas A & M	at College Station	Day

\* As of February 13, 1975, date changed from June 6 to June 7.

\*\* Time of game in some instances depends on when the game may be televised.

COMMITTEE OF THE WHOLE - OPEN SESSION

EMERGENCY ITEMS

March 14, 1975

	<u>Page</u> <u>C of W</u>
6. U. T. San Antonio - Institute of Texan Cultures: Exchange of Land Between the Board of Regents of The University of Texas System and the City of San Antonio at the Institute of Texan Cultures' Site	12
7. Dallas Health Science Center: Naming of Facilities and Waiver of Regents' <u>Rules and Regulations</u> Related to Recognition of Donors to Phase I Building Program	14

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Documentation

6. U.T. SAN ANTONIO - INSTITUTE OF TEXAN CULTURES: EXCHANGE OF LAND BETWEEN THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM AND THE CITY OF SAN ANTONIO AT THE INSTITUTE OF TEXAN CULTURES' SITE

The City of San Antonio, in pursuing the development and enrichment of Hemisfair Plaza, desires to construct a two-way access road connecting Durango Blvd. with Market St. to improve the traffic circulation around the plaza. The City of San Antonio has asked that a narrow strip of land running along the border of the Institute property be deeded to the City of San Antonio by the Board of Regents. In exchange, the City of San Antonio would deed to the Board of Regents a tract of land, including a small parking lot, which will insure that there is no intervening property owner between the Institute and the proposed two-way access road connecting Durango Blvd. and Market St. The field notes on the property to be transferred to the City indicate that approximately 5,888 square feet or 0.135 acres is involved. Although we do not have the field notes on the property to be transferred to the University, the square footage of the property will exceed the amount of square footage being transferred to the City.

As further consideration for the exchange, the City proposes a memorandum of agreement between the City of San Antonio and The University of Texas Board of Regents that includes the following:

- a. The City will design and construct, at no cost to the University, a surface-level pedestrian bridge over the water which will connect a parking area with the front entrance to the Institute.
- b. The City will redesign and modify a parking area on the north east side of the Institute (property being transferred by deed to The Board of Regents) to accommodate bus traffic to the Institute.

c. The City will modify the Institute's south east parking lot to allow traffic to enter and exit from the proposed two-way access road.

d. The City agrees to construct a retaining wall along the berm separating it from the proposed street right of way and will backfill to provide a flat access-way for pedestrians and maintenance vehicle traffic within the grounds of the Institute.

e. The City will agree that any construction will not interfere with the Folk Life Festival scheduled on the Institute grounds during August, 1975.

Several meetings have been held between representatives of the City and the University and at the last meeting, attended by President Flawn and Buildings and Grounds Chairman Bauerle, agreements were reached on the proposals as outlined above. System Administration and Buildings and Grounds Chairman Bauerle concur in the recommendation of President Flawn that the Board of Regents:

a. Authorize the proposed exchange of land between the City of San Antonio and the Board of Regents of The University of Texas System.

b. Authorize a committee consisting of Chairman of the Buildings and Grounds Committee Bauerle, President Flawn and Deputy Chancellor Walker to approve the terms of the memorandum of agreement between the City of San Antonio and the Board of Regents, including field notes of the properties being exchanged, after approval as to form by a University attorney.

c. Authorize the Chairman of the Board to execute a deed transferring the property described in the memorandum of agreement to the City of San Antonio upon receipt of an acceptable deed from the City of San Antonio to the Board of Regents for the property being transferred to the University.

d. Authorize the Chairman of the Board to sign the memorandum of agreement, as approved by the special committee, on behalf of the Board of Regents of the University of Texas System.

7. DALLAS HEALTH SCIENCE CENTER: NAMING OF FACILITIES AND WAIVER OF REGENTS' RULES AND REGULATIONS RELATED TO THE RECOGNITION OF DONORS TO THE PHASE I BUILDING PROGRAM

In its role as the Development Board for the Dallas Health Science Center, the Southwestern Medical Foundation raised in excess of eight million dollars for the Phase I building program which will be dedicated on April 27, 1975.

In recognition of this outstanding effort and of the many previous generous contributions from the Foundation, regental approval is requested for a plaque to be installed on the east wall of the Fred F. Florence Bioinformation Center setting forth the following:

SOUTHWESTERN MEDICAL FOUNDATION IS RECOGNIZED  
HEREWITH FOR ITS ROLE IN CREATING SOUTHWESTERN  
MEDICAL COLLEGE IN 1943, IN GUIDING ITS GROWTH  
AND ITS ENTRY INTO THE UNIVERSITY OF TEXAS SYSTEM  
IN 1949, AND FOR THE VARIOUS OTHER CONTRIBUTIONS  
WHICH THE FOUNDATION HAS MADE IN ASSISTING THIS  
INSTITUTION TO BUILD A PROGRAM AND A PLANT OF  
QUALITY.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE  
CENTER AT DALLAS

1975

Related to that successful fund raising effort by Southwestern Medical Foundation, regental approval is requested to honor several major contributors by naming certain facilities as follows:

A. Within the Lecture Hall Complex

L. STOREY STEMMONS  
MEMORIAL LECTURE HALL

JESSE H. JONES AND MARY GIBBS JONES  
MEMORIAL LECTURE HALL

ZALE FOUNDATION LECTURE HALL  
DEDICATED TO  
EDNA AND MORRIS ZALE  
SYLVIA AND WILLIAM ZALE

B. Within Mall Area "B"

THE MARGARET AND ERIK JONSSON GARDENS

C. Within the Fred F. Florence Bioinformation Center

THE ANNIE BERRY PIERCE-MARY PIERCE EBIE  
MEMORIAL CENTER

Regental waiver of the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1 requiring that a person so honored shall have been dead five years is requested with regard to the Stemmons Memorial Lecture Hall, the Zale Foundation Lecture Hall, and the Jonsson Gardens.

Additional plaques recognizing major contributions are planned. These recognize gifts to the Southwestern Medical Foundation for the Dallas Health Science Center which have already been accepted by the Board of Regents through the docket process. Thus, the following is for the information of the Board.

A. Within the Eugene McDermott Academic Administration Building

THIS LOUNGE IS A  
GIFT OF J. M. HAGGAR FAMILY

---

THIS LOUNGE IS A  
GIFT OF THE FAMILY OF GEORGE P. MACATEE, JR.

