

OMISSION

Pages 252 - 9/9

A. Keith Baker

SIGNATURE OF OPERATOR

We, the undersigned members of the Board of Regents of The University of Texas System, hereby ratify and approve all actions taken at this meeting (October 19-20, 1978) to be reflected in the Minutes

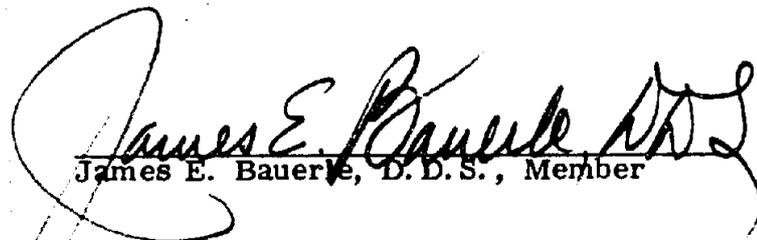
Signed this the 20th day of October A. D. 1978.



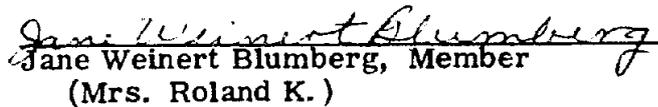
Allan Shivers, Chairman



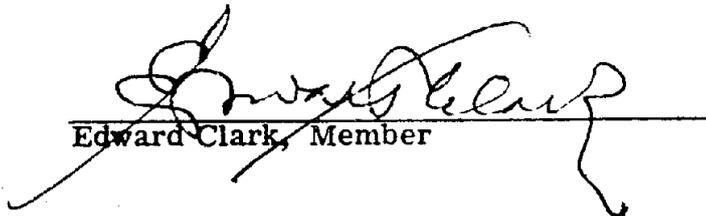
Dan C. Williams, Vice-Chairman



James E. Bauerle, D. D. S., Member



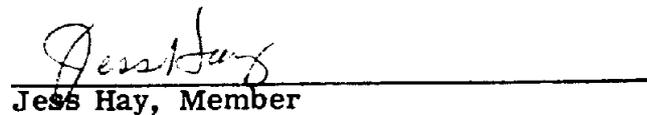
Jane Weinert Blumberg, Member
(Mrs. Roland K.)



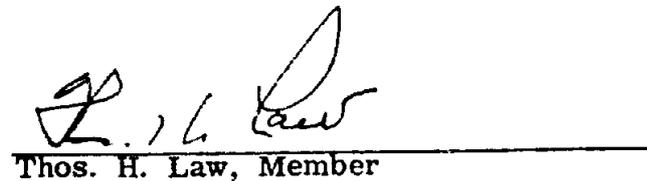
Edward Clark, Member



Sterling H. Fly, Jr., M. D., Member



Jess Hay, Member



Thos. H. Law, Member



Walter G. Sterling, Member

Meeting No. 756
THE MINUTES OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

PART ONE

Pages 1 - 251
and
Attachment No. 1 through
U. T. Arlington

October 19-20, 1978

Austin, Texas

OCT 19 1978

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MEETING NO. 756

THURSDAY, OCTOBER 19, 1978. --The Board of Regents of The University of Texas System convened in regular session at 1:00 p. m. on Thursday, October 19, 1978, in the Regents' Meeting Room, ninth floor, Ashbel Smith Hall, Austin, Texas, with the following in attendance and Chairman Shivers presiding:

ATTENDANCE. --

Present

Chairman Shivers, presiding
Vice-Chairman Williams
Regent Bauerle
Regent (Mrs.) Blumberg
*Regent Clark
Regent Fly
Regent Hay
Regent Law
Regent Sterling

Absent

Secretary Thedford

President Walker

Chairman Shivers called the meeting to order and especially welcomed Regent Sterling who had just left the hospital and was recuperating from surgery of some ten days ago.

RECESS FOR COMMITTEE MEETING. --Chairman Shivers announced that the Board would recess and reconvene in the Regents' Committee Room as a Committee of the Whole in Executive Session pursuant to Article 6252-17, Section 2(g) to consider a report relating to the organization of The University of Texas System Administration.

RECONVENING OF BOARD AND REPORT OF COMMITTEE OF THE WHOLE IN EXECUTIVE SESSION: (1) CHANGE IN TITLE OF PRESIDENT OF SYSTEM ADMINISTRATION TO CHANCELLOR AND (2) ELECTION OF E. DON WALKER CHANCELLOR. --Following the Executive Session of the Committee of the Whole (2:40 p. m.) the Board reconvened in the Regents' Meeting Room. Chairman Shivers reported that the Board had been meeting in Executive Session to consider a report prepared by Dr. Logan Wilson, former President and Chancellor of The University of Texas, and Dr. John D. Millett, Executive Vice-President of the Academy for Educational Development, Inc., of Washington, D. C. Among the recommendations in the report were the following:

1. That the chief executive officer of The University of Texas System should be designated as chancellor
2. That the title of president should not be used in the System Administration
3. That the title president should continue to be used to designate the chief executive officers of campuses within the U. T. System

*Regent Clark came into the meeting shortly after the Committee of the Whole convened in Executive Session.

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4. That the role of chancellor in the U. T. System should be defined primarily in terms of administrative/political skills needed to advance the welfare of the U. T. System as a multi-campus system of higher education
5. That the role of president of a campus within the U. T. System should be defined primarily in terms of administrative/academic skills needed to advance the status of each campus as an effective environment of learning

Regent Hay moved that that portion of the report (the recommendations cited above) be approved and that E. Don Walker be elected Chancellor of The University of Texas System. Regent Sterling seconded the motion which prevailed by unanimous vote.

(A copy of the report is in the Secretary's files.)

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PARTS ONE AND TWO: CHANCELLOR DIRECTED TO REVISE TO CONFORM TO ORGANIZATION CHANGE. --Regent Clark, "Mr. Chairman, I move that our new Chancellor be directed to revise the Regents' Rules without delay so that System Administration titles and duties be brought into conformity with our action today. I further move that the revised Rules be presented to the Board of Regents at its December 1 meeting for approval." The motion was duly seconded and prevailed by unanimous vote.

RECESS. --The Board recessed at 3:00 p. m. for a meeting of the Buildings and Grounds Committee.

Following the meeting of the Buildings and Grounds Committee, the Board was called to order and recessed until 9:00 a. m. on Friday, October 20.

Friday
October 20, 1978

The Board reconvened in regular session at 9:00 a. m. on Friday, October 20, 1978, at the same place and with the same in attendance as at the meeting on Thursday, October 19, 1978.

Chairman Shivers called the meeting to order.

BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING ON AUGUST 3-4, 1978. --Upon motion duly made and seconded, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held on August 3-4, 1978, in Austin, were approved without objection as circulated by Secretary Thedford. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XXV, Pages 3722-4552.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT DALLAS, COMBINED FEE REVENUE BONDS, SERIES 1978: (1) RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT DALLAS, COMBINED FEE REVENUE BONDS, SERIES 1978, IN THE AMOUNT OF \$9,000,000 AND AWARDING THE SALE OF THE BONDS TO LOEB RHOADES, HORNBLOWER & COMPANY, THE FIRST BOSTON CORPORATION AND DONALDSON, LUFKIN & JENRETTE SECURITIES CORPORATION AND ASSOCIATES, ALL OF NEW YORK, NEW YORK; (2) DESIGNATION OF MERCANTILE NATIONAL BANK AT DALLAS, DALLAS, TEXAS, AND MANUFACTURERS HANOVER TRUST COMPANY, NEW YORK, NEW YORK, BANKS OF PAYMENT; AND (3) AWARD OF CONTRACT FOR PRINTING TO HART GRAPHICS & OFFICE CENTERS, INC., AUSTIN, TEXAS. --The following Resolution (Pages 4-17) was duly introduced for the consideration of said Board and read in full. It was then duly moved by Vice-Chairman Williams and seconded by Regent Sterling that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present
(Page 1) voted "Aye."

NOES: None

The adoption of this Resolution authorized issuance of Board of Regents of The University of Texas System, The University of Texas at Dallas, Combined Fee Revenue Bonds, Series 1978, in the amount of \$9,000,000 and awarded the sale of the bonds to Loeb Rhoades, Hornblower & Company, The First Boston Corporation and Donaldson, Lufkin & Jenrette Securities Corporation and Associates, all of New York, New York, for the sum of par plus accrued interest to date of delivery (Page 17) with a net interest rate of 6.027602%. The rates of interest are reflected on Page 5.

Upon motion of Vice-Chairman Williams, seconded by Regent Sterling, the bid of Mercantile National Bank at Dallas, Dallas, Texas, to serve with Manufacturers Hanover Trust Company, New York, New York, as Banks of Payment for Board of Regents of The University of Texas System, The University of Texas at Dallas, Combined Fee Revenue Bonds, Series 1978, in the amount of \$9,000,000 was unanimously accepted (Pages 6, 8). The bank will charge \$0.08 per coupon and \$0.75 per bond paid.

The contract for printing the Board of Regents of The University of Texas System, The University of Texas at Dallas, Combined Fee Revenue Bonds, Series 1978, in the amount of \$9,000,000, was awarded unanimously to Hart Graphics & Office Centers, Inc., Austin, Texas, upon motion of Vice-Chairman Williams, seconded by Regent Sterling. These bonds are to be printed according to specifications with lithographed borders for the sum of \$1,471, there being fifteen interest rates.

RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD
OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,
THE UNIVERSITY OF TEXAS AT DALLAS, COMBINED
FEE REVENUE BONDS, SERIES 1978, \$9,000,000

WHEREAS, the Board of Regents of The University of Texas System is authorized to issue the bonds hereinafter authorized pursuant to Chapter 55, Texas Education Code; Now, therefore,

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

Section 1: NAME, AMOUNT, PURPOSE AND AUTHORIZATION.

That the Board's negotiable, serial, coupon bonds to be designated "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT DALLAS, COMBINED FEE REVENUE BONDS, SERIES 1978" (hereinafter called the "Bonds"), are hereby authorized to be issued, sold, and delivered in the principal amount of \$9,000,000 for the purpose of providing funds to acquire, purchase, construct, improve, enlarge and/or equip property, buildings, structures, activities, services, operations or other facilities at The University of Texas at Dallas, including the construction, furnishing and equipping of the Student Union Building; the purchase and installation of a new research computer and peripheral equipment for the University Computer Center; the purchase and installation of advanced scientific equipment for University research activities; and the purchase of books for the University library; under and in strict conformity with the Constitution and laws of the State of Texas, including particularly Chapter 55 of the Texas Education Code, as amended.

Section 2: DATE, DENOMINATION AND MATURITIES. That the Bonds shall be dated November 1, 1978, shall be numbered consecutively from 1 to 1800 in order of their maturities, shall be in the denomination of \$5,000 each, and shall mature serially on November 1 in each of the years and in the amounts, respectively, as follows:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1979	\$140,000	1988	\$250,000	1997	\$440,000
1980	150,000	1989	265,000	1998	465,000
1981	160,000	1990	285,000	1999	495,000
1982	170,000	1991	300,000	2000	530,000
1983	185,000	1992	320,000	2001	565,000
1984	195,000	1993	340,000	2002	600,000
1985	210,000	1994	365,000	2003	640,000
1986	220,000	1995	385,000	2004	680,000
1987	235,000	1996	410,000		

provided, however, that the Bonds shall be subject to redemption, prior to their scheduled maturities, at the option of the Board, on the dates stated and in the manner provided in the FORM OF BOND set forth in this Resolution.

Section 3: INTEREST RATES AND PAYMENT DATES. That the Bonds shall bear interest from their date until the principal sum is paid at the following rates per annum:

<u>Year Maturing</u>	<u>Interest Rate</u>	<u>Year Maturing</u>	<u>Interest Rate</u>
1979	6.75%	1992	5.50%
1980	6.75%	1993	5.60%
1981	6.75%	1994	5.70%
1982	6.75%	1995	5.80%
1983	6.75%	1996	5.90%
1984	6.75%	1997	6.00%
1985	6.75%	1998	6.00%
1986	6.75%	1999	6.05%
1987	6.75%	2000	6.10%
1988	6.75%	2001	6.20%
1989	6.75%	2002	6.30%
1990	5.30%	2003	6.40%
1991	5.40%	2004	5.50%

with said interest being evidenced by interest coupons payable on each May 1 and November 1, beginning May 1, 1979.

Section 4: MANNER OF PAYMENT, REDEMPTION AND OTHER CHARACTERISTICS. That the Bonds, and the interest coupons appertaining thereto, shall be payable, shall be subject to redemption prior to maturity, shall have the characteristics, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

Section 5: FORM OF BONDS. That the form of the Bonds, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each Bond, and the form of interest coupons to be attached to said Bonds, shall be, respectively, in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and permitted by this Resolution:

NO. _____ \$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT DALLAS
COMBINED FEE REVENUE BOND
SERIES 1978

ON NOVEMBER 1, 19___, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (hereinafter sometimes called the "Board"), for and on behalf of THE UNIVERSITY OF TEXAS AT DALLAS, promises to pay to bearer, but solely from the Pledged Revenues hereinafter described, the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon from the date hereof at the rate of _____% per annum, payable semi-annually on each May 1 and November 1 until said principal sum is paid beginning May 1, 1979, but only upon presentation and surrender of the interest coupons hereto appertaining as they severally become due. The principal of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon,

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at the following, which shall constitute and be defined as the "Banks of Payment" for this Series of Bonds:

MERCANTILE NATIONAL BANK AT DALLAS, Dallas, Texas
or, at the option of the bearer, at
MANUFACTURERS HANOVER TRUST COMPANY, New York, New York

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS of like tenor and effect except as to serial number, interest rate, right of prior redemption and maturity, numbered 1 through 1800, both inclusive, in the denomination of \$5,000 each, in the aggregate principal amount of \$9,000,000, issued pursuant to a Resolution (hereinafter called the "Resolution") adopted by the Board on the 20th day of October, 1978, for the purpose of providing funds to acquire, purchase, construct, improve, enlarge and/or equip property, buildings, structures, activities, services, operations or other facilities at The University of Texas at Dallas, under and in strict conformity with the Constitution and laws of the State of Texas, including particularly Chapter 55 of the Texas Education Code, as amended.

THE DATE OF THIS BOND, in accordance with the Resolution, is November 1, 1978.

THIS BOND AND ALL BONDS OF THE SERIES OF WHICH IT IS A PART are equally and ratably payable from and secured by a first lien on and pledge of certain Pledged Revenues, as provided in the Resolution to which reference is made for all purposes, which Pledged Revenues include: (i) the gross collections of a certain General Fee to be charged all students (excepting any category of students now exempt by law) regularly enrolled at The University of Texas at Dallas for the use and availability of the University, (ii) the gross collections of a certain Tuition Fee to be charged all tuition paying students regularly enrolled at The University of Texas at Dallas; (iii) the gross collections of a certain Student Union Fee to be charged all students (excepting any category of students now exempt by law) regularly enrolled at The University of Texas at Dallas for the purpose of financing, constructing, operating, maintaining and improving a student union building for the University; (iv) all interest and income derived from the deposit or investment of moneys credited to the funds maintained pursuant to the Resolution; and (v) any additional revenues, income, receipts, rentals, rates, charges, fees and other resources which may hereafter be pledged to the payment of this series of bonds. This bond and the issue of which it is a part, and the interest thereon, constitute special obligations of the Board and are payable solely from the Pledged Revenues and do not constitute an indebtedness of the State of Texas, the Board or The University of Texas at Dallas. The bearer hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

ON NOVEMBER 1, 1988, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, the Board shall have the option of calling bonds of this series maturing serially on or after November 1, 1989, for redemption prior to maturity, in whole or in part, at par and accrued interest to the date of redemption, plus a premium (expressed as a percentage of the principal amount of each bond so called for redemption) as follows:

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1% if redeemed November 1, 1988 through May 1, 1990;
3/4 of 1% if redeemed November 1, 1990 through May 1, 1991;
1/2 of 1% if redeemed November 1, 1991 through May 1, 1992;
1/4 of 1% if redeemed November 1, 1992 through May 1, 1993;
and
0% if redeemed November 1, 1993 and thereafter.

NOTICE OF REDEMPTION IS TO BE PUBLISHED in a financial publication published in the English language in the City of New York, New York, or in the City of Austin, Texas, at least once, not less than thirty (30) days before the date fixed for such redemption, and thirty (30) days' notice in writing is to be given to the Banks of Payment before the date so fixed for such redemption. On or before the date fixed for redemption, funds shall be placed in the Banks of Payment sufficient to pay the bonds called and accrued interest thereon, plus the amount of premium, if any. If such written notice of redemption is published, and if due provision for such payment is made, all as provided above, the bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid by the Banks of Payment with the funds so provided for such payment.

IT IS HEREBY DECLARED AND REPRESENTED that, so long as this bond or the issue of bonds of which it is a part remains outstanding, the Board has covenanted and agreed that it will fix, levy, charge and collect the Tuition Fee and Student Union Building Fee in the manner provided in the Resolution and the General Fee at a rate which, together with other Pledged Revenues, will be sufficient to provide Pledged Revenues adequate to pay principal of and interest on this bond and the series of which it is a part.

IT IS FURTHER DECLARED AND REPRESENTED that this bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done in accordance with law; that this series of bonds does not exceed any Constitutional or statutory limitation; and that provision has been made for the payment of principal of and interest on this bond and the series of which it is a part by the irrevocable pledge of the Pledged Revenues.

THE BOARD HAS RESERVED THE RIGHT, subject to the restrictions stated in the Resolution, to issue additional parity revenue bonds which also may be made equally and ratably payable from and secured by an irrevocable first lien on and pledge of the aforesaid Pledged Revenues.