---

THIS CONFERENCE ROOM IS A  
GIFT OF THE G. B. DEALEY FOUNDATION

---

THIS CONFERENCE ROOM GIVEN  
IN MEMORY OF BLANCHE MARY TAXIS  
BLANCHE MARY TAXIS FOUNDATION

---

B. Within the Cecil H. and Ida Green Science Building

THIS LOUNGE IS A  
GIFT OF MOBIL OIL CORPORATION

C. Within the Lecture Hall Complex

THIS LOUNGE IS A  
GIFT OF DALLAS BEER WHOLESALERS ASSOCIATION

---

THIS LECTURE HALL IS THE  
GIFT OF THE SID W. RICHARDSON FOUNDATION

THE UNIVERSITY OF TEXAS  
HEALTH SCIENCE CENTER AT DALLAS

CHARLES C. SPRAGUE, M.D.  
PRESIDENT

SOUTHWESTERN MEDICAL SCHOOL  
GRADUATE SCHOOL OF BIOMEDICAL SCIENCES  
SCHOOL OF ALLIED HEALTH SCIENCES

February 25, 1975

Chancellor Charles A. LeMaistre, M.D.  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

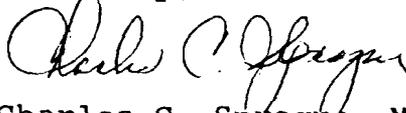
Dear Chancellor LeMaistre:

In connection with the plans for our building dedication ceremonies on April 27, I have talked with representatives of the Southwestern Medical Foundation to request that, if possible, the Foundation make a final report to The University of Texas on the fund-raising campaign recently concluded. It is my hope that the Foundation's report will be available in time for distribution to the Board of Regents in advance of the Dallas Regents' Meeting, so that it can be acknowledged and accepted by the Board in the public meeting.

My purpose in writing at this time is to ask whether you approve of this suggested procedure, and, if so, that you discuss it with the Board of Regents at the March 14 Meeting.

As I believe you are aware, the Foundation has suggested that several areas of the new facilities be named in honor of the major donors to the Foundation's campaign. In each instance, this will involve installation of a plaque. The rooms and areas to be named, along with the proposed wording of the plaques, are listed on the attached page. I would also hope that the Board of Regents would give its approval of the recognition implied by the plaques and at the April 28 Meeting make official record of the approval.

Sincerely,



Charles C. Sprague, M.D.  
President

Attachment

cc: Deputy Chancellor E. D. Walker

CCS:ga

SOUTHWESTERN MEDICAL FOUNDATION FUND-RAISING CAMPAIGN  
LIST OF PLAQUES PROPOSED FOR DESIGNATED ROOMS  
AND AREAS TO RECOGNIZE MAJOR DONORS

THE MARGARET AND ERIK JONSSON GARDENS

THIS LOUNGE IS A GIFT OF J. M. HAGGAR FAMILY

THIS LOUNGE IS A GIFT OF THE FAMILY OF GEORGE P. MACATEE, JR.

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JESSE H. JONES AND MARY GIBBS JONES MEMORIAL LECTURE HALL

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THE ANNIE BERRY PIERCE-MARY PIERCE EBIE MEMORIAL CENTER

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GUIDING ITS GROWTH AND ITS ENTRY INTO THE UNIVERSITY OF  
TEXAS SYSTEM IN 1949, AND FOR THE VARIOUS OTHER CONTRIBUTIONS  
WHICH THE FOUNDATION HAS MADE IN ASSISTING THIS INSTITUTION  
TO BUILD A PROGRAM AND A PLANT OF QUALITY

THE UNIVERSITY OF TEXAS  
HEALTH SCIENCE CENTER AT DALLAS

\_\_\_\_\_  
(date)

(This plaque to be mounted in the Florence Bioinformation  
Center)

**Committee of the Whole**  
**Executive Session**

**COMMITTEE OF THE WHOLE - EXECUTIVE SESSION**  
**Pursuant to Vernon's Civil Statutes**  
**Article 6252-17, Section 2(f)**

**Date: March 14, 1975**

**Time: Following the Meeting of the Committee of the Whole -  
Open Session**

**Place: Main Building, Room 209**

	<u>Page No.</u>
1. U. T. Austin: Recommendation to Lease Acreage in Travis County, Texas	2
2. U. T. Austin: Recommendation to Exchange Ground Leases, Travis County, Texas	3
3. Galveston Medical Branch (Galveston Medical School): Recommendation to Renegotiate Real Estate Note	4
4. University Cancer Center (M. D. Anderson): Recommendation to Renegotiate Real Estate Note	12
5. U. T. Dallas: Land Acquisition	
3, Houston Health Science Center (Public Health School): Appearance of Representative of Southwestern Construction Company, Houston, Texas, with Respect to Addition of the Shelled-in Space of the 8th, 9th and 10th Floors of the Public Health School Building	1

*Sec. 2(e)*

1. U. T. Austin: Recommendation to Lease 2.8 Acres out of Bracken-  
ridge Tract, Austin, Travis County, Texas.--

The University staff has received over a period of many years offers to purchase or lease a tract out of the Brackenridge property located at the Southeast corner of Exposition and Lake Austin Boulevard containing approximately 2.8 acres. It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands and joined by the Deputy Chancellor for Administration that:

- (1) The University staff be authorized to prepare a draft of a commercial property lease designed for supermarket purposes the terms of which shall be subject to the approval of the special committee of the Board of Regents hereinafter appointed and which lease agreement will be submitted to each company which has indicated an interest in this property and that the University staff be authorized to request bids based thereon.
- (2) That the Special Committee on Matters Relating to the Brackenridge Tract be requested to evaluate each proposal or bid with the authority to accept the best proposal submitted, subject to ratification by the full Board at a subsequent meeting.

2. U. T. Austin: Recommendation to Exchange Ground Leases with Lower Colorado River Authority. --

The Lower Colorado River Authority has submitted a request to obtain additional acreage adjacent to its present office building located on Lake Austin Boulevard in order that it may enlarge said building and provide parking space for its employees. The University is interested in obtaining a permanent lease on certain acreage located on Lake Travis on which the Applied Research Laboratory of The University of Texas at Austin has constructed certain improvements and which have been used since approximately 1952 for sonar and other underwater research. In addition, the University is interested in clearing up the title to the high voltage transmission line located on a portion of the 95-acre tract owned by the University west of the Colorado River and for which neither the Lower Colorado River Authority nor the City of Austin has ever obtained a formal easement from the University.

Mr. Jim Frederick of Appraisal Associates of Austin, Inc., has submitted to the University staff and the Lower Colorado River Authority appraisals of the respective pieces of property. His appraisals of The University of Texas properties located on Lake Austin Boulevard are as follows:

(1)	1.505 acres with frontage on Lake Austin 65,558 S.F. @ \$4.00 per S.F.	\$262,250
(2)	0.79 acres with no frontage on Lake Austin 34,412 S.F. @ \$3.00 per S.F.	103,250
(3)	Brackenridge Tract (LCRA Easement)	66,000
	Total	<u>\$458,500</u>

He has submitted appraisals of the Lower Colorado River Authority Tract as follows:

(1)	Old Construction Site (plan A) 49.5 acres @ \$5,250 per acre (avg.)	\$259,875
-----	--	-----------

The difference in the appraisal price for the University acreage and the Lower Colorado River Authority acreage is \$198,625.

*where?*  
The University staff recommends that the Board of Regents grant to the Lower Colorado River Authority a 50-year lease covering Tracts (1) and (2), described above, and an easement for the high voltage transmission line, described in Tract (3) above, in exchange for the Lower Colorado River Authority granting to the Board of Regents a 50-year lease covering 60.9 acres located on Lake Travis. The exact configuration of such tract will be determined by survey so as to still provide the Lower Colorado River Authority with access to Lake Travis.

*ask about this?*  
The University staff further recommends that the Special Committee on Matters Relating to the Brackenridge Tract continue the negotiations with the Lower Colorado River Authority, and that such committee be authorized to enter into an agreement with the Lower Colorado River Authority based upon the best proposal submitted, subject to ratification by the Board at a subsequent meeting.