IN WITNESS WHEREOF, the Board of Regents of The University of Texas System has caused the corporate seal of said Board to be impressed, printed or lithographed hereon and has caused this bond and the interest coupons attached hereto to be executed by the imprinted or lithographed facsimile signatures of the Chairman and the Secretary of the Board, respectively.

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

By _____
Chairman

[SEAL]

ATTEST:

Secretary

(FORM OF INTEREST COUPON)

\$ _____

NO. _____

On the first day of _____, _____, unless the bond to which this coupon appertains shall have been called for previous redemption and due provision made to redeem same, upon surrender of this coupon, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PROMISES TO PAY TO BEARER at MERCANTILE NATIONAL BANK AT DALLAS, Dallas, Texas, or, at the option of the bearer, at MANUFACTURERS HANOVER TRUST COMPANY, New York, New York, but solely from the Pledged Revenues specified in the bond to which this coupon appertains, the amount shown above, without exchange or collection charges to the bearer hereof, payable in lawful money of the United States, being interest then due on the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT DALLAS, COMBINED FEE REVENUE BOND, SERIES 1978, bearing the number hereinafter specified, dated November 1, 1978. The bearer hereof shall never have the right to demand payment of this obligation out of funds raised or to be raised by taxation. Bond No. _____.

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

Secretary

Chairman

(FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE)

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond and the proceedings for the issuance hereof have been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas and that it is a valid and binding special obligation of the Board of Regents of The University of Texas System payable from the revenues and other funds pledged to its payment by and in the proceedings authorizing the same, and I do further certify that this bond has this day been registered by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE at Austin, Texas, this _____.

[SEAL]

Comptroller of Public Accounts
of the State of Texas

Section 6: DEFINITIONS. That throughout this Resolution the following terms and expressions as used

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herein shall have the meaning as set forth hereinbelow unless the text indicates otherwise:

The term "Additional Bonds" shall mean the additional parity revenue bonds permitted to be authorized in this Resolution.

The term "Banks of Payment" shall mean Mercantile National Bank at Dallas, Dallas, Texas, or, at the option of the holder, Manufacturers Hanover Trust Company, New York, New York.

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

The terms "bondholder" or "holder" shall mean any person or persons who shall be the bearer of one or more of the Bonds.

The term "Bonds" shall mean the Board of Regents of The University of Texas System, The University of Texas at Dallas, Combined Fee Revenue Bonds, Series 1978 herein authorized.

The term "General Fee" shall mean the general fee to be fixed, levied, charged and collected from all students (excepting any category of students now exempt by law) regularly enrolled at the University, for the general use and availability of the University, in the manner and to the extent provided in this Resolution and pledged to the payment of the Bonds and Additional Bonds as authorized by Chapter 55, Texas Education Code.

The term "Pledged Revenues" shall mean, collectively, (1) the gross collections of the General Fee, (2) the gross collections of the Tuition Fee, (3) the gross collections of the Student Union Building Fee, (4) all interest and income derived from the deposit or investment of moneys credited to the funds maintained pursuant to this Resolution, and (5) any additional revenues, income, receipts, rentals, rates, charges, fees or other resources which may hereafter be pledged to the payment of the Bonds.

The term "Student Union Fee" shall mean the fee to be fixed, levied, charged and collected from all students (excepting any category of students now exempt by law) regularly enrolled at the University, in the manner and to the extent provided in this Resolution and Chapter 70, Texas Education Code, and pledged to the payment of the Bonds and Additional Bonds as authorized by Chapter 55, Texas Education Code.

The term "Tuition Fee" shall mean the fee to be fixed, levied, charged, and collected from all tuition paying students regularly enrolled at the University, out of and as a part of the regular student tuition fees at the University as permitted by Chapter 55, Texas Education Code, in the manner and to the extent provided in this Resolution, and pledged to the payment of the Bonds and Additional Bonds as authorized by Chapter 55, Texas Education Code.

The term "University" shall mean The University of Texas at Dallas, Richardson, Texas.

Section 7: SOURCE OF PAYMENT. That the Bonds and any Additional Bonds and the interest thereon, are and shall be payable from, and secured by an irrevocable first lien on and pledge of, the Pledged Revenues. That the Bonds and any Additional Bonds and interest coupons appertaining thereto shall constitute special obligations of the Board, payable solely from the Pledged Revenues, and such obligations shall not constitute an indebtedness of the University, the Board, or the State of Texas, and the holders of the Bonds and Additional Bonds and the coupons attached thereto shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

Section 8: ESTABLISHMENT OF FUNDS. That there are hereby created and established the following funds, account and reserve:

(a) Combined Fee Revenue Fund (herein called the "Revenue Fund"), which shall be established as a separate account on the books of the University.

(b) The University of Texas at Dallas Student Union Fee Account (herein called the "Student Union Fee Account"), which shall be established as a separate account on the books of the University.

(c) Combined Fee Revenue Bonds Interest and Sinking Fund (herein called the "Interest and Sinking Fund"), which shall be established as a separate fund at an official depository of the University (which must be a member of the Federal Deposit Insurance Corporation).

(d) As a part of the Interest and Sinking Fund, a debt service reserve (herein called the "Debt Service Reserve") consisting of all money and investments in the Interest and Sinking Fund in excess of the principal and interest requirements on the Bonds and any Additional Bonds during the then current fiscal year.

The Interest and Sinking Fund (and the Debt Service Reserve therein) shall constitute a trust fund which shall be held in trust for the benefit of the holders of the Bonds and Additional Bonds. The Revenue Fund and the Student Union Fee Account shall constitute trust funds which shall be used solely as provided in this Resolution until all of the Bonds have been retired.

Section 9: FLOW OF FUNDS.

(a) That the gross collections of the General Fee and Tuition Fee shall be deposited as received into the Revenue Fund.

(b) That the gross collections of the Student Union Fee shall be deposited as received into the Student Union Fee Account.

(c) That at the time of, or prior to, the delivery of the Bonds, an amount equal to the average annual principal and interest requirements on the Bonds shall be deposited, from available funds of the University, into the Debt Service Reserve in the Interest and Sinking Fund.

(d) That all accrued interest and premium, if any, from the sale of the Bonds, shall be deposited into the Interest and Sinking Fund.

(e) That on or before April 30, 1979, and on or before each October 31 and April 30 thereafter, while any of the Bonds is outstanding, there shall be transferred from the Revenue Fund and the Student Union Fee Account to the Interest and Sinking Fund, the following amounts:

- (i) An amount which will be sufficient, together with other sums then on hand therein and available for such purpose, to pay the interest scheduled to come due on the Bonds on the next succeeding interest payment date;
- (ii) An amount equal to one-half of all principal scheduled to mature and come due on the Bonds on the next succeeding November 1; and
- (iii) At any time that the money and investments in the Debt Service Reserve are not at least equal in market value to the average annual principal and interest requirements of the Bonds, an additional amount equal to 1/10th of the average annual principal and interest requirements of the Bonds until the Debt Service Reserve is restored to said amount.

(f) That if on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(g) That on or before each May 1 and November 1 while any of the Bonds is outstanding, there shall be transferred to the Banks of Payment from the Interest and Sinking Fund (and from the Debt Service Reserve when and to the extent the amount in the Interest and Sinking Fund is otherwise insufficient) money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue or mature on such May 1 and November 1, together with the charges of the Banks of Payment and any premiums due on any Bonds called for redemption on such date. The Banks of Payment shall totally destroy all paid Bonds and Additional Bonds, if any, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

(h) That whenever the total amount in the Interest and Sinking Fund, including the Debt Service Reserve therein, is equal to the aggregate principal amount of the Bonds and Additional Bonds outstanding, plus all coupons thereto appertaining, matured and unmatured, no further payments need be made into the Interest and Sinking Fund. In determining the amount of Bonds and Additional Bonds outstanding, there shall be subtracted the amount of any Bonds or Additional Bonds for which funds shall have been deposited in the Banks of Payment sufficient for such redemption.

(i) That all money in the Revenue Fund and the Student Union Fee Account in excess of that required to make the transfers herein required to be made into the Interest and Sinking Fund and the Debt Service Reserve therein may be used by the Board for any lawful purpose.

Section 10: INVESTMENT OF FUNDS. That money in the Revenue Fund, the Student Union Fee Account and Interest and Sinking Fund, including the Debt Service Reserve therein, may, at the option of the Board, be placed in time deposits or invested in direct obligations of or obligations the principal and interest of which are guaranteed by the United States of America; in direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Bank, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, and Banks for Cooperatives; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any fund or account will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of February and August of each year. Interest and income derived from such deposits and investments shall be credited to the fund or account from which the deposit or investment was made. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 11. SECURITY OF FUNDS. That all money in the Revenue Fund, Student Union Fee Account, and Interest and Sinking Fund, including the Debt Service Reserve therein, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the University, in principal amounts at all times not less than the amounts of money credited to such funds and account, respectively.

Section 12: GENERAL FEE.

(a) That the Board covenants and agrees that it shall fix, levy, charge, and collect the General Fee from each student (excepting any category of students now exempt by law) regularly enrolled in the University at each regular fall and spring semester and at each term of each summer session, for the general use and availability of the University, in such amounts, without any limitation whatsoever, as will be at least sufficient at all times to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds.

(b) That the General Fee should be maintained at the present rate of \$6.00 per semester credit hour, and the Board hereby ratifies, confirms and adopts such rate for each regular fall and spring semester and for each term of each summer session, until changed in accordance with the terms of subsection (c) below.

(c) That the General Fee shall be increased if and when required by this Section, and may be decreased so long as all Pledged Revenues are sufficient to provide the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds. All changes in such General Fee shall be made by resolution of the Board, but such procedure shall not constitute or be regarded as an amendment of any

resolution authorizing Bonds or Additional Bonds then outstanding but merely the carrying out of the provisions thereof.

Section 13: TUITION FEE. That effective with the regular 1978 fall semester, the Tuition Fee was fixed and is hereby confirmed and shall be levied, charged, and collected from each tuition paying student regularly enrolled at the University, as follows:

- (a) \$5.00 per regular semester for each student enrolled for 12 or more Semester Credit Hours and \$0.42 per Semester Credit Hour for each student enrolled for less than 12 Semester Credit Hours per regular semester; and
- (b) \$2.50 per summer term for each student enrolled in 6 or more Semester Credit Hours and \$0.42 per Semester Credit Hour for each student enrolled for less than 6 Semester Credit Hours per summer term;

and said Tuition Fee shall be so levied, charged and collected in such amounts, and shall not be reduced, so long as any Bonds are outstanding.

Section 14: STUDENT UNION FEE. That the Board covenants and agrees that it shall fix, levy, charge and collect the Student Union Fee from all students (excepting any category of students now exempt by law) regularly enrolled at the University at each regular fall and spring semester and at each term of the summer session, subject to the limitations contained in Chapter 70, Texas Education Code, so as to provide for the maintenance and operation of the University's Student Union Building and further to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds.

Section 15: ADDITIONAL BONDS. That the Board shall have the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds") in any amounts, for any lawful purpose, including the refunding of any Bonds or Additional Bonds. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Resolution, shall be payable equally and ratably on a parity with the Bonds, and all other outstanding Additional Bonds, and secured by an irrevocable first lien on and pledge of the Pledged Revenues. Each resolution under which Additional Bonds are issued shall provide that the Interest and Sinking Fund (and the Debt Service Reserve therein) shall secure and be used to pay all Additional Bonds as well as the Bonds. However, each resolution under which Additional Bonds are issued shall specifically provide and require that, in addition to the amounts required by the provisions of all resolutions authorizing the Bonds and any then outstanding Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Board shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund at least such additional amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same comes

due, and that the Board shall transfer from said Pledged Revenues and deposit to the credit of the Debt Service Reserve at least such amounts as will, together with any amounts already deposited in the Debt Service Reserve or other amounts required to be subsequently deposited therein in connection with the Bonds and any other then outstanding Additional Bonds, be sufficient to cause the Debt Service Reserve to accumulate and contain, within a period of not to exceed five fiscal years after the date of said Additional Bonds then being issued, a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of such proposed Additional Bonds, the then outstanding Bonds, and any then outstanding Additional Bonds. The principal of all Additional Bonds must be scheduled to be paid or mature on November 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on May 1 and November 1. Additional Bonds shall be issued only in accordance with the resolutions authorizing the Bonds and Additional Bonds then outstanding; however, notwithstanding any provisions of such resolutions to the contrary, no installment, series, or issue of Additional Bonds shall be issued or delivered unless:

(a) The senior financial officer of the The University of Texas System signs a written certificate to the effect that the Board is not in default as to any covenant, condition, or obligation in connection with the then outstanding Bonds and Additional Bonds, and the resolutions authorizing same, and that the Interest and Sinking Fund contains the amount then required to be therein.

(b) The State Auditor of the State of Texas, or a certified public accountant, signs a written certificate to the effect that, during either the University's fiscal year, or the twelve calendar month period, next preceding the date of execution of such certificate, the Pledged Revenues actually received were at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds then outstanding.

(c) The senior financial officer of The University of Texas System signs a written certificate to the effect that during each University fiscal year while any Bonds or Additional Bonds, including the proposed Additional Bonds, are scheduled to be outstanding, beginning with the fiscal year next following the date of the then proposed Additional Bonds, the Pledged Revenues estimated to be received during each of said fiscal years, respectively, will be at least equal to 1.25 times the principal and interest requirements on all then outstanding Bonds and Additional Bonds, and the then proposed Additional Bonds, during each of said fiscal years, respectively;

provided, however, that requirements (b) and (c) shall not apply to any refunding bonds with average annual principal and interest requirements no greater than those of the bonds being refunded.

Section 16: ADDITIONAL COVENANTS. The Board covenants and agrees that:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and in each and every Bond and Additional Bond; that it will promptly pay or cause to be paid from the Pledged Revenues the principal of and interest on every Bond and Additional Bond, on the dates and in the places and manner prescribed in such Bonds or Additional Bonds; and that it will, at the times and in the manner prescribed herein, deposit or cause to be deposited, from the Pledged Revenues, the amounts of money specified herein.

(b) It is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the holders thereof are and will be valid and enforceable special obligations of the Board in accordance with their terms.

(c) It lawfully owns and is lawfully possessed of the lands upon which the existing campus, buildings, and facilities constituting the University are located, and has a good and indefeasible estate in such lands in fee simple, that it warrants that it has, and will defend, the title to all the aforesaid lands, and every part thereof and improvements thereon, for the benefit of the holders of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the campus, buildings, and facilities of the University, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) Insofar as it lawfully may, it will continuously and efficiently operate and maintain in good condition, and at a reasonable cost, the University and the facilities and services thereof, so long as any Bonds are outstanding.

(f) While the Bonds are outstanding and unpaid, the Board shall not additionally encumber the Pledged Revenues in any manner, except as permitted by this Resolution in connection with the Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution.

(g) Proper books of record and account will be kept in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Pledged Revenues, and each year while any of the Bonds is outstanding, the University will prepare from such books of record and account a preliminary financial report containing statements of (i) gross collections of the Tuition Fee, Student Union Fee, General Fee and other Pledged Revenues, (ii) year end balances in funds maintained pursuant to the Resolution and changes in such fund balances from the previous fiscal year and (iii) a schedule of insurance policies, if any, based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of the following year. Such preliminary reports shall be furnished to the original purchasers of the Bonds, the Municipal Advisory Council of Texas, the principal municipal bond rating agencies and any holder of the Bonds who shall request same.

(h) That each year while any of the Bonds is outstanding, an audit will be made of its books and accounts relating to the Pledged Revenues by the State Auditor of the State of Texas, or a certified public accountant, such audit to be based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of the following year. As soon as practicable after the close of each such fiscal year, and when said audit has been completed and made available to the Board, a copy of such audit for the preceding fiscal year shall be mailed to the original purchasers of the Bonds, and to all other bondholders who shall so request. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

Section 17: NO ARBITRAGE. That the Board certifies that based upon all facts, estimates and circumstances now known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the Board reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds or any portion of the Bonds to be an "arbitrage bond" under Section 103(c) of the Internal Revenue Code of 1954, as amended, and the temporary and proposed regulations heretofore prescribed thereunder. Furthermore, all officers, employees and agents of the Board are authorized and directed to provide certifications of facts, estimates and circumstances which are material to the reasonable expectations of the Board as of the date the Bonds are delivered and paid for, and any such certifications may be relied upon by counsel, by the holders of the Bonds, or by any person interested in the exemption of interest on the Bonds from federal income taxation. Moreover, the Board covenants that it shall make such use of the proceeds of the Bonds, regulate investments of proceeds of the Bonds, and take such other and further action as may be required so that the Bonds shall not be "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended, and regulations prescribed from time to time thereunder.

Section 18: DISCHARGE BY DEPOSIT. That the Board may discharge its obligation to the holders of any or all of the Bonds and coupons appertaining thereto to pay principal, interest and redemption premium (if any) thereon by depositing with the State Treasurer or at the Banks of Payment either: (1) cash equivalent to the principal amount and

redemption premium, if any, plus interest to the date of maturity or redemption, or (2) direct obligations of, or obligations the principal and interest of which are guaranteed by, the United States of America, in principal amounts and maturities and bearing interest at rates sufficient to provide for the timely payment of the principal amount and redemption premium, if any, on such Bonds plus interest to the date of maturity or redemption; provided, however, that if any of such Bonds are to be redeemed prior to their date of maturity, provision shall have been made for giving notice of redemption as provided herein. Upon such deposit, the Bonds and coupons appertaining thereto shall no longer be regarded as outstanding and unpaid. Also, whenever provision is made in the above manner for payment of any Additional Bonds, such bonds shall no longer be deemed outstanding for purposes of any provision contained herein.

Section 19: APPROVAL AND REGISTRATION. That the Chairman of the Board is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of said Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Bonds and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Bonds.

Section 20: SALE AND DELIVERY. That the sale of the Bonds is hereby awarded to Loeb Rhoades, Hornblower & Company, The First Boston Corporation and Donaldson, Lufkin & Jenrette Securities Corporation and Associates, for a price of par plus accrued interest thereon from the date thereof to the date of actual delivery, plus a premium of \$ 0, subject to the approving opinions, as to the legality of the Bonds, of the Attorney General of the State of Texas and Vinson & Elkins, Houston, Texas, market attorneys. When said Bonds have been approved by the Attorney General and registered by the Comptroller of Public Accounts of the State of Texas, they shall be delivered to the named purchaser upon receipt of the full purchase price.

Section 21: OFFERING DOCUMENTS. That the Preliminary Official Statement, Official Notice of Sale and Official Statement, together with any supplements and amendments thereto, are hereby ratified, authorized and approved for use in connection with the solicitation of bids for, and the sale and distribution of, the Bonds.

Section 22: CAPTIONS. The captions of the Sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof.

\$9,000,000

**BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT DALLAS
COMBINED FEE REVENUE BONDS, SERIES 1978**

BIDS TO BE OPENED THURSDAY, OCTOBER 19, 1978, AT 11:00 A.M., C.D.T.

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

Members of the Board:

Reference is made to your Official Notice of Sale dated September 19, 1978, and accompanying Official Statement relative to \$9,000,000 Board of Regents of The University of Texas System - The University of Texas at Dallas Combined Fee Revenue Bonds, Series 1978, which Notice and Official Statement are made a part hereof.

For your legally issued bonds, as described in said Official Notice of Sale and Official Statement, we will pay you _____ (stated in dollar price as a percentage of par) and accrued interest from November 1, 1978, to the date of delivery to you for bonds maturing and bearing interest as follows:

Principal Amount	Maturity (Nov. 1)	Rate	Principal Amount	Maturity (Nov. 1)	Rate
\$140,000	1979		\$320,000	1992	
150,000	1980		340,000	1993	
160,000	1981		365,000	1994	
170,000	1982		385,000	1995	
185,000	1983		410,000	1996	
195,000	1984		440,000	1997	
210,000	1985		465,000	1998	
220,000	1986		495,000	1999	
235,000	1987		530,000	2000	
250,000	1988		565,000	2001	
265,000	1989		600,000	2002	
285,000	1990		640,000	2003	
300,000	1991		680,000	2004	

For information purposes only, and not as a part of this bid, we have calculated the Effective Interest Rate as follows:

Gross Interest Cost \$ _____

Plus: Discount \$ _____

NET INTEREST COST \$ _____

EFFECTIVE INTEREST RATE _____ %

Cashier's Check of the _____ Bank,
in the amount of \$180,000 (is attached hereto) (has been made available to you prior to the opening of this bid), and is submitted in accordance with the terms set forth in the Official Notice of Sale.

Respectfully submitted,

By: _____
Authorized Representative

BOARD OF REGENTS
THE UNIVERSITY OF TEXAS SYSTEM

Member	Residence
The Honorable Allan Shivers, Chairman	Austin
Mr. Dan C. Williams, Vice Chairman	Dallas
James E. Bauerle, D.D.S.	San Antonio
Jane Weinert Blumberg (Mrs. Roland K.)	Seguin
The Honorable Edward Clark	Austin
Sterling H. Fly, Jr., M.D.	Hyalde
Mr. Jess Thomas Hay	Dallas
Mr. Thos. H. Law	Fort Worth
Mr. Walter G. Sterling	Houston

Betty Anne Thedford, Secretary

PRINCIPAL ADMINISTRATIVE OFFICERS AND STAFF OF THE UNIVERSITY OF TEXAS SYSTEM

Mr. E. D. Walker	President and Acting Chancellor
Mr. Ernest T. Smerdon	Vice President for Academic Affairs
Mr. Robert L. Hardesty	Vice President for Administration
Mr. Joe E. Boyd, Jr.	Vice President for Business Affairs
Mr. James T. Fitzpatrick	Vice President and General Counsel
Mr. Edward N. Brandt, Jr.	Vice President for Health Affairs
Mr. William L. Lobb	Executive Director for Investments, Trusts and Lands
Mr. Frank Graydon	Budget Director
Mr. R. L. Anderson	Comptroller
Mr. E. S. Kristoferson	Director of Facilities Planning and Construction
Mr. Herman Adams	Director for Public Affairs
Mr. James C. Werchan	Director of Accounting

PRINCIPAL ADMINISTRATIVE OFFICERS OF THE UNIVERSITY OF TEXAS AT DALLAS

Mr. Bryce Jordan	President
Mr. Alexander L. Clark	Vice President for Academic Affairs
Mr. Stewart C. Fallis	Vice President for Business Affairs
Mr. James L. Crowson	Executive Vice President

CONSULTANTS

Vinson & Elkins
Bond Counsel

Russ Securities Corporation
Municipal Finance Subsidiary of Rotan Mosle Financial Corp.
Financial Consultants

The date of this Official Notice of Sale and Official Statement is September 19, 1978.

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OFFICIAL NOTICE OF SALE

\$9,000,000
BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT DALLAS
COMBINED FEE REVENUE BONDS, SERIES 1978

Bids to be Opened
Thursday, October 19, 1978, at 11:00 A.M., C.D.T.

PLACE AND TIME OF SALE: Sealed bids will be received by representatives of the Board of Regents of The University of Texas System in the office of the Executive Director for Investments, Trusts and Lands, 210 West Sixth Street, Austin, Texas, until 11:00 A.M., C.D.T., Thursday, October 19, 1978, for the above Bonds described more completely in the OFFICIAL STATEMENT, at which time said bids will be publicly opened and read. Award of the Bonds is expected to be made by 9:30 A.M., C.D.T. by the Board of Regents at its meeting on October 20, 1978.

ADDRESS OF BIDS: Sealed bids, plainly marked "Bid for U.T. Dallas Combined Fee Revenue Bonds" and addressed to the "Board of Regents of The University of Texas System, c/o Mr. W. L. Lohb, Executive Director for Investments, Trusts and Lands, 210 West Sixth Street, Austin, Texas, 78701" must be delivered to the office of the Executive Director for Investments, Trusts and Lands, 210 West Sixth Street, Austin, Texas 78701 not later than 11:00 A.M., C.D.T., on Thursday, October 19, 1978. All bids must be submitted on the Official Bid Form, copies of which are enclosed herewith.

TYPES OF BIDS AND INTEREST RATES: The Bonds will be sold in one block on an "all or none" basis. Bidders are invited to name the rate or rates of interest to be borne by the Bonds, provided that the rates are stated in multiples of 1/8th or 1/20th of 1%, and that no interest rate named exceeds 6-3/4%. The difference between the lowest and highest interest rates named may not exceed one and one-half per cent (1-1/2%). No limitation will be imposed upon bidders as to the number of coupon rates or coupon changes which may be used; however, bids involving supplemental coupons or split interest rates will not be considered, and all Bonds of one maturity must bear the same rate. No bid of less than par and accrued interest will be considered unless the maximum permitted rate of 6-3/4% is named for the entire \$9,000,000 issue.

BASIS OF AWARD: For the purpose of awarding the sale of the Bonds, the interest cost of each bid will be computed by determining, at the rate or rates specified therein, the total dollar amount of all interest on the Bonds from the date thereof to their respective maturities, and deducting therefrom the amount of the premium bid, if any, or adding thereto the amount of the discount bid, if any. Subject to the Board's right to reject any and all bids and to waive any and all irregularities, the Bonds will be awarded to the bidders complying with the Official Notice of Sale whose bid, under the foregoing computation, produces the lowest net interest cost to the issuer. Russ Securities Corporation, the Board's Financial Advisor, or its affiliate reserves the right to bid on the Bonds.

GOOD FAITH DEPOSIT: Bidders shall be required to submit a Cashier's Check payable to "The University of Texas System" in the amount of \$180,000. This check will be considered as a good faith deposit, and the check of the successful bidder will be

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

LEGAL OPINIONS: The Board of Regents will furnish a transcript of proceedings had incident to the issuance and authorization of the Bonds, including a no-litigation certificate and a certified copy of the unqualified approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, stating that the Bonds are valid and binding obligations of the Board of Regents. The Board will furnish the unqualified approving legal opinion of Messrs. Vinson & Elkins, Houston, Texas, Bond Counsel for the Board ("Bond Counsel"), to the effect that, based upon an examination of such transcript, the Bonds are valid and binding special revenue obligations of the Board of Regents of The University of Texas System and that the interest on the Bonds is exempt from all present Federal income taxes under existing statutes, regulations, rulings and court decisions. The legal opinion of Messrs. Vinson & Elkins will be printed on the Bonds. Messrs. Vinson & Elkins were not requested to participate and did not take part in the preparation of this Official Notice of Sale or the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds and the Bond Resolution in this Official Notice of Sale and the Official Statement to verify that such description conforms to the provisions of the Bond Resolution. The legal fees to be paid Messrs. Vinson & Elkins for services rendered in connection with the issuance of the Bonds are contingent on the sale and delivery of the Bonds.

NO-LITIGATION CERTIFICATE: The no-litigation certificate will contain the following language: "That no litigation of any nature has been filed or is now pending to restrain or enjoin the issuance or delivery of said Bonds or interest coupons, or which would affect the provision made for their payment or security, or in any manner question the proceedings or authority concerning the issuance of said Bonds and interest coupons, and that so far as we know and believe no such litigation is threatened. That the corporate existence of said issuer is not being contested, that no litigation has been filed or is now pending which would affect the authority of the officers of said issuer to issue, execute and deliver said Bonds and interest coupons, and that no authority or proceedings for the issuance of said Bonds and interest coupons have been repealed, revoked or rescinded."

PRINTED BONDS AND CUSIP: The Board will furnish printed bonds on lithographed or steel engraved borders to the purchaser. It is anticipated that CUSIP identification numbers will be printed on said Bonds, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for said Bonds in accordance with the terms of the purchase contract. The cost of printing

the CUSIP numbers on said Bonds shall be paid for by the issuer; provided, however, that the CUSIP Service Bureau charge for the assignment of said number shall be the responsibility of and shall be paid for by the purchaser.

PAYING AGENT BANKS: On the date these Bonds are sold, the Board will select a Texas Bank as paying agent on these Bonds, and a New York City Bank as co-paying agent. The selection of paying agents shall be at the sole discretion of the Board of Regents.

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

DELIVERY: Delivery of the Bonds will be made at the expense of the Board of Regents at a bank in Austin, Texas. It is anticipated that delivery can be made on or about November 21, 1978, and it is understood and agreed that the purchaser will accept delivery and make payment in Federal Funds of the agreed purchase price, on or before November 21, 1978, or thereafter when the Bonds are tendered for delivery up to and including December 21, 1978. The purchaser shall be given at least seven days notice of the time which the Board has fixed for delivery. The purchaser shall make proper payment for the Bonds prior to 11:00 A.M. C.S.T. on the date so fixed for delivery. If for any reason the Board is unable to tender the Bonds for delivery by December 21, 1978 then the Board shall immediately contact the successful bidder to allow said bidder to extend his bid for an additional 30 days. If the successful bidder does not elect to extend his offer within five days after such notification, then the good faith deposit will be returned, and both the Board and the successful bidder shall be relieved of further obligation.

NOT AN OFFER TO SELL: This Official Notice of Sale does not alone constitute an offer to sell these Bonds but is merely a notice of sale of the Bonds. The offer to sell the Bonds to the underwriter is being made by means of this Official Notice of Sale, the Official Bid Form and the Official Statement.

RESPONSIBILITY FOR QUALIFICATION OF BONDS FOR SALE IN RESPECTIVE STATES: The Board of Regents assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as

an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

FUTURE BOND SALES: The Board has no current plans to issue any additional bonds of The University of Texas at Dallas, and in no event would any such additional bonds be offered for sale within ninety (90) days of the date these Bonds are sold.

ADDITIONAL COPIES OF OFFICIAL NOTICE OF SALE, OFFICIAL STATEMENT AND OFFICIAL BID FORM: Additional copies of the Official Statement relating to the Bonds, the Official Notice of Sale, Official Bid Form, and the Bond Resolution may be obtained at the office of Mr. W. L. Lobb, Executive Director for Investments, Trusts and Lands, The University of Texas System, 210 West Sixth Street, Austin, Texas, 78701, or Russ Securities Corporation, 100 National Bank of Commerce West, San Antonio, Texas, 78205. The Board of Regents will furnish the successful bidder up to 150 copies of the Official Statement at no expense prior to the delivery of the Bonds, upon his request. Arrangements have been made with the printer to supply additional copies, if desired, at the successful bidder's expense.

In case of errors in net interest cost calculations, coupons named will govern; however, the Board reserves the right to reject any and all bids, and to waive any and all irregularities.

W. L. Lobb, Executive Director
for Investments, Trusts and Lands
The University of Texas System
Austin, Texas

September 19, 1978

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

OFFICIAL STATEMENT

NEW ISSUE

\$9,000,000
BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT DALLAS
COMBINED FEE REVENUE BONDS, SERIES 1978

Dated: November 1, 1978

Denomination: \$5,000

Principal and semiannual interest (May 1 and November 1) payable at the
First interest coupon due May 1, 1979.

AMOUNTS, MATURITIES, COUPON RATES AND PRICE OR YIELD

Amount	Due Nov. 1	Coupon Rate	Price or Yield	Amount	Due Nov. 1	Coupon Rate	Price or Yield
\$140,000	1979			\$320,000	1992		
150,000	1980			340,000	1993		
160,000	1981			365,000	1994		
170,000	1982			385,000	1995		
185,000	1983			410,000	1996		
195,000	1984			440,000	1997		
210,000	1985			465,000	1998		
220,000	1986			495,000	1999		
235,000	1987			530,000	2000		
250,000	1988			565,000	2001		
265,000	1989			600,000	2002		
285,000	1990			640,000	2003		
300,000	1991			680,000	2004		

(Accrued Interest to be Added)

CALL PROVISION: Series 1978 Bonds maturing November 1, 1989, and thereafter are callable in whole or in part on November 1, 1988, or on any interest payment date thereafter at par and accrued interest to date of redemption, plus the following premium:

November 1, 1988 through May 1, 1990 @ 1%;
November 1, 1990 through May 1, 1991 @ 3/4 of 1%;
November 1, 1991 through May 1, 1992 @ 1/2 of 1%;
November 1, 1992 through May 1, 1993 @ 1/4 of 1%; and
November 1, 1993 and thereafter at 0%.

SUMMARY STATEMENT

The following material is qualified in its entirety by the more complete information and financial statements contained elsewhere in this Official Statement.

THE ISSUER..... The Board of Regents of The University of Texas System, acting for and in behalf of The University of Texas at Dallas, an institution of higher education owned and operated by the State of Texas.

THE BONDS..... \$9,000,000 Board of Regents of The University of Texas System - The University of Texas at Dallas Combined Fee Revenue Bonds, Series 1978 (the "Series 1978 Bonds" or the "Bonds") maturing serially in varying amounts in each of the years 1979 through 2004.

AUTHORITY FOR ISSUANCE..... These Series 1978 Bonds will be issued under and in conformity with the Constitution and Laws of Texas, particularly Chapter 55, Texas Education Code, and pursuant to a Bond Resolution to be adopted by the Board of Regents of The University of Texas System.

SECURITY..... These Series 1978 Bonds will constitute special obligations of the Board of Regents of The University of Texas System, acting for and in behalf of The University of Texas at Dallas, payable solely from a pledge of and first lien on the Pledged Revenues, as hereinafter defined, which shall include the gross proceeds from a Student Union Fee, a Tuition Fee and a General Fee charged regularly enrolled students at said University. The Board will covenant that such General Fee shall be levied and collected in not less than a sufficient amount each year, which, when added to other Pledged Revenues, shall be fully adequate to pay all debt service requirements on these Series 1978 Bonds when due. See "SECURITY FOR THESE BONDS" and "PLEDGED COMBINED FEES AVAILABLE FOR SECURITY".

PURPOSES OF THIS FINANCING..... The proceeds of these Series 1978 Bonds will be used to provide the funds required for the following projects: (1) constructing, furnishing and equipping a Student Union Building containing approximately 27,000 gross square feet; (2) purchasing and installing of a new computer and peripheral equipment in the U.T. Dallas Computer Center; (3) purchasing and installing of advanced scientific equipment; and (4) purchasing of approximately 300,000 volumes to complete the

initial U.T. Dallas library holdings. See "PURPOSES OF THIS FINANCING".

ADDITIONAL BONDS..... Additional bonds on a parity with the Series 1978 Bonds may be issued when, among other requirements, (1) the Pledged Revenues during the previous fiscal year or 12 months are certified to have been at least 125% of the average debt service requirements on the then outstanding parity bonds, and (2) the future Pledged Revenues are officially estimated to be in each year at least 125% of future annual debt service requirements on both the then outstanding parity issues and the then proposed Additional Bonds. See "ADDITIONAL BONDS".

PAYMENT RECORD..... The University of Texas System has never defaulted.

LEGALITY..... The Attorney General of the State of Texas and Messrs. Vinson & Elkins of Houston, Texas. See "LEGAL OPINIONS".

DELIVERY..... When issued, anticipated on or about November 21, 1978.

BOND RATINGS..... Applications for ratings of the Series 1978 Bonds have been made to Moody's Investors Service, Inc. and Standard & Poor's Corporation. See "BOND RATINGS".