3. Galveston Medical Branch (Galveston Medical School): Recommendation to Renegotiate Real Estate Note with the Mitchell Development Corporation of the Southwest. --

The Board of Regents on March 12, 1973, conveyed to the Mitchell Development Corporation of the Southwest approximately 7,602.557 acres of land situated in Montgomery County, Texas, which had been given to the Board of Regents by The Sealy & Smith Foundation for the John Sealy Hospital. The terms of sale provided among other things the following:

1. Purchase Price. 10% cash down payment with the balance to be evidenced by a purchase money mortgage bearing interest at the rate of 7% per annum, payable two years interest only with the balance to be amortized in twelve equal annual installments including principal and interest. After survey of the property, based upon a purchase price of \$1,675.00 per acre, it was determined that the principal amount of the purchase money mortgage was \$11,443,821.36. A copy of the debt payment schedule on such note as it exists today is Exhibit A on Page 6.

2. Development Expenditure. On or before March 12, 1977, the Mitchell Development Corporation of the Southwest agreed to expend \$1,000,000 in physical improvements on the property. This obligation to expend \$1,000,000 was guaranteed by the parent corporation, Mitchell Energy & Development Corp. Due to the decline in real estate sales under the present money market conditions, the Board of Regents on June 14, 1974, extended the time within which such \$1,000,000 shall be expended for on-site improvements to March 12, 1979.

3. Timber Rights. Under the terms of the earnest money contract, the Mitchell Development Corporation of the Southwest agreed that no timber would be cut from the property until the lien securing the note had been released as to any parcel or parcels from which timber was to be cut, except "real estate cuts", which term was defined in the agreement as follows:

"(a) No hardwood will be cut except in overflow and possible lake-site areas.

(b) An average of three (3) stems of seedpine per acre will be left uncut for seeding.

(c) No pine timber smaller than twelve (12") inches in diameter twelve (12") inches above the ground will be cut, unless such cutting is deemed advisable for thinning under good forestry practice."

This provision does allow the Mitchell Development Corporation of the Southwest to remove a considerable amount of valuable timber. At one point, the Georgia-Pacific Company had a timber cutting contract with The Sealy & Smith Foundation under which it was estimated that it would remove approximately \$2,000,000 worth of timber. This contract was never consummated.

The proceeds from the note together with other pledged revenues to be provided by The Sealy & Smith Foundation for the John Sealy Hospital were subsequently pledged to the payment of \$34,500,000 Board of Regents of The University of Texas System, The University of Texas Galveston Medical Branch Endowment and Hospital Revenue Bonds, Series 1973. A copy of the debt service schedule for such bond issue is Exhibit B on Pages 7-9. The Mitchell Development Corporation of the Southwest has submitted a proposal whereby the purchase

money mortgage referred to above would be renegotiated so as to provide that the same would be payable over a term ending March 12, 1993, rather than a term ending March 12, 1987, as provided in the original note with principal and interest at 7-1/2% to be payable quarterly as applicable with the first principal payment to be extended to June 12, 1977, rather than March 12, 1976. A copy of the debt payment schedule under the Mitchell Development Corporation of the Southwest proposal is Exhibit C on Pages 10-11. In addition, the Mitchell Development Corporation of the Southwest has requested that both it and the Mitchell Energy & Development Corp. be relieved of its liability to expend \$1,000,000 on on-site improvements by March 12, 1979.

After a thorough evaluation of the proposal for renegotiation of said purchase money note by the University staff, it has been concluded that the new proposed payment schedule, if payments are received as indicated, would in no way jeopardize the debt service requirements under the \$34,500,000 Galveston Medical Branch bond issue. The University staff, however, does make the following recommendations in this connection.

- (1) That the proposal of Mitchell Development Corporation of the Southwest for the renegotiation of the note in question over a twenty-year period with an increase in the interest rate to 7-1/2%, payable as set out in Exhibit C be approved.
- (2) That the note in its entirety as both principal and interest be guaranteed by the parent corporation, the Mitchell Energy & Development Corp.
- (3) That the obligation to expend \$1,000,000 on on-site improvements not be waived in its entirety, but that consideration be given to the further extension of time within which such on-site improvements are completed.
- (4) That the proceeds from the cutting of any timber on the property in question be applied to the accrued interest or principal then due on the note.
- (5) That a special committee of the Board of Regents be appointed to continue the negotiations with the Mitchell Development Corporation of the Southwest, and that said committee be authorized to accept the best proposal for the renegotiation of said real estate note, subject to ratification of the full Board at a subsequent meeting.

*Mitchell Energy & Development Corp.*

*Apparent. (to be completed)  
MD or SW or modification  
or 9 money mortgage*

Debt Payment Schedule on  
Note of Mitchell Development  
Corporation of the Southwest

<u>Amount of Note</u>	<u>Due Date</u>	<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Total</u>
11,443,821.36	3-15-74	-0-	801,067.50	801,067.50
11,443,821.36	3-15-75	-0-	801,067.50	801,067.50
11,443,821.36	3-15-76	953,651.78	801,067.50	1,754,719.28
10,490,169.58	3-15-77	953,651.78	734,311.87	1,687,963.65
9,536,517.80	3-15-78	953,651.78	667,556.25	1,621,208.03
8,582,866.02	3-15-79	953,651.78	600,800.62	1,554,452.40
7,629,214.24	3-15-80	953,651.78	534,045.00	1,487,696.78
6,675,562.46	3-15-81	953,651.78	467,289.37	1,420,941.15
5,721,910.68	3-15-82	953,651.78	400,533.75	1,354,185.53
4,768,258.90	3-15-83	953,651.78	333,778.12	1,287,429.90
3,814,607.12	3-15-84	953,651.78	267,022.50	1,220,674.28
2,860,955.34	3-15-85	953,651.78	200,266.87	1,153,918.65
1,907,303.56	3-15-86	953,651.78	133,511.25	1,087,163.03
953,651.78	3-15-87	<u>953,651.78</u>	<u>66,755.62</u>	<u>1,020,407.40</u>
		11,443,821.36	6,809,073.72	18,252,895.08

EXHIBIT A

\$34,500,000  
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON  
 ENDOWMENT AND HOSPITAL REVENUE BONDS, SERIES 1973  
 NOS. 1-6900 (\$5,000 DENOMINATION) DATED JULY 1, 1973, MATURING 7-1-77 THROUGH 7-1-1999