PLEDGED REVENUES AND ESTIMATED COVERAGE

	Estimated* F/Y Ending 8-31-79
General Fee	\$674,000
Student Union Fee	123,000
Tuition Fee	41,328
Interest Income	45,000
Total	\$883,328

Maximum Principal and Interest Requirements on these Series 1978 Bonds assuming an interest rate of 6.25%.....\$705,437 in 1986

COVERAGE 1.25x

* Estimated by University officials.

ELIGIBILITY AS INVESTMENTS

Section 55.21 of the Texas Education Code provides that these Bonds are legal and authorized investments in Texas for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, trustees, and guardians, and for all interest and sinking funds and other public funds of the State of Texas and for all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies and bodies politic. Said Bonds also shall be eligible and lawful security for all deposits of public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of said Bonds, when accompanied by any unmatured interest coupons appurtenant thereto.

No representation is made that the Bonds will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes. The Board has made no investigation of other laws, rules, regulations or investment criteria which might apply to any such entities or institutions or which might otherwise limit the suitability of the Bonds for any of the foregoing purposes or limit the authority of such entities or institutions to purchase or invest in the Bonds for such purposes.

BOND RATINGS

Applications for ratings of the Bonds have been made to Moody's Investors Service, Inc. and Standard & Poor's Corporation. An explanation of the significance of such ratings may be obtained upon request from Moody's Investors Service, Inc. or Standard & Poor's Corporation. Only the opinions of Moody's Investors Service, Inc. and Standard & Poor's Corporation are represented by such ratings and the Board makes no representation as to (1) the appropriateness of such ratings or (2) its ability or intent to maintain such ratings.

No assurance is given by the Board that the ratings, once obtained, will be maintained for any specified period of time, or that they will not change or be suspended or withdrawn by Moody's Investors Service, Inc. or Standard & Poor's Corporation if, in the opinion of the rating agencies, changes in the circumstances of the Board should so warrant. Any such change, suspension or withdrawal of the bond ratings may have an adverse effect on the market price of the Bonds.

PURPOSES OF THIS FINANCING

As a relatively new institution, The University of Texas at Dallas is continuing its program of constructing and equipping campus facilities. The proceeds of these Bonds will be employed in several projects, as follows:

1. Student Union Building Project - The fully air-conditioned Student Union Building will be of permanent, reinforced concrete frame and masonry construction, and will contain approximately 27,000 gross square feet. The building will furnish facilities and office space for various student services and student government offices. In addition, space will be provided for a coffee house, an information center, recreational areas, a newstand,

student meeting rooms and other functions.

The planned starting date for construction is February, 1979, and a completion date of June, 1980, is anticipated. A summary of the estimated total budgeted costs for this project is shown below.

Construction	\$1,500,000
Furnishings and Equipment	180,000
Landscaping	85,000
Professional and Administration Fees	126,000
Air Balancing and Contingencies	109,000
Total Budgeted Costs	<u>\$2,000,000</u>

2. Computer Center Project - The bulk of the \$2,250,000 budgeted for this project will be used to purchase and install a central processing unit with at least two million characters of primary memory. The remainder will be used to purchase and install related peripheral equipment including secondary storage units, a card reader/punch and a 1,000 line-per-minute printer. These purchases are designed to provide U.T. Dallas with a large-scale, state-of-the-art computer system required by a major teaching and research institution.
3. Advanced Scientific Equipment Project - The \$1,250,000 budgeted for this project will be expended for the purchase and installation of various items of advanced scientific equipment necessary to assure students and clients of the University of the effective and viable research programs for which U.T. Dallas has acquired a significant reputation. Items to be purchased include a scanning electron microscope, automated solid and gas source mass spectrometers and other items varying in cost from \$50,000 to \$200,000 each.
4. Library Acquisition Project - The University presently has library holdings of approximately 400,000 volumes. University officials estimate that, based on the number of faculty, students and academic programs, a minimum of approximately 700,000 volumes are required to provide a proper instructional and research library. The \$3,500,000 budgeted cost of this project will be employed to add about 100,000 volumes per year for each of the next three years to reach this goal.

A recap of estimated total budgeted costs for the various projects, which include allocated share of bond issuance expense, is as follows:

Student Union Building	\$2,000,000
Computer Center	2,250,000
Advanced Scientific Equipment	1,250,000
Library Acquisitions	3,500,000
Total Budgeted Costs	<u>\$9,000,000</u>

Construction contracts for the various building projects will be secured by performance bonds (including penalty clauses) as well as payment bonds. Construction and purchase contracts for the projects involved will be let within available funds.

DEFINITIONS OF TERMS

Definitions of certain terms used in the Bond Resolution authorizing these Series 1978 Bonds are substantially as follows:

The term "Additional Bonds" shall mean the additional parity revenue bonds permitted to be authorized in this Resolution.

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

The terms "bondholder" or "holder" shall mean any person or persons who shall be the bearer of one or more of the Bonds.

The term "Bonds" shall mean the Board of Regents of The University of Texas System, The University of Texas at Dallas, Combined Fee Revenue Bonds, Series 1978 herein authorized.

The term "General Fee" shall mean the general fee to be fixed, levied, charged and collected from all students (excepting any category of students now exempt by law) regularly enrolled at the University, for the general use and availability of the University, in the manner and to the extent provided in this Resolution and pledged to the payment of the Bonds and Additional Bonds as authorized by Chapter 55, Texas Education Code.

The term "Pledged Revenues" shall mean, collectively, (1) the gross collections of the General Fee, (2) the gross collections of the Tuition Fee, (3) the gross collections of the Student Union Fee, (4) all interest and income derived from the deposit or investment of moneys credited to the funds maintained pursuant to this Resolution, and (5) any additional revenues, income, receipts, rentals, rates, charges, fees or other resources which may hereafter be pledged to the payment of the Bonds.

The term "Student Union Fee" shall mean the fee to be fixed, levied, charged and collected from all students (excepting any category of students now exempt by law) regularly enrolled at the University, in the manner and to the extent provided in this Resolution and Chapter 70, Texas Education Code, and pledged to the payment of the Bonds and Additional Bonds as authorized by Chapter 55, Texas Education Code.

The term "Tuition Fee" shall mean the fee to be fixed, levied, charged, and collected from all tuition paying students regularly enrolled at the University, out of and as a part of the regular student tuition fees at the University as permitted by Chapter 55, Texas Education Code, in the manner and to the extent provided in this Resolution, and pledged to the payment of the Bonds and Additional Bonds as authorized by Chapter 55, Texas Education Code.

The term "University" shall mean The University of Texas at Dallas, Richardson, Texas.

SECURITY FOR THESE BONDS

That the Bonds and any Additional Bonds and the interest thereon, are and shall be

payable from, and secured by an irrevocable first lien on and pledge of, the Pledged Revenues. That the Bonds and any Additional Bonds and interest coupons appertaining thereto shall constitute special obligations of the Board, payable solely from the Pledged Revenues, and such obligations shall not constitute an indebtedness of the University, the Board, or the State of Texas, and the holders of the Bonds and Additional Bonds and the coupons attached thereto shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

PLEGGED REVENUES AVAILABLE AS SECURITY

General Fee

The General Fee pledged to these Bonds is without limit as to rate or amount and is charged all regularly enrolled students except those now exempt from such charges under Chapter 54, Texas Education Code. The Board has set the General Fee rate at \$6.00 per semester credit hour (SCH), for Fiscal Year 1979, which is the same rate that has been charged since the fee was first established in the Fall Semester of 1975. The Board will covenant to revise General Fee rates from time to time, as necessary, so as to produce sufficient General Fee revenues which, when added to other Pledged Revenues, will be at all times at least sufficient to pay all debt service requirements on the Bonds and any Additional Bonds.

Student Union Fee

The Student Union Fee pledged to these Bonds was specifically authorized by Act of the 65th Texas Legislature. This Act, codified as Section 70.08 of the Texas Education Code, permits the Board of Regents, in behalf of The University of Texas at Dallas to "levy a student union fee, not to exceed \$15 per student for each regular semester and not to exceed \$7.50 per student for each term of the summer session, for the sole purpose of financing, constructing, operating, maintaining and improving a student union building" on the campus of the University. Beginning with the Fall Semester of 1977, the Board has continuously levied this Fee at the rates of (1) \$15.00 per regular semester for students enrolled in 12 or more SCH, and (2) \$7.50 per summer term for students enrolled in 6 or more SCH. Students enrolled in less than 12 SCH per regular semester and 6 SCH per summer term, respectively, are charged proportionately less. Said Section 70.08 also establishes specific procedures to be followed in determining annually the proper Student Union Fee rate to be levied, based generally upon Student Union financing and operating needs. As previously noted, the current Student Union Fee rate being charged is the maximum permitted under the Statute.

Tuition Fee

The Tuition Fee pledged to these Bonds is popularly known as the Skiles Act Fee and is to be collected from all tuition paying students. This Fee has not been levied at The University of Texas at Dallas in prior years; however, beginning with the Fall Semester of 1978, the Board will levy and collect the Tuition Fee at the maximum rate permitted, that being 42¢ per SCH enrolled per student not to exceed \$5.00 per regular semester or \$2.50 per summer term. On the basis of these rates and historical enrollment data, University officials estimate collections from this Fee would have been approximately \$41,328 for the fiscal year ended August 31, 1978. University officials further estimate like Tuition Fee collections of \$41,328 for the current fiscal year ending August 31, 1979, assuming no enrollment increase. It

should be noted that the Tuition Fee so levied and collected is included as a part of the tuition previously authorized and established and does not have the effect of increasing the tuition or the student's cost of attending the University.

Collections of Pledged Combined Fees

A record of actual and estimated collections of these pledged revenues since the initial levy of each fee is as follows:

F/Y Ending 8-31	General Fee (1)	Student Union Fee (2)	Tuition Fee (3)	Total Collections
1976	\$449,496	\$ N/A	\$ N/A	\$449,496
1977	558,502	N/A	N/A	558,502
1978	674,000(4)	123,000(4)	N/A	797,000
1979(5)	674,000	123,000	41,328	838,328

- (1) Levied at the rate of \$6.00 per SCH since the fall semester, 1975.
- (2) Levied since the fall semester of 1977 at the maximum legal rate of (1) \$15.00 per regular semester for students enrolled in 12 or more SCH, and (2) \$7.50 per summer term for students enrolled in 6 or more SCH. Students enrolled in less than 12 SCH per regular semester and 6 SCH per summer term, respectively, are charged proportionately less.
- (3) Beginning with the fall semester of 1978, this fee will be levied at the maximum rate permitted, that being 42¢ per SCH enrolled per student not to exceed \$5.00 per regular semester or \$2.50 per summer term. Collections shown are estimates of University officials based on historical enrollment data for FY 1978 and assuming no enrollment change in FY 1979.
- (4) Preliminary.
- (5) As estimated by University officials, assumes no enrollment increase.

Interest Income

In addition, the Bonds are supported by a pledge of all interest and investment income derived from the deposit and investment of moneys credited to funds and accounts maintained pursuant to the Bond Resolution, i.e., the Combined Fee Revenue Fund, the Student Union Fee Account and the the Combined Fee Revenue Bonds Interest and Sinking Fund. By the terms of the Resolution, the Interest and Sinking Fund shall contain the Debt Service Reserve which is equal to the average annual debt service requirements on the Bonds. Using an assumed interest rate on the Bonds of 6.25%, this amount will be approximately \$700,000. Prior to the delivery of the Bonds, the University will fully fund the Debt Service Reserve by depositing therein, from funds on hand and available for that purpose, approximately \$700,000, which amount will thereafter be invested in accordance with the terms of the Bond Resolution. University officials estimate that annual interest earnings on these funds, alone, will be in excess of \$45,000 per year.

It should be noted that the balances in the Combined Fee Revenue Fund, if any, after all prescribed transfers to the Interest and Sinking Fund, are released to the University for any lawful purpose and do not have to be maintained in said Revenue Fund. If such balances in the Revenue Fund were utilized for other University purposes, as permitted, there would, of course, be no investment earnings from this Fund. It is anticipated that no substantial balances will be maintained in the

Student Union Fee Account since this fund may be utilized to pay Student Union operating and maintenance expenses as well as to required transfers into the Interest and Sinking Fund. Also, regardless of any fund balances maintained, investment yields vary widely and such fluctuation greatly affects earnings from these pledged sources.

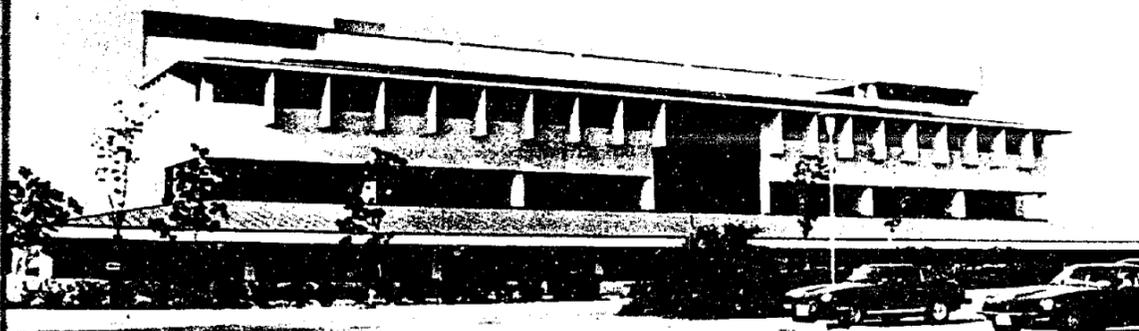
RECAP OF PLEDGED REVENUES AND ESTIMATED COVERAGE

	Estimated* F/Y Ending 8-31-79
General Fee	\$674,000
Student Union Fee	123,000
Tuition Fee	41,328
Interest Income	45,000
Totals	<u>\$883,328</u>

* Estimated by University officials, assumes no enrollment increase.

Maximum Principal and Interest Requirements on these Series 1978 Bonds assuming an interest rate of 6.25%.....\$703,437 in 1986

COVERAGE 1.25x



McDermott Library

\$9,000,000
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
 THE UNIVERSITY OF TEXAS AT DALLAS
 COMBINED FEE REVENUE BONDS, SERIES 1978

ESTIMATED PRINCIPAL AND INTEREST REQUIREMENTS*

F/Y Ending 8-31	Principal (11-1)	Interest**	Total
1979		\$281,250	\$281,250
1980	\$140,000	558,125	698,125
1981	150,000	549,062	699,062
1982	160,000	539,375	699,375
1983	170,000	529,062	699,062
1984	185,000	517,968	702,968
1985	195,000	506,093	701,093
1986	210,000	493,437	703,437
1987	220,000	480,000	700,000
1988	235,000	465,781	700,781
1989	250,000	450,625	700,625
1990	265,000	434,531	699,531
1991	285,000	417,343	702,343
1992	300,000	399,062	699,062
1993	320,000	379,687	699,687
1994	340,000	359,062	699,062
1995	365,000	337,031	702,031
1996	385,000	313,593	698,593
1997	410,000	288,750	698,750
1998	440,000	262,187	702,187
1999	465,000	233,906	698,906
2000	495,000	203,906	698,906
2001	530,000	171,875	701,875
2002	565,000	137,656	702,656
2003	600,000	101,250	701,250
2004	640,000	62,500	702,500
2005	680,000	21,250	701,250

* Cents omitted.

** Interest calculated at 6.25% for illustration purposes only.

SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION

These Series 1978 Bonds will be issued under the authority of and pursuant to a Resolution of the Board which will specifically authorize these Bonds. For convenience, certain provisions of the Resolution are excerpted and summarized herein.

Section 8: ESTABLISHMENT OF FUNDS. That there are hereby created and established the following funds, account and reserve:

(a) Combined Fee Revenue Fund (herein called the "Revenue Fund"), which shall be established as a separate account on the books of the University.

(b) The University of Texas at Dallas Student Union Fee Account (herein called the "Student Union Fee Account"), which shall be established as a separate account on the books of the University.

(c) Combined Fee Revenue Bonds Interest and Sinking Fund (herein called the "Interest and Sinking Fund"), which shall be established as a separate fund at an official depository of the University (which must be a member of the Federal Deposit Insurance Corporation).

(d) As a part of the Interest and Sinking Fund, a debt service reserve (herein called the "Debt Service Reserve") consisting of all money and investments in the Interest and Sinking Fund in excess of the principal and interest requirements on the Bonds and any Additional Bonds during the then current fiscal year.

The Interest and Sinking Fund (and the Debt Service Reserve therein) shall constitute a trust fund which shall be held in trust for the benefit of the holders of the Bonds and Additional Bonds. The Revenue Fund and the Student Union Fee Account shall constitute a trust fund which shall be used solely as provided in this Resolution until all of the Bonds have been retired.

Section 9: FLOW OF FUNDS.

(a) That the gross collections of the General Fee and Tuition Fee shall be deposited as received into the Revenue Fund.

(b) That the gross collections of the Student Union Fee shall be deposited as received into the Student Union Fee Account.

(c) That at the time of, or prior to, the delivery of the Bonds, an amount equal to the average annual principal and interest requirements on the Bonds shall be deposited, from available funds of the University, into the Debt Service Reserve in the Interest and Sinking Fund.

(d) That all accrued interest and premium, if any, from the sale of the Bonds, shall be deposited into the Interest and Sinking Fund.

(e) That on or before April 30, 1979, and on or before each October 31 and April 30 thereafter, while any of the Bonds is outstanding, there shall be transferred from the Revenue Fund and the Student Union Fee Account to the Interest and Sinking Fund, the following amounts:

(i) An amount which will be sufficient, together with other sums then on hand therein and available for such purpose, to pay the interest scheduled to come due on the Bonds on the next succeeding interest payment date;

(ii) An amount equal to one-half of all principal scheduled to mature and come due on the Bonds on the next succeeding November 1; and

(iii) At any time that the money and investments in the Debt Service Reserve are not at least equal in market value to the average annual principal and interest requirements of the Bonds, an additional amount equal to 1/10th of the average annual principal and interest requirements of the Bonds until the Debt Service Reserve is restored to said amount.

(f) That if on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(g) That on or before each May 1 and November 1 while any of the Bonds is outstanding, there shall be transferred to the Banks of Payment from the Interest and Sinking Fund (and from the Debt Service Reserve when and to the extent the amount in the Interest and Sinking Fund is otherwise insufficient) money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue or mature on such May 1 and November 1, together with the charge of the Banks of Payment and any premiums due on any Bonds called for redemption on such date. The Banks of Payment shall totally destroy all paid Bonds and Additional Bonds, if any, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

(h) That whenever the total amount in the Interest and Sinking Fund, including the Debt Service Reserve therein, is equal to the aggregate principal amount of the Bonds and Additional Bonds outstanding, plus all coupons thereto appertaining, matured and unmatured, no further payments need be made into the Interest and Sinking Fund. In determining the amount of Bonds and Additional Bonds outstanding, there shall be subtracted the amount of any Bonds or Additional Bonds for which funds shall have been deposited in the Banks of Payment sufficient for such redemption.

(i) That all money in the Revenue Fund and the Student Union Fee Account in excess of that required to make the transfers herein required to be made into the Interest and Sinking Fund and the Debt Service Reserve therein may be used by the Board for any lawful purpose.

Section 10: INVESTMENT OF FUNDS. That money in the Revenue Fund, the Student Union Fee Account and Interest and Sinking Fund, including the Debt Service Reserve therein, may, at the option of the Board, be placed in time deposits or invested in direct obligations of or obligations the principal and interest of which are guaranteed by the United States of America; in direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Bank, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, and Banks for Cooperatives; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any fund or account will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of February and August of each year. Interest

and income derived from such deposits and investments shall be credited to the fund or account from which the deposit or investment was made. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 11: SECURITY OF FUNDS. That all money in the Revenue Fund, Student Union Fee Account, and Interest and Sinking Fund, including the Debt Service Reserve therein, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the University, in principal amounts at all times not less than the amounts of money credited to such funds or account, respectively.

Section 12: GENERAL FEE.

(a) That the Board covenants and agrees that it shall fix, levy, charge, and collect the General Fee from each student (excepting any category of students now exempt by law) regularly enrolled in the University at each regular fall and spring semester and at each term of each summer session, for the general use and availability of the University, in such amounts, without any limitation whatsoever, as will be at least sufficient at all times to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds.

(b) That the General Fee should be maintained at the present rate of \$6.00 per semester credit hour, and the Board hereby ratifies, confirms and adopts such rate for each regular fall and spring semester and for each term of each summer session, until changed in accordance with the terms of subsection (c) below.

(c) That the General Fee shall be increased if and when required by this Section, and may be decreased so long as all Pledged Revenues are sufficient to provide the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds. All changes in such General Fee shall be made by resolution of the Board, but such procedure shall not constitute or be regarded as an amendment of any resolution authorizing Bonds or Additional Bonds then outstanding but merely the carrying out of the provisions thereof.

Section 13: TUITION FEE. That effective with the regular 1978 fall semester, the Tuition Fee was fixed and is hereby confirmed and shall be levied, charged, and collected from each tuition paying student regularly enrolled at the University, as follows:

(a) \$5.00 per regular semester for each student enrolled for 12 or more Semester Credit Hours, and \$0.42 per Semester Credit Hour for each student enrolled for less than 12 Semester Credit Hours per regular semester.

(b) \$2.50 per summer term for each student enrolled in 6 or more Semester Credit Hours and \$0.42 per Semester Credit Hour for each student enrolled for less than 6 Semester Credit Hours per summer term.

and said Tuition Fee shall be so levied, charged and collected in such amounts, and shall not be reduced, so long as any Bonds are outstanding.

Section 14: STUDENT UNION FEE. The Board covenants and agrees that it shall fix,

levy, charge and collect the Student Union Fee from all students (excepting any category of students now exempt by law) regularly enrolled at the University at each regular fall and spring semester and at each term of the summer session, subject to the limitations contained in Chapter 70, Texas Education Code, so as to provide for the maintenance and operation of the University's Student Union Building and further to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds.

Section 15: ADDITIONAL BONDS. That the Board shall have the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds" in any amounts, for any lawful purpose, including the refunding of any Bonds or Additional Bonds. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Resolution, shall be payable equally and ratably on a parity with the Bonds, and all other outstanding Additional Bonds, and secured by an irrevocable first lien on and pledge of the Pledged Revenues. Each resolution under which Additional Bonds are issued shall provide that the Interest and Sinking Fund (and the Debt Service Reserve therein) shall secure and be used to pay all Additional Bonds as well as the Bonds. However, each resolution under which Additional Bonds are issued shall specifically provide and require that, in addition to the amounts required by the provisions of all resolutions authorizing the Bonds and any then outstanding Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Board shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund at least such additional amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same comes due, and that the Board shall transfer from said Pledged Revenues and deposit to the credit of the Debt Service Reserve at least such amounts as will, together with any amounts already deposited in the Debt Service Reserve or other amounts required to be subsequently deposited therein in connection with the Bonds and any other then outstanding Additional Bonds, be sufficient to cause the Debt Service Reserve to accumulate and contain, within a period of not to exceed five fiscal years after the date of said Additional Bonds then being issued, a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of such proposed Additional Bonds, the then outstanding Bonds, and any then outstanding Additional Bonds. The principal of all Additional Bonds must be scheduled to be paid or mature on November 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on May 1 and November 1. Additional Bonds shall be issued only in accordance with the resolutions authorizing the Bonds and Additional Bonds then outstanding; however, notwithstanding any provisions of such resolutions to the contrary, no installment, series, or issue of Additional Bonds shall be issued or delivered unless:

(a) The senior financial officer of The University of Texas System signs a written certificate to the effect that the Board is not in default as to any covenant, condition, or obligation in connection with the then outstanding Bonds and Additional Bonds, and the resolutions authorizing same, and that the Interest and Sinking Fund contains the amount then required to be therein.

(b) The State Auditor of the State of Texas, or a certified public accountant, signs a written certificate to the effect that, during either the University's fiscal year, or the twelve calendar month period, next preceding the date of execution

of such certificate, the Pledged Revenues actually received were at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds then outstanding.

(c) The senior financial officer of The University of Texas System signs a written certificate to the effect that during each University fiscal year while any Bonds or Additional Bonds, including the proposed Additional Bonds, are scheduled to be outstanding, beginning with the fiscal year next following the date of the then proposed Additional Bonds, the Pledged Revenues estimated to be received during each of said fiscal years, respectively, will be at least equal to 1.25 times the principal and interest requirements on all then outstanding Bonds and Additional Bonds, and the then proposed Additional Bonds, during each of said fiscal years, respectively;

provided, however, that requirements (b) and (c) shall not apply to any refunding bonds with average annual principal and interest requirements no greater than those of the bonds being refunded.

Section 16: ADDITIONAL COVENANTS. The Board covenants and agrees that:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and in each and every Bond and Additional Bond; that it will promptly pay or cause to be paid from the Pledged Revenues the principal of and interest on every Bond and Additional Bond, on the dates and in the places and manner prescribed in such Bonds or Additional Bonds; and that it will, at the times and in the manner prescribed herein, deposit or cause to be deposited, from the Pledged Revenues, the amounts of money specified herein.

(b) It is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the holders thereof are and will be valid and enforceable special obligations of the Board in accordance with their terms.

(c) It lawfully owns and is lawfully possessed of the lands upon which the existing campus, buildings, and facilities constituting the University are located, and has a good and indefeasible estate in such lands in fee simple, that it warrants that it has, and will defend, the title to all the aforesaid lands, and every part thereof and improvements thereon, for the benefit of the holders of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the campus, buildings, and facilities of the University, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could

be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) Insofar as it lawfully may, it will continuously and efficiently operate and maintain in good condition, and at a reasonable cost, the University and the facilities and services thereof, so long as any Bonds are outstanding.

(f) While the Bonds are outstanding and unpaid, the Board shall not additionally encumber the Pledged Revenues in any manner, except as permitted by this Resolution in connection with the Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution.

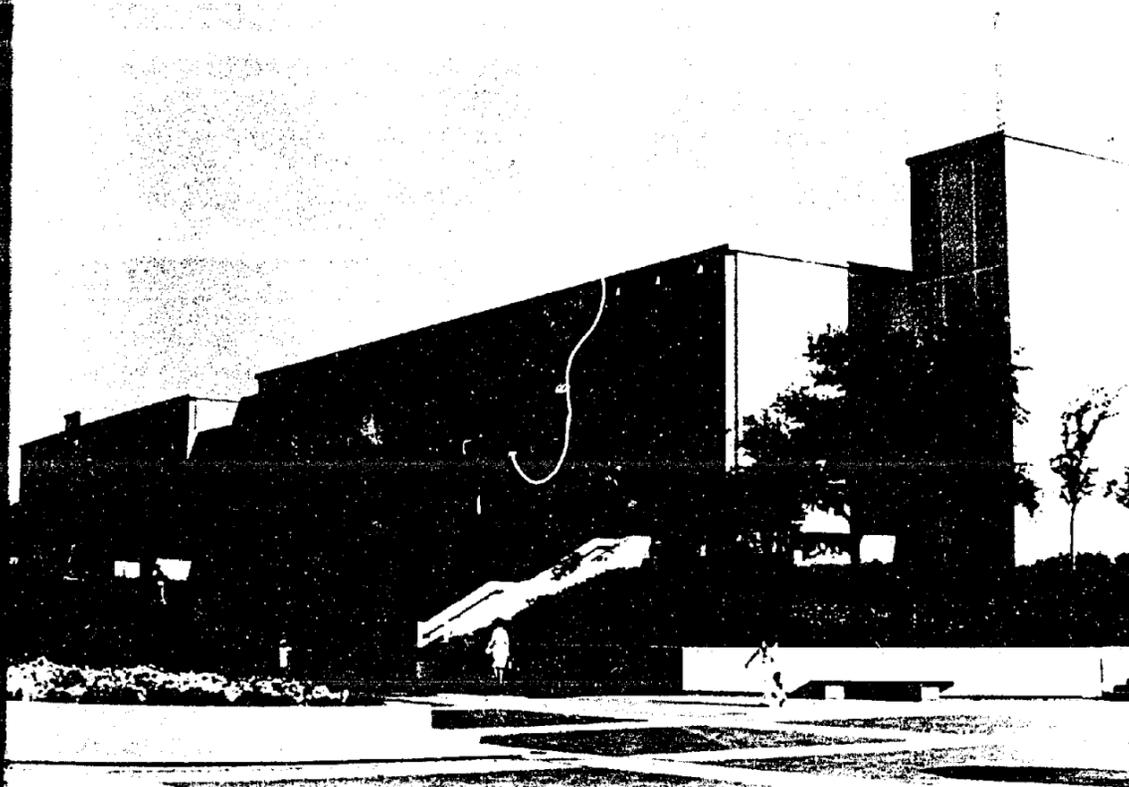
(g) Proper books of record and account will be kept in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Pledged Revenues, and each year while any of the Bonds is outstanding, the University will prepare from such books of record and account a preliminary financial report containing statements of (i) gross collections of the Tuition Fee, Student Union Fee, General Fee and other Pledged Revenues, (ii) year end balances in funds maintained pursuant to the Resolution and changes in such fund balances from the previous fiscal year and (iii) a schedule of insurance policies, if any, based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of the following year. Such preliminary reports shall be furnished to the original purchasers of the Bonds, the Municipal Advisory Council of Texas, the principal municipal bond rating agencies and any holder of the Bonds who shall request same.

(h) That each year while any of the Bonds is outstanding, an audit will be made of its books and accounts relating to the Pledged Revenues by the State Auditor of the State of Texas, or a certified public accountant, such audit to be based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of the following year. As soon as practicable after the close of each such fiscal year, and when said audit has been completed and made available to the Board, a copy of such audit for the preceding fiscal year shall be mailed to the original purchasers of the Bonds, and to all other bondholders who shall so request. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

Section 17: NO ARBITRAGE. That the Board certifies that based upon all facts, estimates and circumstances now known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the Board reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds or any portion of the Bonds to be an "arbitrage bond" under Section 103(c) of the Internal Revenue Code of 1954, as amended, and the temporary and proposed regulations heretofore prescribed thereunder. Furthermore, all officers, employees and agents of the Board are authorized and directed to provide certifications of facts, estimates and circumstances which are material to the reasonable expectations of the Board as of the date the Bonds are delivered and paid for, and any such certifications may be relied upon by counsel, by the holders of the Bonds, or by any person interested in the exemption of interest on the Bonds from federal income taxation. Moreover, the Board covenants that it shall make such use of the proceeds of the Bonds, regulate

investments of proceeds of the Bonds, and take such other and further action as may be required so that the Bonds shall not be "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended, and regulations prescribed from time to time thereunder.

Section 18: DISCHARGE BY DEPOSIT. That the Board may discharge its obligation to the holders of any or all of the Bonds and coupons appertaining thereto to pay principal, interest and redemption premium (if any) thereon by depositing with the State Treasurer or at the Banks of Payment either: (1) cash equivalent to the principal amount and redemption premium, if any, plus interest to the date of maturity or redemption, or (2) direct obligations of, or obligations the principal and interest of which are guaranteed by, the United States of America, in principal amounts and maturities and bearing interest at rates sufficient to provide for the timely payment of the principal amount and redemption premium, if any, on such Bonds plus interest to the date of maturity or redemption; provided, however, that if any of such Bonds are to be redeemed prior to their date of maturity, provision shall have been made for giving notice of redemption as provided herein. Upon such deposit, the Bonds and coupons appertaining thereto shall no longer be regarded as outstanding and unpaid. Also, whenever provision is made in the above manner for payment of any Additional Bonds, such bonds shall no longer be deemed outstanding for purposes of any provision contained herein.



Founders Building

GENERAL INFORMATION

THE UNIVERSITY OF TEXAS SYSTEM

History and Administration

The University of Texas System traces its beginning back to 1883 with the opening of The University of Texas in Austin, Texas. Today the System is one of the largest educational organizations in the United States and through its component institutions provides instruction, research and public service throughout the State.

The government of the System is vested in a board of nine regents who serve without pay. They are appointed by the Governor for staggered six-year terms and must be approved by the State Senate. Administration of the University Systems conforms to that of leading American universities. The System is headquartered in Austin, Texas, and is supported by State appropriations, private gifts and endowments, Federal appropriations and grants, student tuitions and fees, its share of the income from the Permanent University Fund, and other miscellaneous sources of income. The percentage breakdown of these fund sources for Fiscal Year 1978 is as follows:

State Appropriations	53.6%
Federal Funds	15.0
Sales and Services of Hospitals	11.9
Private Gifts	4.4
Student Tuition and Fees	5.0
Sales and Services of Auxiliary Enterprises	5.1
Endowment Income (Including Transfers from Available University Fund)	2.2
Sales and Services of Education Activities and Other	2.8
Total	100.0%

The University of Texas System's budget for the current fiscal year ending August 31, 1979, amounts to \$794,795,388, of which \$424,555,796 is from State appropriations. The System employs more than 45,000 persons on a full or part-time basis.