PAYMENT OF INTEREST

Payment Dates	Bond Nos.	Outstanding Principal Beg. of Fiscal Year	Payment on Principal	1-1725 @ 6.25 %	1726-1976 @ 5.70 %	1977-4183 @ 5.60 %	4184-4575 @ 5.70 %	4576-5428 @ 5.80 %	5429-6382 @ 5.90 %	6383-6900 @ 4.75 %	Total Interest	Total P & I	Paying Agency Fees	Total F/Y Requirements
1974 7-1-74		\$34,500,000		\$ 269,531.25 269,531.25	\$ 35,767.50 35,767.50	\$ 308,980.00 308,980.00	\$ 55,860.00 55,860.00	\$ 123,685.00 123,685.00	\$ 140,715.00 140,715.00	\$ 61,512.50 61,512.50	\$ 996,051.25 996,051.25	\$ 996,051.25 996,051.25	\$ 345.00 345.00	\$ 1,992,792.50
1975 7-1-75		34,500,000		269,531.25 269,531.25	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	996,051.25 996,051.25	996,051.25 996,051.25	345.00 345.00	1,992,792.50
1976 7-1-76		34,500,000		269,531.25 269,531.25	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	996,051.25 996,051.25	996,051.25 996,051.25	345.00 345.00	1,992,792.50
1977 7-1-77	1-152	34,500,000	760,000	269,531.25 269,531.25	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	996,051.25 996,051.25	996,051.25 1,756,051.25	345.00 413.40	2,752,860.00
1978 7-1-78	153-312	\$33,740,000	800,000	\$ 245,781.25 245,781.25	\$ 35,767.50 35,767.50	\$ 308,980.00 308,980.00	\$ 55,860.00 55,860.00	\$ 123,685.00 123,685.00	\$ 140,715.00 140,715.00	\$ 61,512.50 61,512.50	\$ 972,301.25 972,301.25	\$ 972,301.25 1,772,301.25	\$ 337.40 409.40	\$ 2,745,349.30
1979 7-1-79	313-482	32,940,000	850,000	220,781.25 220,781.25	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	947,301.25 947,301.25	947,301.25 1,797,301.25	329.40 405.90	2,745,337.80
1980 7-1-80	483-662	32,090,000	900,000	194,218.75 194,218.75	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	920,738.75 920,738.75	920,738.75 1,820,738.75	320.90 401.90	2,742,200.30
1981 7-1-81	663-852	31,190,000	950,000	166,093.75 166,093.75	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	892,613.75 892,613.75	892,613.75 1,842,613.75	311.90 397.40	2,735,926.80
1982 7-1-82	853-1052	30,240,000	1,000,000	136,406.25 136,406.25	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	862,926.25 862,926.25	862,926.25 1,862,926.25	302.40 392.40	2,726,547.30

Payment Dates	Bond Nos.	Outstanding Principal Beg. of Fiscal Year	Payment on Principal	1-1725 @ 6.25 %	1726-1976 @ 5.70 %	1977-4183 @ 5.60 %	4184-4575 @ 5.70 %	4576-5428 @ 5.80 %	5429-6382 @ 5.90 %	6383-6900 @ 4.75 %	Total Interest	Total P & I	Paying Agency Fees	Total F/Y Requirements
1983 1-1-83 7-1-83	1053-1264	\$29,240,000	1,060,000	\$ 105,156.25 105,156.25	\$ 35,767.50 35,767.50	\$ 308,980.00 308,980.00	\$ 55,860.00 55,860.00	\$ 123,685.00 123,685.00	\$ 140,751.00 140,751.00	\$ 61,512.50 61,512.50	\$ 831,676.25 831,676.25	\$ 831,676.25 1,891,676.25	\$ 292.40 387.80	\$ 2,724,032.70
1984 1-1-84 7-1-84	1265-1488	28,180,000	1,120,000	72,031.25 72,031.25	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,751.00 140,751.00	61,512.50 61,512.50	798,551.25 798,551.25	798,551.25 1,918,551.25	281.80 382.60	2,717,766.90
1985 1-1-85 7-1-85	1489-1725	27,060,000	1,185,000	37,031.25 37,031.25	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,751.00 140,751.00	61,512.50 61,512.50	763,551.25 763,551.25	763,551.25 1,948,551.25	270.60 377.25	2,712,750.35
1986 1-1-86 7-1-86	1726-1976	25,875,000	1,255,000	-0- -0-	35,767.50 35,767.50	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	726,520.00 726,520.00	726,520.00 1,981,520.00	258.75 371.70	2,708,670.45
1987 1-1-87 7-1-87	1977-2241	24,620,000	1,325,000	-0- -0-	-0- -0-	308,980.00 308,980.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	690,752.50 690,752.50	690,752.50 2,015,752.50	246.20 365.45	2,707,116.65
1988 1-1-88 7-1-88	2242-2521	24,295,000	1,400,000	-0- -0-	-0- -0-	271,880.00 271,880.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	653,652.50 653,652.50	653,652.50 2,053,652.50	232.95 358.95	2,707,896.90
1989 1-1-89 7-1-89	2522-2817	\$21,895,000	\$1,480,000	-0- -0-	-0- -0-	\$ 232,680.00 232,680.00	\$ 55,860.00 55,860.00	\$ 123,685.00 123,685.00	\$ 140,715.00 140,715.00	\$ 61,512.50 61,512.50	\$ 614,452.50 614,452.50	\$ 614,452.50 2,094,452.50	\$ 218.95 352.15	\$ 2,709,476.10
1990 1-1-90 7-1-90	2818-3130	20,415,000	1,565,000	-0- -0-	-0- -0-	191,240.00 191,240.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	573,012.50 573,012.50	573,012.50 2,138,012.50	204.15 345.00	2,711,574.15
1991 1-1-91 7-1-91	3131-3461	18,850,000	1,655,000	-0- -0-	-0- -0-	147,420.00 147,420.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	529,192.50 529,192.50	529,192.50 2,184,192.50	188.50 337.45	2,713,910.95
1992 1-1-92 7-1-92	3462-3812	17,195,000	1,755,000	-0- -0-	-0- -0-	101,080.00 101,080.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	482,852.50 482,852.50	482,852.50 2,237,852.50	171.95 329.90	2,721,206.85
1993 1-1-93 7-1-93	3813-4183	15,440,000	1,855,000	-0- -0-	-0- -0-	51,940.00 51,940.00	55,860.00 55,860.00	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	433,712.50 433,712.50	433,712.50 2,288,712.50	154.40 321.35	2,722,900.75

Payment Dates	Bond Nos.	Outstanding Principal Beg. of Fiscal Year	Payment on Principal	1-1725 @ 6.25 %	1726-1976 @ 5.70 %	1977-4183 @ 5.60 %	4184-4575 @ 5.70 %	4576-5428 @ 5.80 %	5429-6382 @ 5.90 %	6383-6900 @ 4.75 %	Total Interest	Total P & I	Paying Agency Fees	Total F/Y Requirements
1994 1-1-94 7-1-94	4184-4575	\$13,585,000	\$1,960,000	-0-	-0-	-0-	\$ 55,860.00 55,860.00	\$ 123,685.00 123,685.00	\$ 140,715.00 140,715.00	\$ 61,512.50 61,512.50	\$ 381,772.50 381,772.50	\$ 381,772.50 2,341,772.50	\$ 135.85 312.25	\$ 2,723,993.10
1995 1-1-95 7-1-95	4576-4990	11,625,000	2,075,000	-0-	-0-	-0-	-0-	123,685.00 123,685.00	140,715.00 140,715.00	61,512.50 61,512.50	325,912.50 325,912.50	325,912.50 2,400,912.50	116.25 303.00	2,727,244.25
1996 1-1-96 7-1-96	4991-5428	9,550,000	2,190,000	-0-	-0-	-0-	-0-	63,510.00 63,510.00	140,715.00 140,715.00	61,512.50 61,512.50	265,737.50 265,737.50	265,737.50 2,455,737.50	95.50 292.60	2,721,863.10
1997 1-1-97 7-1-97	5429-5892	7,360,000	2,320,000	-0-	-0-	-0-	-0-	-0-	140,715.00 140,715.00	61,512.50 61,512.50	202,227.50 202,227.50	202,227.50 2,522,227.50	73.60 282.40	2,724,811.00
1998 1-1-98 7-1-98	5893-6382	5,040,000	2,450,000	-0-	-0-	-0-	-0-	-0-	72,275.00 72,275.00	61,512.50 61,512.50	133,787.50 133,787.50	133,787.50 2,583,787.50	50.40 270.90	2,717,896.30
1999 1-1-99 7-1-99	6383-6900	\$ 2,590,000	\$2,590,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 61,512.50 61,512.50	\$ 61,512.50 61,512.50	\$ 61,512.50 2,651,512.50	\$ 25.90 259.00	\$ 2,713,309.90
				\$4,511,250.00	\$929,955.00	\$10,643,920.00	\$2,346,120.00	5,569,160.00	\$6,898,870.00	\$3,198,650.00	\$34,097,925.50	\$68,597,925.00	\$15,105.30	\$68,613,030.30

Paying Agent - Bank of the Southwest N.A. Houston, Texas  
Co-Paying Agent - Manufacturer's Havover Trust, New York  
Rate : 5¢ per Coupon paid  
45¢ per Bond paid

<u>DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL PAYMENT</u>	<u>PRINCIPAL BALANCE</u>
3/12/75		200,266.87	200,266.87	11,443,821.36
6/12/75		426,103.63	426,103.63	11,443,821.36
9/12/75		422,348.52	422,348.52	11,443,821.36
12/12/75		418,593.53	418,593.53	11,443,821.36
3/12/76		214,571.65	214,571.65	11,443,821.36
6/12/76		214,571.65	214,571.65	11,443,821.36
9/12/76		214,571.65	214,571.65	11,443,821.36
12/12/76		214,571.65	214,571.65	11,443,821.36
3/12/77		214,571.65	214,571.65	11,443,821.36
6/12/77	93,953.77	214,571.65	308,525.42	11,349,867.59
9/12/77	95,715.41	212,810.01	308,525.42	11,254,152.18
12/12/77	97,510.07	211,015.35	308,525.42	11,156,642.11
3/12/78	99,338.39	209,187.03	308,525.42	11,057,303.72
6/12/78	101,200.98	207,324.44	308,525.42	10,956,102.74
9/12/78	103,098.50	205,426.92	308,525.42	10,853,004.24
12/12/78	105,031.59	203,493.83	308,525.42	10,747,972.65
3/12/79	107,000.94	201,524.48	308,525.42	10,640,971.70
6/12/79	109,007.21	199,518.21	308,525.42	10,531,964.50
9/12/79	111,051.10	197,474.32	308,525.42	10,420,913.40
12/12/79	113,133.30	195,392.12	308,525.42	10,307,780.10
3/12/80	115,254.54	193,270.88	308,525.42	10,192,525.56
6/12/80	117,415.57	191,109.85	308,525.42	10,075,109.99
9/12/80	119,617.11	188,908.31	308,525.42	9,955,492.88
12/12/80	121,859.93	186,665.49	308,525.42	9,833,632.95
3/12/81	124,144.80	184,380.62	308,525.42	9,709,488.15
6/12/81	126,472.52	182,052.90	308,525.42	9,583,015.63
9/12/81	128,843.88	179,681.54	308,525.42	9,454,171.75
12/12/81	131,259.70	177,265.72	308,525.42	9,322,912.05
3/12/82	133,720.82	174,804.60	308,525.42	9,189,191.23
6/12/82	136,228.08	172,297.34	308,525.42	9,052,963.15
9/12/82	138,782.37	169,743.05	308,525.42	8,914,180.78
12/12/82	141,384.54	167,140.88	308,525.42	8,772,796.24
3/12/83	144,035.49	164,489.93	308,525.42	8,628,760.75
6/12/83	146,736.16	161,789.26	308,525.42	8,482,024.59
9/12/83	149,487.46	159,037.96	308,525.42	8,332,537.13
12/12/83	152,290.35	156,235.07	308,525.42	8,180,246.78
3/12/84	155,145.80	153,379.62	308,525.42	8,025,100.98
6/12/84	158,054.78	150,470.64	308,525.42	7,867,046.20
9/12/84	161,018.31	147,507.11	308,525.42	7,706,027.89
12/12/84	164,037.40	144,488.02	308,525.42	7,541,990.49
3/12/85	167,113.10	141,412.32	308,525.42	7,374,877.39
6/12/85	170,246.47	138,278.95	308,525.42	7,204,630.92
9/12/85	173,438.60	135,086.82	308,525.42	7,031,192.32
12/12/85	176,690.57	131,834.85	308,525.42	6,854,501.75
3/12/86	180,003.52	128,521.90	308,525.42	6,674,498.23
6/12/86	183,378.58	125,146.84	308,525.42	6,491,119.65
9/12/86	186,816.93	121,708.49	308,525.42	6,304,302.72
12/12/86	190,319.75	118,205.67	308,525.42	6,113,982.97
3/12/87	193,888.24	114,637.18	308,525.42	5,920,094.73
6/12/87	197,523.64	111,001.78	308,525.42	5,722,571.09
9/12/87	201,227.22	107,298.20	308,525.42	5,521,343.87
12/12/87	205,000.23	103,525.19	308,525.42	5,316,343.64
3/12/88	208,843.98	99,681.44	308,525.42	5,107,499.66
6/12/88	212,759.81	95,765.61	308,525.42	4,894,739.85
9/12/88	216,749.05	91,776.37	308,525.42	4,677,990.80

EXHIBIT C

<u>DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL PAYMENT</u>	<u>PRINCIPAL BALANCE</u>
12/12/88	220,813.09	87,712.33	308,525.42	4,457,177.71
3/12/89	224,953.34	83,572.08	308,525.42	4,232,224.37
6/12/89	229,171.22	79,354.20	308,525.42	4,003,053.15
9/12/89	233,468.18	75,057.24	308,525.42	3,769,584.97
12/12/89	237,845.71	70,679.71	308,525.42	3,531,739.26
3/12/90	242,305.31	66,220.11	308,525.42	3,289,433.95
6/12/90	246,848.54	61,676.88	308,525.42	3,042,585.41
9/12/90	251,476.95	57,048.47	308,525.42	2,791,108.46
12/12/90	256,192.14	52,333.28	308,525.42	2,534,916.32
3/12/91	260,995.74	47,529.68	308,525.42	2,273,920.58
6/12/91	265,889.41	42,636.01	308,525.42	2,008,031.17
9/12/91	270,874.84	37,650.58	308,525.42	1,737,156.33
12/12/91	275,953.74	32,571.68	308,525.42	1,461,202.59
3/12/92	281,127.88	27,397.54	308,525.42	1,180,074.71
6/12/92	286,399.02	22,126.40	308,525.42	893,675.69
9/12/92	291,769.01	16,756.41	308,525.42	601,906.68
12/12/92	297,239.67	11,285.75	308,525.42	304,667.01
3/12/93	304,667.01	5,712.50	310,379.51	-0-