Organization

The University of Texas System is composed of the following component institutions:

- The University of Texas at Arlington
- The University of Texas Institute of Urban Studies at Arlington
- The University of Texas at Austin
- The University of Texas Marine Science Institute at Galveston and Port Aransas
- The University of Texas McDonald Observatory at Mount Locke
- The University of Texas at Dallas
- The University of Texas Callier Center for Communication Disorders at Dallas
- The University of Texas Health Science Center at Dallas
- The University of Texas Southwestern Medical School at Dallas
- The University of Texas School of Allied Health Sciences at Dallas
- The University of Texas Graduate School of Biomedical Sciences at Dallas
- The University of Texas at El Paso

- The University of Texas Medical Branch at Galveston
- The University of Texas Medical School at Galveston
- The University of Texas Graduate School of Biomedical Sciences at Galveston
- The University of Texas Institute for the Medical Humanities at Galveston
- The University of Texas School of Allied Health Sciences at Galveston
- The University of Texas Marine Biomedical Institute at Galveston
- The University of Texas School of Nursing at Galveston
- The University of Texas Health Science Center at Houston
- The University of Texas Medical School at Houston
- The University of Texas Dental Branch at Houston
- The University of Texas Graduate School of Biomedical Sciences at Houston
- The University of Texas School of Allied Health Sciences at Houston
- The University of Texas School of Public Health at Houston
- The University of Texas Speech and Hearing Institute at Houston
- The University of Texas School of Nursing at Houston
- The University of Texas of the Permian Basin
- The University of Texas at San Antonio
- The University of Texas Institute of Texan Cultures at San Antonio
- The University of Texas Health Science Center at San Antonio
- The University of Texas Medical School at San Antonio
- The University of Texas Dental School at San Antonio
- The University of Texas Graduate School of Biomedical Sciences at San Antonio
- The University of Texas School of Nursing at San Antonio
- The University of Texas System Cancer Center
- The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston
- The University of Texas Science Park - Research Division
- The University of Texas Health Center at Tyler

The 1978 fall preliminary headcount enrollments of the teaching institutions of The University of Texas System are as shown below:

U.T. Austin	43,000
U.T. Arlington	18,302
U.T. El Paso	15,752
U.T. San Antonio	8,885
U.T. Dallas	5,427
U.T. Permian Basin	1,575
Dallas Health Science Center	1,365
Houston Health Science Center	2,273
San Antonio Health Science Center	2,006
Galveston Medical Branch	1,538
Total	100,123

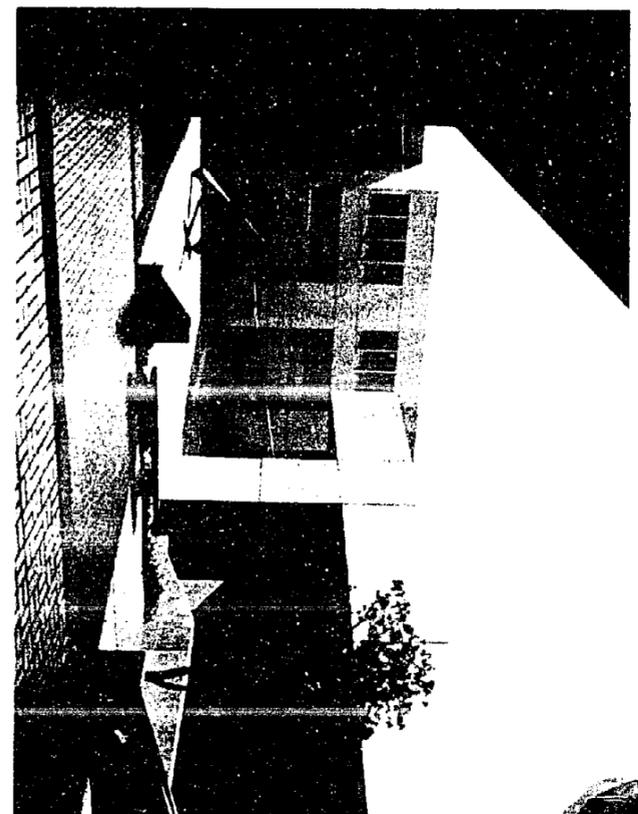
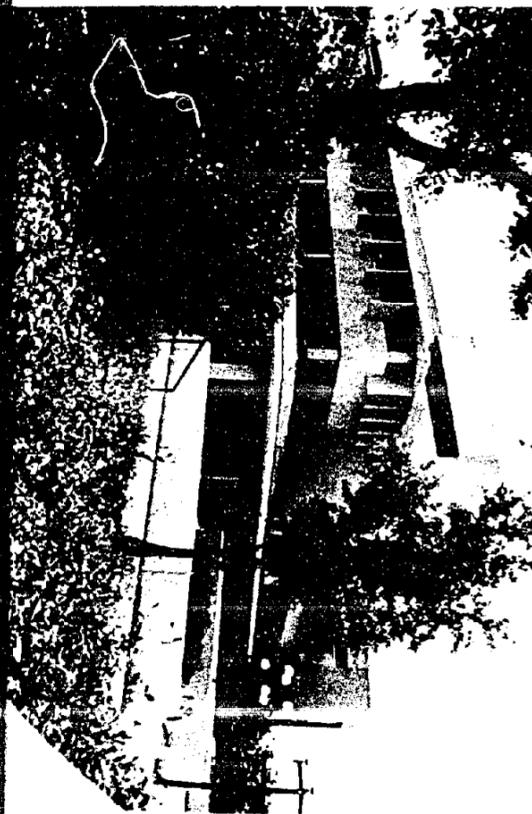
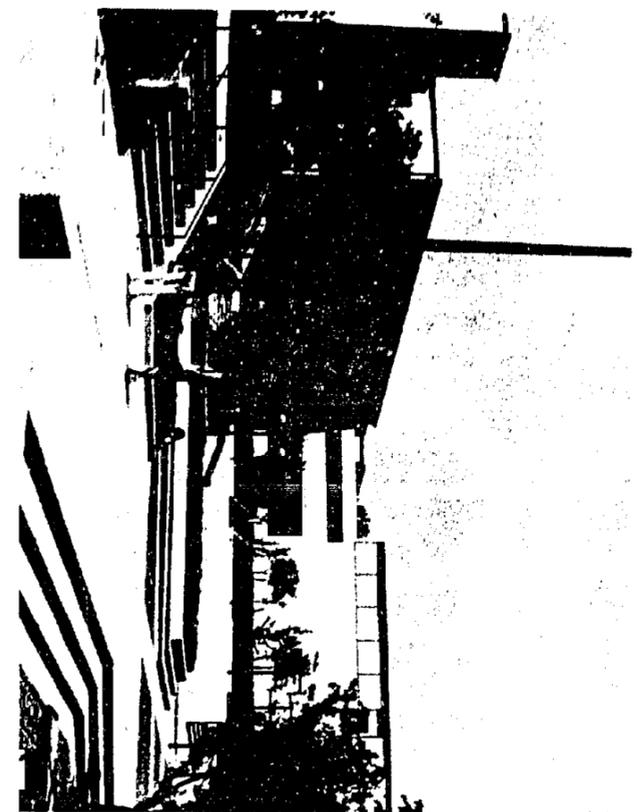
The University of Texas System
Condensed Statement of Assets and Net Worth

	Fiscal Year Ended 8-31:				
	1974	1975	1976	1977	Projected Est. 1978
ASSETS					
Current Funds					
General	\$ 69,413,685	\$ 70,428,073	\$ 72,309,767	\$ 86,078,771	\$ 92,900,000
Auxiliary Enterprises and Activities	13,851,317	16,161,638	19,484,947	24,257,749	26,700,000
Designated	28,496,404	45,132,198	69,490,891	86,149,100	94,400,000
Restricted	115,827,677	126,479,432	147,970,138	159,772,950	175,700,000
Total Current Funds	<u>227,589,083</u>	<u>258,221,341</u>	<u>309,255,743</u>	<u>356,258,570</u>	<u>390,100,000</u>
Loan Funds:	16,585,916	19,747,588	21,922,514	25,792,698	28,800,000
Endowment and Similar Funds					
State (Permanent University Fund)	724,286,159	791,774,018	864,600,783	956,072,982	1,051,700,000
Other than State	85,202,213	92,636,034	102,847,112	108,188,637	116,400,000
Total Endowment and Similar Funds	<u>809,488,372</u>	<u>884,410,052</u>	<u>967,447,895</u>	<u>1,064,261,619</u>	<u>1,168,100,000</u>
Annuity and Life Income Funds	4,822,127	4,307,700	1,255,532	7,873,468	2,000,000
Available University Fund	13,209,615	12,694,352	15,372,268	17,487,942	19,200,000
Plant Funds					
Unexpended	326,983,846	270,918,268	224,979,330	155,492,098	139,900,000
Renovals and Replacements	-	-	1,178,447	2,384,198	2,600,000
Funds for Retirement of Indebtedness	32,716,654	59,861,203	48,824,402	61,891,319	68,100,000
Invested in Plant	926,640,510	1,107,612,790	1,271,455,593	1,419,137,559	1,561,100,000
Total Plant Funds	<u>1,286,341,010</u>	<u>1,438,422,261</u>	<u>1,546,417,772</u>	<u>1,638,905,174</u>	<u>1,771,700,000</u>
Agency Funds	3,031,359	3,676,841	6,161,897	9,837,596	10,800,000
DEDUCT: Inter-Fund Groups Accounts	\$ 36,059,629	\$ 47,431,903	\$ 50,172,736	\$ 66,713,458	\$ 73,300,000
GRAND TOTAL ASSETS	<u>\$2,326,398,884</u>	<u>\$2,554,048,262</u>	<u>\$2,820,660,485</u>	<u>\$3,048,683,589</u>	<u>\$3,317,900,000</u>
Less: Total Liabilities (not including orders and contracts)	<u>620,737,227</u>	<u>594,599,348</u>	<u>607,832,360</u>	<u>610,559,505</u>	<u>634,100,000</u>
FUND BALANCES (i.e., Net Worth)	<u>\$1,705,661,657</u>	<u>\$1,959,448,914</u>	<u>\$2,212,828,125</u>	<u>\$2,438,124,084</u>	<u>\$2,683,800,000</u>

The University of Texas System
Current Revenues, Expenditures and Mandatory Transfers

	Fiscal Year Ended 8-31:				
	1974	1975	1976	1977	Projected Est. 1978
CURRENT REVENUES					
Tuition and Fees	\$ 32,202,151	\$ 34,055,275	\$ 37,113,131	\$ 40,154,601	\$ 41,500,000
Federal Funds	73,825,177	94,357,130	193,050,426	114,029,385	125,400,000
State Appropriations	236,483,852	273,019,312	359,865,867	408,334,353	449,200,000
Private Gifts	20,276,628	23,222,270	26,132,234	33,273,177	36,600,000
Endowment Income (Includes Transfers from Available University Fund)	9,234,118	10,468,184	14,953,267	17,137,713	18,800,000
Sales and Services of Auxiliary Enterprises	25,168,067	28,481,534	34,245,265	38,548,980	42,400,000
Sales and Services of Hospitals and Clinics; Professional Fees	49,989,985	65,317,505	77,351,011	91,025,130	100,100,000
Sales and Services of Educational Departments and Other Services	11,124,516	12,867,365	18,116,506	21,272,761	23,400,000
Total Current Revenues	<u>\$460,304,494</u>	<u>\$541,771,575</u>	<u>\$670,827,707</u>	<u>\$763,776,100</u>	<u>\$837,400,000</u>
CURRENT EXPENDITURES AND MANDATORY TRANSFERS					
Educational and General	\$383,021,580	\$465,137,468	\$552,090,903	\$644,044,133	\$706,400,000
Auxiliary Enterprises	26,704,923	30,980,381	38,949,885	45,325,841	49,800,000
Mandatory Transfers	23,014,974	25,346,608	28,763,154	26,249,347	28,900,000
Total Current Expenditures and Mandatory Transfers	<u>\$432,741,477</u>	<u>\$521,464,457</u>	<u>\$619,803,942</u>	<u>\$715,619,321</u>	<u>\$785,100,000</u>
EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS	<u>\$ 27,563,017</u>	<u>\$ 20,307,118</u>	<u>\$ 51,023,765</u>	<u>\$ 48,156,779</u>	<u>\$ 50,300,000</u>

Footnote:
The University of Texas System uses the modified accrual method of accounting prescribed for Colleges and Universities as set forth in College and University Business Administration, Revised Edition, 1974.

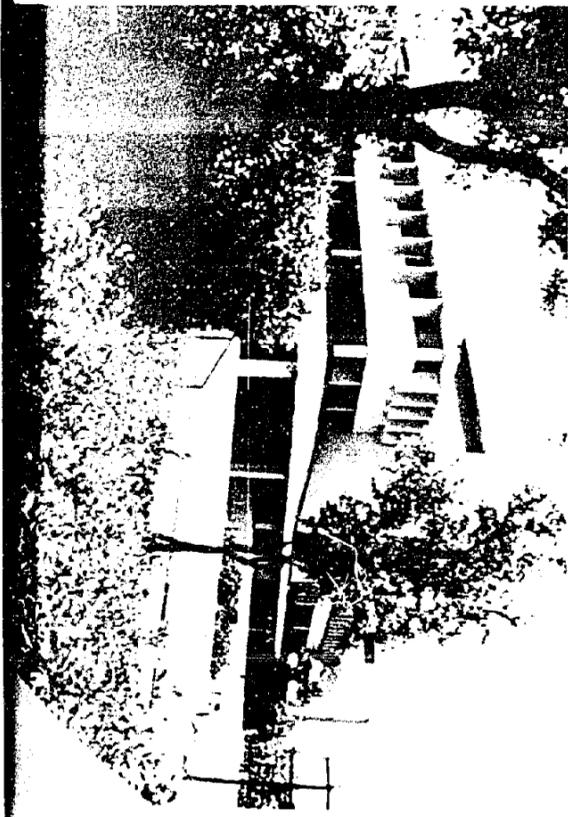
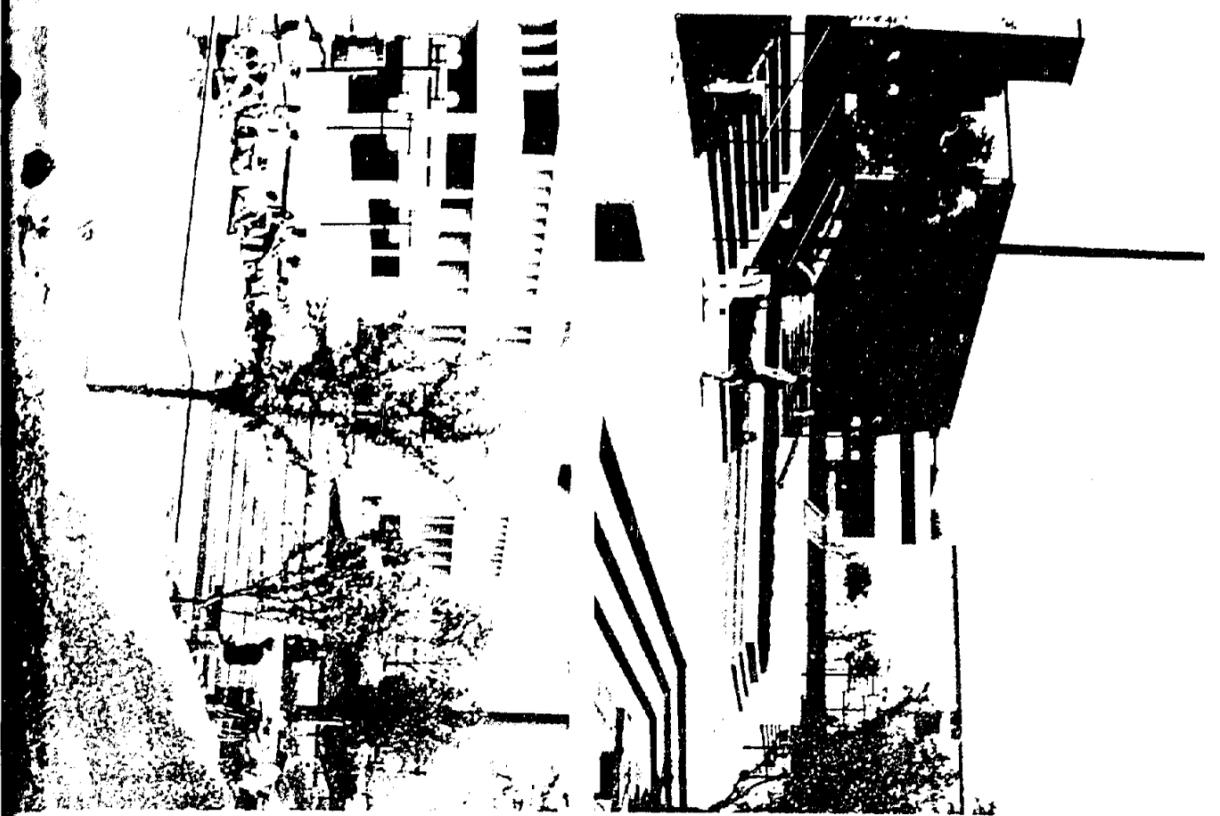


The University of Texas System
Statement of Assets and Net Worth

Assets		Liabilities		Net Worth	
1960	1959	1960	1959	1960	1959
Current Assets	1,234,567	Current Liabilities	567,890	1,234,567	1,234,567
Fixed Assets	8,765,432	Long-Term Liabilities	1,234,567	8,765,432	8,765,432
Total Assets	9,999,999	Total Liabilities	1,802,457	10,000,000	10,000,000
Total Net Worth	8,197,542			8,197,542	8,197,542

The University of Texas System
Current Revenues, Expenditures and Mandatory Transfers

Revenues		Expenditures		Mandatory Transfers	
1960	1959	1960	1959	1960	1959
Operating Revenues	1,234,567	Operating Expenditures	987,654	Operating Transfers	123,456
Investment Revenues	567,890	Capital Expenditures	345,678	Capital Transfers	234,567
Other Revenues	345,678	Other Expenditures	234,567	Other Transfers	123,456
Total Revenues	2,148,135	Total Expenditures	1,567,899	Total Mandatory Transfers	481,479
Total Net Change	580,236				



Permanent University Fund

The University of Texas System is endowed through its interest in the Permanent University Fund, the income from which is divided two-thirds to The University of Texas System and one-third to The Texas A&M University System (with the exception of income from grazing leases on University lands, all of which goes to the University of Texas System). The initial assets of the Fund were obtained through substantial grants of land by the State of Texas, which retained its public lands when the Republic of Texas became a state. Fund assets, which are now in excess of \$1 billion, had a carrying value as of August 31, 1978, of \$1.05 billion as shown below:

	<u>Carrying Value</u>
Cash and Accounts Receivable	\$ 970,719
Commercial Paper	48,046,000
U. S. Treasury and Agency Securities	315,197,453
FHA Real Estate Mortgages (Net)	8,171,094
Corporate Bonds	297,913,283
Common Stocks	363,603,843
Convertible Debentures	6,983,090
Convertible Preferred Stock	2,434,505
Land (nominal value)	10,027,384
Total	<u>\$1,053,347,371</u>

The Permanent University Fund owns approximately 2,100,000 acres of land located in nineteen West Texas counties with a substantial portion of the land producing revenue from oil and gas payments. Permanent University Fund Bonds are issued periodically for the purpose of constructing, equipping or acquiring buildings or other permanent improvements for The University of Texas System and are secured by a pledge of the interest of The University of Texas System in income from the Permanent University Fund. As of August 31, 1978, The University of Texas System had outstanding \$136,200,000 of Permanent University Fund Bonds with debt service of approximately \$16 million for the fiscal year ending August 31, 1979, and declining gradually thereafter. In addition, the System also has outstanding approximately \$56,425,000 Building Revenue Bonds, payable from the income of the Permanent University Fund, with maximum annual debt service of approximately \$4.22 million for the fiscal year ending August 31, 1981. The U. T. System's share of the net income from the Fund for the fiscal year ending August 31, 1979, is estimated to be in excess of \$43 million.