<u>TOTALS</u>	<u>PROPOSED REARRANGEMENT</u>	<u>PRESENT ARRANGEMENT</u>
Principal:	\$11,443,821.36	\$11,443,821.36
INTEREST:	\$10,843,830.41	\$ 6,008,006.15
TOTAL PAYMENTS:	\$22,287,651.77	\$17,451,827.51

4. University Cancer Center (M. D. Anderson): Recommendation to Renegotiate Real Estate Note with Punta Gorda Isles, Inc. --

The Board of Regents on June 20, 1972, conveyed to Punta Gorda Isles, Inc., approximately 51,860 acres of land in Charlotte, DeSoto and Highlands Counties, Florida, which land had been given to the Board of Regents as Trustee of the University Cancer Foundation on March 28, 1969, by the M. G. and Lillie A. Johnson Foundation, Inc. The terms of sale provided, among other things, the following:

- (1) Purchase Price. \$15,495,000 payable:
  - a. Assumption of the unpaid balance on that certain Deed of Trust Lien executed by Marshall G. Johnson and Lillie A. Johnson to the Connecticut Mutual Life Insurance Company in the then principal amount of \$495,000.
  - b. Payment of \$2,000,000 cash at date of closing.
  - c. Execution of a Purchase Money Mortgage in the amount of \$13,000,000, bearing interest at the rate of 7-1/2% per annum, payable \$1,100,000 on or before 3 years from date of closing; \$1,200,000 on or before 4 years from date of closing; \$1,300,000 on or before 5 years from date of closing; \$1,400,000 on or before 6 years from date of closing; \$1,500,000 on or before 7 years from date of closing, with the remaining principal balance plus accrued interest to be amortized over the next 5 years in equal annual installments, including principal and interest. Said note is a no liability note.
  - d. The Purchase Money Mortgage was likewise subject to being either increased or decreased as a result of an actual ground survey which was to be made at the sole cost of Punta Gorda Isles, Inc. Pursuant to the re-survey provision contained in the Contract of Sale, the subject property was surveyed by Tri-County Engineering, Inc., which perimeter survey reflects an increase in the total acreage to 53,534.27 acres. The increase in the acreage shown by the survey will result in Punta Gorda Isles, Inc., being required to execute an additional Purchase Money Note in the amount of \$500,257.52 and which will bear interest at the rate of 7-1/2% to be payable as provided above.
- (2) Development Expenditure. A requirement that Punta Gorda Isles, Inc., expend \$1,000,000 in physical improvements on the property prior to the obtaining of any partial releases.
- (3) Partial Releases. The partial release price shall be calculated at the rate of 200% per acre price (approximately \$298 per acre) until the note is reduced to \$10,000,000 and 125% of the per acre price thereafter. Payments made to obtain partial releases shall be applied first to accrued interest and then to principal, if any.

Punta Gorda Isles, Inc., has presently platted approximately 45,000 acres of land located entirely in Charlotte and DeSoto Counties into a new city development to be known as "Deer Run." Punta Gorda Isles, Inc., has requested that the Board of Regents of The University of Texas System as Trustee of the University Cancer Foundation allow Punta Gorda Isles, Inc., to sell all of the lands located in Highlands County, Florida, which contain approximately 8,272 acres, and which have not been platted as a part of Deer Run, upon the following terms and conditions:

- 92, 2
- (1) The University of Texas System allow Punta Gorda Isles, Inc., to advertise the same for sale for a purchase price of not less than \$500 an acre; 20% down; balance in equal annual payments over 10 years with the balance bearing interest at 8% (shorter payouts will be allowed).
  - (2) At the time of sale, Punta Gorda Isles, Inc., to have the land released from the first mortgage given Connecticut Mutual Life Insurance Company.
  - (3) At the time of sale, The University of Texas System releases the lands from its present mortgage.
  - (4) For said release, Punta Gorda Isles, Inc., will pay over to The University of Texas System all of the down payment less and except the actual out of pocket costs of the sale, which would include broker's commissions, documentary stamps, cost of abstracts and other usual costs of sale.
  - (5) In addition, Punta Gorda Isles, Inc., will assign the purchase money first mortgage it receives to The University of Texas System together with all payments thereunder including the interest.
  - (6) All funds received from the sale and the mortgage payments shall be applied when received towards the next payment due The University of Texas System under and because of that certain mortgage from Punta Gorda Isles, Inc., to The University of Texas System as recorded in O.R. Book 392, Page 143, Charlotte County Records and subsequently recorded in Highlands and DeSoto Counties. Should for any reason the first mortgage given by the purchaser need to be foreclosed it is mutually agreed that The University of Texas System will reassign the same to Punta Gorda Isles, Inc., who shall foreclose the mortgage paying the costs, and thereafter pledge said lands as additional security for the mortgage referred to above; or, alternatively, to resell the same under the same terms and conditions outlined above with application of the funds received as outlined above.

The University staff recommends that a special committee of the Board of Regents be appointed to continue the negotiations with Punta Gorda Isles, Inc., and that said committee be authorized to accept the best proposal resulting from said negotiations, all subject to ratification by the full Board at a subsequent meeting.

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U. T. Dallas: Transfer of Callier Center for Communication Disorders to the Board of Regents of The University of Texas System for Operation by The University of Texas at Dallas.--

System Administration and President Jordan recommend the adoption of the following resolution approving, in principle, the transfer of The Callier Center for Communication Disorders, a non-profit corporation of Dallas County, Texas, to The University of Texas at Dallas:

RESOLUTION

WHEREAS, The Board of Trustees of ~~The~~ Callier Center for Communication Disorders has adopted a resolution authorizing in principle the transfer of ~~The~~ Callier Center for Communication Disorders to The University of Texas at Dallas, which resolution is attached hereto as Exhibit "A"; and

WHEREAS, said resolution adopted the "Principles of Agreement" hereto attached as Exhibit "B"

NOW, THEREFORE, be it resolved by the Board of Regents of The University of Texas System:

1. That the Board of Regents of The University of Texas System does hereby approve the "Principles of Agreement" set out in Exhibit "B" hereto;
2. That the Board of Regents of The University of Texas System does hereby authorize the administrative officers of The University of Texas System to continue to work with appropriate officials of ~~The~~ Callier Center for Communication Disorders to finalize, in accordance with the "Principles of Agreement", the details of the transfer of ~~The~~ Callier Center for Communication Disorders to the Board of Regents of The University of Texas System to be operated by The University of Texas at Dallas; and
3. That the Chairman of the Board of Regents is authorized, after approval as to form by a University Attorney and as to content by the Deputy Chancellor for Administration, to execute and deliver all necessary instruments to effectuate the transfer of ~~The~~ Callier Center for Communication Disorders to the Board of Regents of The University of Texas System.

Exhibit A

RESOLUTION OF CALLIER CENTER TRUSTEES

WHEREAS communication disorders (involving hearing, speech, central processing and combinations of these) are the most isolating of all handicaps and are suffered, according to a recent survey of the National Institute for Neurological Disease and Stroke, by 20.6 million Americans whose annual loss of earnings approximates \$1.75 billion; and

WHEREAS there needs to be and is an institution in Dallas to provide service to such persons and simultaneously to improve the diagnoses and remediations of such disorders and aid in the training of professional personnel; and

WHEREAS the Callier Center for Communication Disorders was purposefully organized in 1964 to bring together in one multi-disciplinary institution medical and research leadership to work hand-in-hand with audiologists, speech pathologists, special education teachers, psychologists, social workers, neurophysiologists, psychoacousticians, linguists, engineers and other professional personnel to serve persons who suffer communication disorders through combinations of the best skills, most efficient methods and tools and the deepest heart in facilities designed to encourage cross-fertilization of knowledge and skills in recognition of the facts that:

1. Professional disciplines and quantitative needs for them vary according to the nature of individual handicap and the age of the person who suffers from them; thus interventions can be more effectively and efficiently rendered when all disciplines (except direct medical treatment) are available from one institution;

2. Broadly applicable innovations in diagnoses and remediations are most likely to occur as a consequence of interactions of varied branches of knowledge in a setting which treats with a large volume and wide variety of such disorders;
3. Professional personnel with the capabilities to produce innovation are attracted by the broad-gaged opportunities such a setting affords; and

WHEREAS since its organization it has provided and does now provide evaluative, therapeutic, psychological, social and counselling services directly and through satellite programs to persons with communication disorders; educational services for deaf, deaf-blind and multiply handicapped deaf children; and engages in applied and basic research; with a staff now numbering 86 professionals who hold 137 professional degrees; whose combined professional experience totals 823 years; and

WHEREAS after a thorough review of Center personnel, programs and facilities in May, 1974, the 10-member Scientific Advisory Council to the Callier Center Board of Trustees identified the Center as a major national resource in communication disorders; classed its scientists as first rate; expressed the view that the Center, because of its interdisciplinary nature, its maturity; its academic affiliations and its large volume of patients with a wide variety of communication disorders is especially well postured to produce a new order of knowledge for improving diagnoses and remediations of such disorders; and

WHEREAS a more direct association of the Callier Center with the University of Texas at Dallas program in communication disorders, special education and related disciplines will augment Center operations and enrich and give proper orientation to University programs; and

WHEREAS in the expectation that The University of Texas System through The University of Texas at Dallas has access to funding sources which can further sustain and augment the development and operation of the Center and therefore lead to fuller achievement of the potentials characterized above;

NOW, THEREFORE, the Board of Trustees does hereby approve the principles of agreement hereto attached and made a part hereof authorizing the transfer of the facilities, equipment, grants, other assets and obligations of The Callier Center for Communication Disorders to the University of Texas at Dallas;

FURTHER RESOLVED that the Board of Trustees does hereby authorize and direct the President or a Vice President joined by the Secretary or an Assistant Secretary of the Callier Center to negotiate, enter into, execute and deliver an agreement with The Board of Regents of The University of Texas System containing and not inconsistent with said principles; and

FURTHER RESOLVED, the Board of Trustees does hereby authorize the officers, agents and employees of the Callier Center, and each of them, to carry out and perform the terms and provisions of said agreement."

Exhibit B

PRINCIPLES OF AGREEMENT

The Callier Center for Communication Disorders and Board of Regents of The University of Texas System

I. The Callier Center Board of Trustees agrees to give to The University of Texas System (for the benefit of The University of Texas at Dallas), its building and equipment (currently valued at \$5.1 million); to the transfer of its personnel to The University of Texas at Dallas; and to entrust its reputation as a major national resource in communication disorders for maintenance and further development by The University of Texas at Dallas.

II. The Callier Center Board, further, agrees to use its best efforts to effect a transfer of fee simple title to the land on which the Callier Center is located, and if such is not possible, its ground lease (from the Dallas County Hospital District) to The University of Texas System; and to effect a transfer to The University of Texas at Dallas of all contracts and grants in which the Callier Center is now engaged; and also to assist The University of Texas at Dallas to retain its present private philanthropic support;

III. In return therefor, The University of Texas System, in behalf of The University of Texas at Dallas, agrees, conditioned on its success in obtaining funds therefor:

A. (1) To operate the Callier Center within the framework of the following excerpt from the Callier Charter:

"providing and maintaining facilities and personnel to: (a) analyze and evaluate hearing, speech and other communication disorders; (b) provide remedial and therapeutic services for the hearing and speech handicapped; (c) provide and support medical, scientific or educational research into the cause, treatment, prevention, alleviation, or cure of impairments, defects or problems in hearing and speech; (d) provide and assist in undergraduate or graduate educational programs relating to

academic disciplines basic to services to the hearing and speech handicapped; (e) provide for and assist in the education of the hearing and speech handicapped, including the teaching of lip reading and language and speech; (f) provide for and assist in the rehabilitation of the hearing and speech handicapped; (g) construct, equip, maintain and operate a first class center to assist those handicapped by a communication problem, whether related to hearing, speech, central processing or a combination of any of these; (h) furnish public information relating to and promote increased understanding of communication disorders."

(2) To ensure the focus of the Center remains that of service to persons who suffer communications disorders as distinguished from operation as a laboratory for academic training and/or a research environment to support the work for academicians.

(3) To maintain, as Callier has done, a balance between clinical, educational, and counselling services; basic and applied research; and professional training.

B. To perpetuate these operations and maintain the Callier Center under the name: "Callier Center for Communication Disorders," and to make the Center a part of The University of Texas at Dallas; to name Aram Glorig as initial Head of the University's programs in communication disorders, special education, and related disciplines and Director of the Callier Center.

C. To utilize, to the extent authorized by the Regents' Rules and Regulations, the Center's present Director Search Committee (Walter Rosenblith, Chairman; Freid Seitz; Charles LeMaistre; Charles Sprague; Bryce Jordan; Nelle Johnston; Pat Y. Spillman; and Aram Glorig - Ex Officio) for recruiting his successor at the time of the retirement of Dr. Glorig.

D. To establish and utilize an Advisory Council to the President of The University of Texas at Dallas and the Head of the University's program in communication disorders,

special education, and related disciplines, composed initially of the present Board of Trustees of the Center; and to establish and utilize a Scientific Advisory Council, composed initially of the present members of the Scientific Advisory Council to the present Board of Trustees of the Callier Center.

E. To seek to augment the operational and research funding of the Center through state, federal and philanthropic sources in order for the Callier Center to realize its maximum potential more fully.

F. To employ all members of the staff and all employees of the Callier Center, with titles, positions, duties, compensation and fringe benefits equal to or better than those now effective.

G. To assume and complete performance of all contracts and grants held by the Callier Center.

H. To assume and agree to perform all agreements of the Callier Center contained in its equipment leases and its other obligations.

IV. If the Board of Trustees of Excellence in Education Foundation so determines, and if it is desired by The University of Texas System, consummation of this agreement may be made subject, in order to help assure the future of the Callier Center, to appropriate Legislative action and to the prior or contemporaneous gift by Excellence in Education Foundation in trust to the Board of Regents of The University of Texas System for The University of Texas at Dallas of land in Collin County, Texas, in the vicinity of UTD, and to the transfer of either fee simple title to the Callier Center grounds or a leasehold interest acceptable to the Board of Regents.