THE UNIVERSITY OF TEXAS AT DALLAS

History and General

The University of Texas at Dallas was created as an upper level institution in September, 1969, by Act of the 61st Texas Legislature. This Act enabled the transfer of the privately founded Southwest Center for Advanced Studies (SCAS) to the State of Texas. Prior to that time, SCAS had operated for approximately eight years as a privately supported research and teaching institution. The main academic thrust at the Center was in the fields of atmospheric and space sciences, geosciences, molecular biology and general relativity. As a private institution, SCAS engaged in many cooperative graduate-level activities with other universities and colleges in its immediate geographic area, as well as nationally and internationally. Doctoral dissertation research opportunities were offered to graduate students from other institutions who later received doctorates from their "home" universities.

The history of the graduate programs at U.T. Dallas is short but distinguished. As a result of research and study at the University and its predecessor, SCAS, one or more Ph.D. or master's degrees in physics, mathematics, geosciences and biology have been awarded at Oklahoma State University, The University of Texas at Austin, The University of Brussels, Southern Methodist University, North Texas State University, Emory University, The University of Brazil, Texas A&M University, The University of Cologne, Tokyo Metropolitan University, the University of London, the Federal University of Rio de Janeiro, and the University of Witwatersrand in South Africa. Since 1972, U.T. Dallas has awarded its own graduate degrees.

Since the establishment of SCAS, a distinguished and well-recognized program of scientific research has existed on the campus. The nature of this research has varied widely, from the instrumentation for lunar and planetary exploration to problems in the biochemical repair of animal cells, to the neurological basis of deafness, and has been expanded to include the management sciences, mathematical sciences, social and behavioral sciences, and the humanities. Research continues to represent a major focus of the educational programs at U.T. Dallas.

The University is organized into the Schools of Arts and Humanities, General Studies, Human Development, Management and Administration, Natural Sciences and Mathematics, and Social Sciences. Bachelor's degrees are currently offered in 24 separate areas of study. The University offers complete graduate programs in seventeen different disciplines, with eleven of them leading to doctoral degrees. The University is fully accredited by the Southern Association of Colleges and Schools.

Through its Center for Continuing Education, U.T. Dallas offers a wide variety of noncredit programs designed to accommodate the learning interests of citizens in the North Texas area. Conferences, workshops, seminars, and short courses are offered to assist individuals and groups in keeping abreast of new knowledge and developments related to business, professional, scientific and technological fields. In certain approved programs, continuing education units are awarded to participants upon completion.

The Eugene McDermott Library at the University is a depository for United States Government and Texas State publications and maintains current files of United Nations documents, as well as various other state and governmental agency publications. The library is connected by computer terminal to the Ohio College Library Center, an on-line bibliographic network, and cooperates with local institutions to provide access to the outstanding library resources of the Southwest.

On September 1, 1975, U.T. Dallas acquired the Callier Center for Communication Disorders in Dallas and an endowment, valued at approximately \$7.5 million. The Center was first organized as a private foundation to offer services to people who suffer from any type of communication disorder. During the past ten years, Callier Center has become well known for meeting the assessment, treatment, education and social service needs of the communicatively handicapped. The Center has programs in preschool deaf education, parent education, deaf-blind education, and child development. Its clinical services include audiology, speech pathology, language development, and services for deaf adults. Its research activities include psychoacoustics, auditory neurophysiology, speech science and audiology.

The main campus of the University is located in Richardson, Texas, a suburban community in northeast Dallas County, and is comprised of approximately 627 acres

and more than 1,000,000 square feet of buildings. Total book value of plant assets at August 31, 1978, was approximately \$67 million.

Financial Support

As a State institution, The University of Texas at Dallas receives a large portion of its operating funds from State appropriations. Other operating funds are derived from university-owned auxiliary enterprises and sponsored programs, primarily research and public service projects. The Operating Budget for fiscal year 1979, the Condensed Statement of Assets and Net Worth at August 31st for the past five fiscal years and the Summary Statement of Current Revenues, Expenditures and Mandatory Transfers for the past five fiscal years are set forth in the following schedules.

The University of Texas at Dallas
Summary Statement of Budget
Fiscal Year 1979

CURRENT INCOME	
State Appropriations	\$12,897,000
Tuition and Student Fees	1,198,500
Federal Grants and Contracts	5,876,043
Other Gifts, Grants, and Contracts	1,835,000
Auxiliary Enterprises and Activities	1,745,000
Balances Reappropriated	750,000
Total Current Income and Balances Reappropriated	\$24,301,543
CURRENT EXPENDITURES AND MANDATORY TRANSFERS	
Educational and General	\$21,797,184
Auxiliary Enterprises and Activities	1,744,070
Mandatory Transfers	438,000
Total Current Expenditures and Mandatory Transfers	\$23,979,254
Excess Income Over Expenditures and Mandatory Transfers	\$ 322,289

The University of Texas at Dallas
Condensed Statement of Assets and Net Worth

	Fiscal Year Ended 8-31:				Projected Est. 1978
	1974	1975	1976	1977	
ASSETS					
Current Funds					
General	\$ 287,740	\$ 540,198	\$ 1,581,042	\$ 2,525,361	\$ 2,600,000
Auxiliary Enterprises	26,558	168,112	424,986	420,550	350,000
Designated	6,251	45,573	467,353	373,325	1,270,000
Restricted	2,899,032	3,705,490	5,743,189	6,298,067	5,000,000
Total Current Funds	\$ 3,219,581	\$ 4,459,373	\$ 8,216,570	\$ 9,617,303	\$ 9,220,000
Loan Funds	48,746	136,952	216,215	366,496	450,000
Endowment Funds	1,216,853	1,360,761	7,713,600	7,842,717	7,834,000
Plant Funds					
Unexpended	\$12,562,399	\$ 6,487,682	\$ 3,220,588	\$ 4,213,949	\$ 1,560,000
Renewals and Replacement	-0-	-0-	-0-	145,004	200,000
Invested in Plant	39,727,852	49,795,243	57,597,183	62,147,789	67,000,000
Total Plant Funds	\$52,290,241	\$56,282,925	\$60,817,771	\$66,506,742	\$68,760,000
Agency Funds	11,867	8,189	33,862	68,032	50,000
Deduct: Interfund Group Accounts	91,846	164,710	564,823	425,000	500,000
GROSS TOTAL ASSETS	\$56,695,442	\$62,083,490	\$76,433,195	\$83,976,290	\$85,814,000
Less: Total Liabilities	1,130,571	1,551,502	2,147,760	2,251,365	2,300,000
FUND BALANCES (i.e., Net Worth)	\$55,564,871	\$60,531,988	\$74,285,435	\$81,724,925	\$83,514,000

The University of Texas at Dallas
Current Revenues, Expenditures and Mandatory Transfers

	Fiscal Year Ended 8-31:				Projected Est. 1978
	1974	1975	1976	1977	
CURRENT REVENUES					
Tuition and Fees	\$ 119,729	\$ 188,785	\$ 1,063,510	\$ 1,733,775	\$ 2,110,000
Federal Funds	3,219,779	3,937,157	6,304,598	6,156,904	5,800,000
State Appropriations	4,789,043	6,220,593	11,921,965	14,669,179	14,620,000
Private Gifts	333,861	501,398	898,645	1,092,946	950,000
Endowment Income	41,343	73,920	41,093	59,349	50,000
Sales and Services of Auxiliary Enterprises	111,728	153,777	1,160,771	995,855	1,160,000
Sales and Services of Educational Departments and Other Services	43,147	71,336	1,473,526	1,350,987	1,540,000
Total Current Revenues	\$ 8,658,630	\$11,146,966	\$22,864,108	\$26,058,995	\$26,230,000
CURRENT EXPENDITURES AND MANDATORY TRANSFERS					
Educational and General	8,887,370	10,720,919	19,861,161	21,747,613	22,100,000
Auxiliary Enterprises	110,026	182,065	1,111,920	1,474,382	1,540,000
Mandatory Transfers	67,452	121,852	497,381	620,000	330,000
Total Current Expenditures and Mandatory Transfers	9,064,848	11,024,836	21,470,462	23,841,995	23,970,000
EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS	(\$ 406,218)	\$ 122,130	\$ 1,393,646	\$ 2,217,000	\$ 2,260,000

Footnote:

The University uses the modified accrual method of accounting prescribed for Colleges and Universities as set forth in College and University Business Administration, Revised Edition, 1974.

Enrollment Data

A record of headcount enrollment at The University of Texas at Dallas since 1973 is shown below:

Scholastic Year	Fall Semester	Spring Semester	Summer Session	
			First Term	Second Term
1973-74	382	398	330	-0-
1974-75	700	827	614	-0-
1975-76	3,333	3,586	2,497	-0-
1976-77	4,416	4,463	2,670	1,087
1977-78	5,335	5,148	2,883	1,179
1978-79	5,427*			

* Preliminary.

A further breakdown of headcount enrollment as to men and women students for the past five fall semesters and the current fall semester is as follows:

Fall Semester	Men Students	Women Students
1973	305	77
1974	504	196
1975	1,982	1,351
1976	2,491	1,925
1977	2,913	2,420
1978*	2,964	2,463

* Preliminary.

As a means for further comparison, total semester credit hours enrolled by semester at The University of Texas at Dallas for the past five years is shown below:

Scholastic Year	Semester Credit Hours Enrolled				Grand Total
	Fall Semester	Spring Semester	Summer Session		
			First Term	Second Term	
1973-74	5,013	3,088	2,191	*	8,292
1974-75	5,030	5,794	3,827	*	14,651
1975-76	29,230	30,971	16,005	*	76,206
1976-77	38,297	36,908	14,463	4,625	94,293
1977-78	41,945	40,282	16,093	4,769	103,089
1978-79	42,000**				

* Included in First Summer Session total.

** Preliminary.

Origins of students enrolled for fall semesters for each of the past five years are shown below:

	1974	1975	1976	1977	1978*
Texas	609	3,167	4,110	4,953	5,040
Out-of-State	22	75	170	169	170
Foreign	69	91	136	211	217
Total	700	3,333	4,416	5,333	5,427

* Preliminary.

Additional enrollment details for the Fall 1977 semester are as follows:

Type of Student	Fall 1977
Texas Resident	4,878
Out-of-State	169
Foreign	211
High School Scholarship	-0-
Hazelwood Act	55
State Commission for the Blind	2
Good Neighbor	1
State Commission for the Deaf	2
Vocational Rehabilitation	15
Total Headcount Enrollment	5,333

Semester Hour Load	Fall 1977
More than 15 Semester Hours	141
15 Semester Hours	330
14 Semester Hours	96
13 Semester Hours	145
10 through 12	887
7 through 9	910
4 through 6	1,592
3 or Less	1,232
Total Headcount Enrollment	5,333

Student Classification	Fall 1977
Juniors	2,211
Seniors	616
Master's Degree Candidates	2,190
Doctoral Candidates	316
Total Headcount Enrollment	5,333

The University of Texas at Dallas is basically an urban institution and many of its students live in the immediate area or commute. A recent analysis of the geographical distribution of students showed that 89% of its students were residents of Dallas or Collin Counties. Others of the University's students were from 51 other Texas counties, 40 other states and 37 foreign countries. Following the previous substantial annual increases in enrollment shown above, and the graduation of the first full class this year, fall enrollment appears to have stabilized. University officials now expect more moderate annual increases, in the range of 2% to 3%. For planning purposes, University officials estimate enrollment growth for the next four years as follows:

Fall Semester	Estimated Headcount Enrollment
1979	5,550
1980	5,700
1981	5,850
1982	6,000

Attendance Costs

The cost of attending any of The University of Texas System institutions is competitive with other Texas colleges and universities and is less than the attendance costs at most other universities in other states. Tuition charges at state universities in Texas are uniform and are lower than national averages. The basic tuition rate for Texas resident students, both graduate and undergraduate, is \$4 per semester credit hour, but not less than \$50 per semester or \$25 per six weeks summer session. New out-of-state students pay \$40 per semester credit hour as basic tuition, except as indicated below, and those enrolled in the Medical Program pay \$400 per semester. As an example of overall costs, total tuition and mandatory fees at U.T. Dallas will be only approximately \$210 per regular semester for full-time state resident students.

Texas is one of several southern states participating in the Academic Common Market, an interstate agreement for sharing state-supported graduate programs. Residents of member states who are accepted for admission into selected out-of-state graduate

programs may enroll on an in-state rather than out-of-state tuition basis.

The University of Texas at Dallas offers master's and/or doctorate degrees in the areas of Communication Disorders, Environmental Sciences, Humanities, International Management, and Political Economy at Texas in-state tuition rates for residents of Alabama, Arkansas, Kentucky, Louisiana, South Carolina, Tennessee, Virginia and West Virginia, depending on the area of specialization of the student and the degree program offered.

For residents of Texas, the following programs are available at in-state tuition rates (those in-state rates applicable to the state where the graduate program is offered):

<u>Program</u>	<u>Degree</u>	<u>Institution</u>
African History	Doctor of Philosophy	West Virginia University
Applied Physics	Master of Science	University of New Orleans
Black History	Master of Arts	Morgan State University
Chemical Physics	Master of Science	Louisiana State University
Early American History	Doctor of Philosophy	
Human Capital and Manpower Economics	Doctor of Philosophy	College of William and Mary
Mycology	Doctor of Philosophy	University of South Carolina
Mycotoxicology	Doctor of Philosophy	Auburn University
Pharmacy (Biopharmaceutics)	Master of Science	West Virginia University
Photography/Film	Master of Fine Arts	Virginia Commonwealth University
Physical Education (Adapted and Developmental)	Doctor of Education in Educational Supervision	Virginia Polytechnic Institute and State University
Polymer Engineering	Master of Science	University of Tennessee
Polymer Science	Doctor of Philosophy	
Religious Studies	Master of Science	University of Southern Mississippi
Social Work in Rural and Developing Communities	Doctor of Philosophy	University of Virginia
Soil Science - Minesoil Reclamation	Master of Social Work	West Virginia University
Tax Accounting	Doctor of Philosophy	West Virginia University
	Master of Tax Accounting	University of Alabama

Retirement System

Pension funds for employees of U. T. Dallas and other state colleges and universities in Texas are administered by the Teacher Retirement System of Texas or alternatively the employee can elect to join the Optional Retirement Program with an approved insurance company of their choice. The individual employees contribute a fixed amount of their salary, presently 6.65% and the State of Texas currently contributes 7.5%. The individual state colleges or universities in Texas do not incur any pension fund expenditures or liabilities.

Other Indebtedness

The University of Texas at Dallas has no revenue bonds outstanding and payable from auxiliary enterprises or student fees, other than the Bonds offered herein.

LEGAL OPINIONS

The Board of Regents will furnish a transcript of proceedings had incident to the issuance and authorization of the Bonds, including a no-litigation certificate and a certified copy of the unqualified approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, stating that the Bonds are valid and binding obligations of the Board of Regents. The Board will furnish the unqualified approving legal opinion of Messrs. Vinson & Elkins, Houston, Texas, Bond Counsel for the Board ("Bond Counsel"), to the effect that, based upon an examination of such transcript, the Bonds are valid and binding special revenue obligations of the Board of Regents of The University of Texas System and that the interest on the Bonds is exempt from all present Federal income taxes under existing statutes, regulations, rulings and court decisions. The legal opinion of Messrs. Vinson & Elkins will be printed on the Bonds. Messrs. Vinson & Elkins were not requested to participate and did not take part in the preparation of this Official Notice of Sale or the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds and the Bond Resolution in this Official Notice of Sale and the Official Statement to verify that such description conforms to the provisions of the Bond Resolution. The legal fees to be paid Messrs. Vinson & Elkins for services rendered in connection with the issuance of the Bonds are contingent on the sale and delivery of the Bonds.

FINANCIAL ADVISOR

Russ Securities Corporation, the Municipal Finance Subsidiary of Rotan Mosle Financial Corp., is employed as Financial Advisor to the Board under an agreement providing for a fee based on a percentage of the face amount of each separate issuance of bonds, such fee to be contingent upon the bonds actually being issued, sold and delivered. Although Russ Securities Corporation performed an active role in the drafting of this Official Notice of Sale and Official Statement, it has not independently verified all of the information set forth herein. No person, therefore, is permitted to rely upon the participation of the Financial Advisor as an implicit or explicit expression of opinion as to said completeness and accuracy.

AUTHENTICITY OF FINANCIAL INFORMATION

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

CERTIFICATION OF THE OFFICIAL STATEMENT

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

W. L. Lobb

W. L. Lobb, Executive Director for
Investments, Trusts & Lands
The University of Texas System

September 19, 1978

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, APARTMENT REVENUE BONDS, SERIES 1978: (1) RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, APARTMENT REVENUE BONDS, SERIES 1978, IN THE AMOUNT OF \$1,500,000 AND AWARDING THE SALE OF THE BONDS TO TEXAS COMMERCE BANK NATIONAL ASSOCIATION, HOUSTON, TEXAS; (2) DESIGNATION OF TEXAS COMMERCE BANK NATIONAL ASSOCIATION, HOUSTON, TEXAS, AND ARLINGTON BANK & TRUST, ARLINGTON, TEXAS, BANKS OF PAYMENT; AND (3) AWARD OF CONTRACT TO HELMS PRINTING, INC., DALLAS, TEXAS, FOR PRINTING. --The following written Resolution (Pages 19 - 33) was duly introduced for the consideration of said Board and read in full. It was then duly moved by Regent Law and seconded by Vice-Chairman Williams that said Resolution be adopted; and after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present
(Page 1) voted "Aye" except Regent Clark,
who was present "not voting"

NOES: None

The adoption of this Resolution authorized issuance of Board of Regents of The University of Texas System, The University of Texas at Arlington, Apartment Revenue Bonds, Series 1978, in the amount of \$1,500,000 and awarded the sale of the bonds to Texas Commerce Bank National Association, Houston, Texas, for a price of par plus accrued interest thereon from the date thereof to the date of actual delivery (Page 32) with 6.00% coupon rates for bonds maturing from 11-1-79/11-1-83 and 6.25% coupon rates for bonds maturing 11-1-84/11-1-98, at a net interest cost of 6.24%, Page 20 .