U. T. Dallas: Donation of Lands by the Excellence in Education Foundation to Create an Endowment for The University of Texas at Dallas and The Callier Center for Communication Disorders.--

System Administration concurs in the recommendation of President Jordan that an appropriate resolution be prepared expressing the gratitude of the Board of Regents of The University of Texas System to the Excellence in Education Foundation for its expression of intent to donate lands to the Board of Regents of The University of Texas System for the purpose of creating excellence at The University of Texas at Dallas and for the operation of The Callier Center for Communication Disorders.

## **Meeting of the Board**

3

(Continued)  
MEETING OF THE BOARD OF REGENTS  
of  
THE UNIVERSITY OF TEXAS SYSTEM

Date: March 14, 1975

Time: Following the Executive Session of the Committee of the Whole

Place: Main Building, Suite 212  
U. T. Austin  
Austin, Texas

A. ...

B. ...

C. ...

D. ...

E. RECONVENE IN OPEN SESSION

F. REPORTS OF COMMITTEES

1. System Administration Committee by Committee  
Chairman Williams

2. Academic and Developmental Affairs Committee  
by Committee Chairman Johnson

3. Buildings and Grounds Committee by Committee  
Chairman Bauerle

4. Medical Affairs Committee by Committee  
Chairman Nelson

5. Land and Investment Committee by Committee  
Chairman Clark

6. Committee of the Whole - Open Session

G. CONSIDERATION OF ITEMS REFERRED TO EXECUTIVE SESSION  
OF THE COMMITTEE OF THE WHOLE. --The Board of Regents  
discussed in Executive Session of the Committee of the Whole pur-  
suant to Vernon's Civil Statutes, Article 6252-17, Section 2 (f), the  
following:

1. U. T. Austin: Recommendation to Lease Acreage in  
Travis County, Texas
2. U. T. Austin: Recommendation to Exchange Ground  
Leases, Travis County, Texas
3. Galveston Medical Branch (Galveston Medical School):  
Recommendation to Renegotiate Real Estate Note
4. University Cancer Center (M. D. Anderson): Recom-  
mendation to Renegotiate Real Estate Note
5. U. T. Dallas: Land Acquisition

RECOMMENDED RENTALS FOR 64TH PUBLIC AUCTION SALE  
OF OIL AND GAS LEASES ON UNIVERSITY LANDS

<u>BONUS</u>	<u>ANNUAL RENTAL</u>	
	Price Per Acre	End of 1st and 2nd Years      Subsequent Rentals
\$ 0.00 - \$ 10.99	1.00	2.00
11.00 - 44.99	2.00	4.00
45.00 - 79.99	3.00	6.00
80.00 - 114.99	4.00	8.00
115.00 - 499.99	5.00	10.00
500.00 - +	10.00	20.00

Commencing with the 64th Sale of Oil and Gas Leases, the annual rental shall be based upon the bonus as shown in the above table. The rental shall double at the end of the third year. The rental on producing leases shall be two dollars (\$2.00) per acre beginning at the end of the year in which production is established. If the royalties paid to and received in the General Land Office from a lease during the preceding year shall equal or exceed the amount of the \$2.00 per acre annual rental payment, no annual rental will be due.

BOARD FOR LEASE MEETING  
March 12, 1975

The Board for Lease met Wednesday in the General Land Office. The new Board was organized with Bob Armstrong elected Chairman and Dan Williams elected Vice-Chairman.

The Board approved applications for eight one-section pooling agreements in the deep gas trend of the Delaware Basin. Each agreement calls for the drilling of wells on each proration unit to prospective formations ranging in depths from 17,000 feet to as much as possibly 25,000 feet. The University will have the right to take its royalty gas in kind from each well. All wells must be commenced within 90 days of the effective date. Six of the wells are already drilling. Two applications were from HNG Oil Company and the others were Phillips, BTA, Allied Chemical, Gulf, Monsanto, and The Superior Oil Company.

The highlight of the meeting was the approval of an application by American Trading and Production Company for the Five Mile University Deep Unit in Pecos County. This is a deep drilling and development unit of 3,520 acres composed of five 704 acre proration units. The operator must pay \$50,000 in bonus monies, commence a well within 90 days and drill such well to the Devonian formation or at least to 20,000 feet. The company must conduct continuous drilling operations on the unit with no more than 60 days between wells and must pay \$100.00 per acre per year to extend any leases past their primary term which are contained in any undrilled

or untested proration unit. Only the deep formations are unitized and the Board reserves the right to take its royalty gas in kind. It might be added that two of our best gas fields have been discovered and developed on these types of units.

The Board voted to take its royalty gas in kind on a deep gas well because a portion of the gas is going out of state. A gas contract was approved with Intratex Gas Company to purchase our royalty gas from this well at \$1.40 per one million BTU which is the highest price now being paid in Railroad Commission District 8. This contract will be renegotiated in six months.

The Board also agreed to hold the next sale of oil and gas leases in late September or early October. A letter asking for acreage nominations will be mailed immediately and a meeting to approve the sale list will be held June 6th.

In addition, a rental increase was approved. Future rentals will be based on the bonus paid for a lease. Also the rental will double at the end of the third year. The sliding scale rental will be as follows. It is estimated that this procedure will double the rentals on future tracts.

(See attached page.)

Reports were received from the Attorney General's office and approved on the final settlements of suits filed against HNG Oil Company and Sun Oil Company for recovery of higher prices for our royalty gas.

RECOMMENDED RENTALS FOR 64TH PUBLIC AUCTION SALE  
OF OIL AND GAS LEASES ON UNIVERSITY LANDS

<u>BONUS</u>	<u>ANNUAL RENTAL</u>	
Price Per Acre	End of 1st and 2nd Years	Subsequent Rentals
\$ 0.00 - \$ 10.99	1.00	2.00
11.00 - 44.99	2.00	4.00
45.00 - 79.99	3.00	6.00
80.00 - 114.99	4.00	8.00
115.00 - 499.99	5.00	10.00
500.00 - +	10.00	20.00

Commencing with the 64th Sale of Oil and Gas Leases, the annual rental shall be based upon the bonus as shown in the above table. The rental shall double at the end of the third year. The rental on producing leases shall be two dollars (\$2.00) per acre beginning at the end of the year in which production is established. If the royalties paid to and received in the General Land Office from a lease during the preceding year shall equal or exceed the amount of the \$2.00 per acre annual rental payment, no annual rental will be due.

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▶ GOVERNOR ALLEN SHIVERS  
C/O BOARD OF REGENTS  
UNIVERSITY OF TEXAS  
AUSTIN TX 78712

AS MEMBER OF SCHOOL OF COMMUNICATION ADVISORY COUNCIL, I WANT  
TO STRONGLY REITERATE MY SUPPORT OF COUNCIL POSITION  
REGARDING MANDATORY FINANCING FOR THE DAILY TEXASN. ALTHOUGH  
FUNDS MAY SEEM EXCESSIVE IN TSP RESERVE NOW, FAILURE TO FUND  
ON MANDATORY BASE WILL ZERO RESERVE WITHIN A FEW YEARS

RESULT OF NOT MANDATORY FUNDING WOULD BE DISASTROUS.  
FOLEYS LEE M DUBOW

1535 EST

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H. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

I. REPORTS OF SPECIAL COMMITTEES, IF ANY

J. ADJOURNMENT