Upon motion of Regent Law, seconded by Vice-Chairman Williams, the bid of Texas Commerce Bank National Association, Houston, Texas, to serve with Arlington Bank & Trust, Arlington, Texas, as Banks of Payment for Board of Regents of The University of Texas System, The University of Texas at Arlington, Apartment Revenue Bonds, Series 1978, in the amount of \$1,500,000 was unanimously accepted (Pages 21, 23). The bank will charge the Board of Regents \$0.17½ per coupon and \$2.00 per bond with a minimum charge of \$35.00.

The contract for printing the Board of Regents of The University of Texas System, The University of Texas at Arlington, Apartment Revenue Bonds, Series 1978, in the amount of \$1,500,000, was awarded unanimously to Helms Printing, Inc., Dallas, Texas, upon motion of Regent Law, seconded by Vice-Chairman Williams. These bonds are to be printed according to specifications with lithographed borders for the sum of \$529.00, there being two interest rates.

The proceeds from this bond issue will be used to refund approximately \$650,000 of 9-1/2% mortgage notes on Cooper South Apartments, West Apartments and Border West Apartments and with up to \$214,000 to be appropriated from University funds to acquire the Pisces Apartments and Capricorn Apartments. (See Page 206 for appropriation.)

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RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON APARTMENT REVENUE BONDS, SERIES 1978, \$1,500,000

WHEREAS, The University of Texas at Arlington desires to acquire certain apartment properties to provide housing for its students and further desires to refinance certain special obligations secured by certain deeds of trust encumbering certain other apartment properties already owned and operated by the University; and

WHEREAS, the Board of Regents of The University of Texas System is authorized to issue the bonds hereinbelow authorized pursuant to Chapter 55, Texas Education Code, as amended, and Article 717k, Vernon's Texas Civil Statutes, as amended; Now, Therefor,

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

Section 1: NAME, AMOUNT, PURPOSE AND AUTHORIZATION. That the Board's negotiable, serial, coupon bonds to be designated "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON APARTMENT REVENUE BONDS, SERIES 1978" (hereinafter called the "Bonds"), are hereby authorized to be issued, sold, and delivered in the principal amount of \$1,500,000 (i) for the purpose of providing funds to acquire, purchase, construct, improve, enlarge and/or equip property, buildings, structures, activities, services, operations or other facilities at The University of Texas at Arlington, to wit, the acquisition and purchase of certain apartment properties for such University, under and in strict conformity with the Constitution and laws of the State of Texas, including particularly Chapter 55 of the Texas Education Code, as amended, and (ii) to provide all or any part of the money required to pay the principal of and interest on any special obligations of the Board to be refunded, to wit, the outstanding balances of certain notes secured by deeds of trust against certain apartment properties owned by the University, under and in strict conformity with Article 717k, Vernon's Texas Civil Statutes, as amended.

Section 2: DATE, DENOMINATION AND MATURITIES. That the Bonds shall be dated November 1, 1978, shall be numbered consecutively from 1 to 300 in order of their maturities, shall be in the denomination of \$5,000 each, and shall mature serially on November 1 in each of the years and in the amounts, respectively, as follows:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1979	\$ 40,000	1989	\$ 75,000
1980	45,000	1990	75,000
1981	45,000	1991	80,000
1982	50,000	1992	85,000
1983	50,000	1993	90,000
1984	55,000	1994	100,000
1985	60,000	1995	105,000
1986	60,000	1996	110,000
1987	65,000	1997	115,000
1988	70,000	1998	125,000

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provided, however, that the Bonds shall be subject to redemption, prior to their scheduled maturities, at the option of the Board, on the dates stated and in the manner provided in the FORM OF BOND set forth in this Resolution.

Section 3: INTEREST RATES AND PAYMENT DATES. That the Bonds shall bear interest from their date until the principal sum is paid at the following rates per annum:

<u>Bonds Maturing</u>	<u>Interest Rate</u>
1979-1983	6.00%
1984-1998	6.25%

with said interest being evidenced by interest coupons payable on each May 1 and November 1, beginning May 1, 1979.

Section 4: MANNER OF PAYMENT, REDEMPTION AND OTHER CHARACTERISTICS. That the Bonds, and the interest coupons appertaining thereto, shall be payable, shall be subject to redemption prior to maturity, shall have the characteristics, and shall be signed and executed (and said Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

Section 5: FORM OF BONDS. That the form of the Bonds, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each Bond, and the form of interest coupons to be attached to said Bonds, shall be, respectively, in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and permitted by this Resolution:

NO. _____ \$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT ARLINGTON
APARTMENT REVENUE BOND
SERIES 1978

ON NOVEMBER 1, 19___, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (hereinafter sometimes called the "Board"), for and on behalf of THE UNIVERSITY OF TEXAS AT ARLINGTON, promises to pay to bearer, but solely from the Gross Revenues hereinafter described, the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon from the date hereof at the rate of ___% per annum, payable semi-annually on each May 1 and November 1 until said principal sum is paid beginning May 1, 1979, but only upon presentation and surrender of the interest coupons hereto appertaining as they severally become due. The principal of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon, at the following, which shall constitute and be defined as the "Banks of Payment" for this Series of Bonds:

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TEXAS COMMERCE BANK NATIONAL ASSOCIATION, Houston, Texas,
or, at the option of the bearer, at
ARLINGTON BANK & TRUST, Arlington, Texas.

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS of like tenor and effect except as to serial number, interest rate, right of prior redemption and maturity, numbered 1 through 300, both inclusive, in the denomination of \$5,000 each, in the aggregate principal amount of \$1,500,000, issued pursuant to a Resolution (hereinafter called the "Resolution") adopted by the Board on the 20th day of October, 1978, for the purpose of providing funds to acquire, purchase, construct, improve, enlarge and/or equip property, buildings, structures, activities, services, operations or other facilities at The University of Texas at Arlington, under and in strict conformity with the Constitution and laws of the State of Texas, including particularly Chapter 55 of the Texas Education Code, as amended, and to provide all or any part of the money required to pay the principal of and interest on certain special obligations to be refunded with a portion of the proceeds of said bonds, under and in strict conformity with Article 717k, Vernon's Texas Civil Statutes, as amended.

THE DATE OF THIS BOND, in accordance with the Resolution, is November 1, 1978.

THIS BOND AND ALL BONDS OF THE SERIES OF WHICH IT IS A PART are equally and ratably payable from and secured by a first lien on and pledge of certain Gross Revenues of a certain Apartment System at The University of Texas at Arlington, all as more fully provided in the Resolution, to which reference is made for all purposes. This bond and the issue of which it is a part, and the interest thereon, constitute special obligations of the Board and are payable solely from such Gross Revenues and do not constitute an indebtedness of the State of Texas, the Board or The University of Texas at Arlington. The bearer hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

ON NOVEMBER 1, 1989, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, the Board shall have the option of calling bonds of this series maturing serially on or after November 1, 1990, for redemption prior to maturity, in whole or in part, at par and accrued interest to the date of redemption, plus a premium (expressed as a percentage of the principal amount of each bond so called for redemption) as follows:

1% if redeemed November 1, 1989 through May 1, 1990;
3/4 of 1% if redeemed November 1, 1990 through May 1, 1991;
1/2 of 1% if redeemed November 1, 1991 through May 1, 1992;
1/4 of 1% if redeemed November 1, 1992 through May 1, 1993;
and
0% if redeemed November 1, 1993 and thereafter.

NOTICE OF REDEMPTION IS TO BE PUBLISHED in a financial publication published in the English language in the City of New York, New York, or in the City of Austin, Texas, at least once, not less than thirty (30) days before the date fixed for such redemption, and thirty (30) days' notice in writing is to be given to the Banks of Payment before the date so fixed for such redemption. On or before the date fixed for redemption, funds shall be placed in the Banks of Payment sufficient to pay the bonds called and accrued

interest thereon, plus the amount of premium, if any. If such written notice of redemption is published, and if due provision for such payment is made, all as provided above, the bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid by the Banks of Payment with the funds so provided for such payment.

IT IS HEREBY DECLARED AND REPRESENTED that, so long as this bond or the issue of bonds of which it is a part remains outstanding, the Board has covenanted and agreed that it will fix, levy, charge and collect rental rates and charges for the use and occupancy of the Apartment System which shall at all times produce Gross Revenues sufficient to pay as same becomes due principal of and interest on this bond and the series of which it is a part, to establish and maintain the Reserve Fund and Repair and Replacement Fund required by the Resolution and to pay all expenses of operating and maintaining the Apartment System.

IT IS FURTHER DECLARED AND REPRESENTED that this bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done in accordance with law; that this series of bonds does not exceed any Constitutional or statutory limitation; and that provision has been made for the payment of principal of and interest on this bond and the series of which it is a part by the irrevocable pledge of the Gross Revenues of the Apartment System.

THE BOARD HAS RESERVED THE RIGHT, subject to the restrictions stated in the Resolution, to issue additional parity revenue bonds which also may be made equally and ratably payable from and secured by an irrevocable first lien on and pledge of the aforesaid Gross Revenues.

IN WITNESS WHEREOF, the Board of Regents of The University of Texas System has caused the corporate seal of said Board to be impressed, printed or lithographed hereon and has caused this bond and the interest coupons attached hereto to be executed by the imprinted or lithographed facsimile signatures of the Chairman and the Secretary of the Board, respectively.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

By _____
Chairman

[SEAL]

ATTEST:

Secretary

OCT 20 1978

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(FORM OF INTEREST COUPON)

\$ _____ NO. _____

On the first day of _____, 19____, unless the bond to which this coupon appertains shall have been called for previous redemption and due provision made to redeem same, upon surrender of this coupon, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PROMISES TO PAY TO BEARER at TEXAS COMMERCE BANK NATIONAL ASSOCIATION, Houston, Texas, or, at the option of the bearer, at ARLINGTON BANK & TRUST, Arlington, Texas, but solely from the Gross Revenues specified in the bond to which this coupon appertains, the amount shown above, without exchange or collection charges to the bearer hereof, payable in lawful money of the United States, being interest then due on the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON APARTMENT REVENUE BOND, SERIES 1978, bearing the number hereinafter specified, dated November 1, 1978. The bearer hereof shall never have the right to demand payment of this obligation out of funds raised or to be raised by taxation. Bond No. _____.

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

Secretary

Chairman

(FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE)

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond and the proceedings for the issuance hereof have been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas and that it is a valid and binding special obligation of the Board of Regents of The University of Texas System payable from the revenues and other funds pledged to its payment by and in the proceedings authorizing the same, and I do further certify that this bond has this day been registered by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE at Austin,
Texas, this _____.

[SEAL]

Comptroller of Public Accounts
of the State of Texas

Section 6: DEFINITIONS. That throughout this Resolution the following terms and expressions as used herein shall have the meaning as set forth hereinbelow unless the text indicates otherwise:

The term "Additional Bonds" shall mean the additional parity revenue bonds permitted to be authorized in this Resolution.

The term "Apartment System" shall mean and include the following: (1) the existing facilities known as Border West Apartments, West Apartments and Cooper South Apartments now owned and operated by the University and the existing facilities known as the Pisces Apartment Complex and the Capricorn Apartment Complex to be purchased and acquired by the University with a portion of the proceeds of the Bonds; (2) all buildings, facilities and services of all of the foregoing, together with all improvements, extensions and additions thereto and replacements thereof; and (3) any apartment, housing or other facilities at any time hereafter added to the Apartment System as provided in this Resolution; but excluding any facility or facilities from time to time abandoned, sold or disposed of pursuant to the provisions of this Resolution.

The term "Banks of Payment" shall mean Texas Commerce Bank National Association, Houston, Texas, or, at the option of the holder, Arlington Bank & Trust, Arlington, Texas.

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

The terms "bondholder" or "holder" shall mean any person or persons who shall be the bearer of one or more of the Bonds.

The term "Bonds" shall mean the Board of Regents of The University of Texas System, The University of Texas at Arlington Apartment Revenue Bonds, Series 1978 herein authorized.

The term "Gross Revenues" shall mean (i) the gross collections of all revenues, income, receipts, rentals, rates, charges, fees or other resources derived from the ownership and operation of the Apartment System, (ii) all interest and income derived from the deposit or investment of moneys credited to the Revenue Fund, Interest and Sinking Fund and Reserve Fund, and (iii) any additional revenues, income, receipts, rentals, rates, charges, fees or other resources which may hereafter be pledged to the payment of the Bonds and Additional Bonds.

The term "Operating and Maintenance Expenses" shall mean all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, the properly allocated share of charges for insurance and all other expenses incident to the operation of the Apartment System, except and excluding depreciation, capital expenditures, all general administrative expenses of the University and the Board, and payments into the Repair and Replacement Fund.

The term "Net Revenues" shall mean that portion of the Gross Revenues remaining after deducting therefrom the Operating and Maintenance Expenses of the Apartment System.

The term "University" shall mean The University of Texas at Arlington, Arlington, Texas.

Section 7: SOURCE OF PAYMENT. That the Bonds and any Additional Bonds and the interest thereon, are and shall be payable from, and secured by an irrevocable first lien on and pledge of, the Gross Revenues. The Bonds and any Additional Bonds and interest coupons appertaining thereto shall

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constitute special obligations of the Board, payable solely from the Gross Revenues, and such obligations shall not constitute an indebtedness of the University, the Board, or the State of Texas, and the holders of the Bonds and Additional Bonds and the coupons attached thereto shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

Section 8: ESTABLISHMENT OF FUNDS. That there are hereby created and established the following funds:

(a) Apartment System Gross Revenue Fund (herein called the "Revenue Fund"), which shall be established as a separate account on the books of the University.

(b) Apartment Revenue Bonds Interest and Sinking Fund (herein called the "Interest and Sinking Fund"), which shall be established as a separate fund at an official depository of the University (which must be a member of the Federal Deposit Insurance Corporation).

(c) Apartment Revenue Bonds Reserve Fund (herein called the "Reserve Fund"), which shall be established as a separate fund at an official depository of the University (which must be a member of the Federal Deposit Insurance Corporation).

(d) Apartment System Major Repair and Replacement Fund (herein called the "Repair and Replacement Fund"), which shall be established as a separate account on the books of the University.

(e) Apartment System Operating and Maintenance Fund (herein called the "Operating and Maintenance Fund"), which shall be established as a separate account on the books of the University.

The Interest and Sinking Fund and the Reserve Fund shall constitute trust funds which shall be held in trust for the benefit of the holders of the Bonds and Additional Bonds. The Revenue Fund, Repair and Replacement Fund and Operating and Maintenance Fund shall constitute trust funds which shall be used solely as provided in this Resolution until all of the Bonds have been retired.

Section 9: FLOW OF FUNDS. That the Gross Revenues shall be deposited as collected into the Revenue Fund. Gross Revenues from time to time on deposit therein shall be applied in the following order of priorities:

(a) On or before November 30, 1978 and on or before the end of each month thereafter while any of the Bonds remain outstanding, there shall be transferred to the Interest and Sinking Fund amounts equal to 1/6th of the next maturing interest and 1/12th of the next maturing principal on the Bonds and Additional Bonds.

(b) On or before November 30, 1978 and on or before the end of each month thereafter, after making all required transfers to the Interest and Sinking Fund, there shall be transferred to the Reserve Fund the sum of \$2750 until the money and investments therein are at least equal in market value to the average annual principal and interest requirements on the

Bonds, and such transfers shall be resumed at any time that the balance in the Reserve Fund is reduced to less than such amount and shall be continued until such amount is again accumulated.

(c) On or before the end of the first month following the accumulation in the Reserve Fund of an amount equal to the average annual principal and interest requirements on the Bonds and any Additional Bonds, and on or before the end of each month thereafter during which the balance in the Reserve Fund is not less than such amount, there shall be transferred to the Repair and Replacement Fund the sum of \$2750 until the money and investments therein are at least equal in market value to \$100,000, and thereafter such transfers shall be resumed at any time that the balance in the Repair and Replacement Fund is reduced to less than such amount and shall be continued until such amount is again accumulated.

(d) On or before November 30, 1978 and on or before the end of each month thereafter, all amounts remaining in the Revenue Fund after making all of the transfers required above, shall be transferred to the Operating and Maintenance Fund.

(e) That if on any occasion there shall not be sufficient Gross Revenues to make the required deposits into the Interest and Sinking Fund, Reserve Fund or Repair and Replacement Fund, then such deficiencies shall be made up as soon as possible from the next available Gross Revenues, or from any other sources available for such purpose.

(f) That on or before each May 1 and November 1 while any of the Bonds remain outstanding, there shall be transferred to the Banks of Payment from the Interest and Sinking Fund (and from the Reserve Fund when and to the extent the amount in the Interest and Sinking Fund is otherwise insufficient) money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue or mature on such May 1 and November 1, together with the charges of the Banks of Payment and any premiums due on any Bonds called for redemption on such date. The Banks of Payment shall totally destroy all paid Bonds and Additional Bonds, if any, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

(g) That whenever the total amount in the Interest and Sinking Fund and Reserve Fund is equal to the aggregate principal amount of the Bonds and Additional Bonds outstanding, plus all coupons thereto appertaining, matured and unmatured, no further payments need be made into the Interest and Sinking Fund or Reserve Fund. In determining the amount of Bonds and Additional Bonds outstanding, there shall be subtracted the amount of any Bonds or Additional Bonds for which funds shall have been deposited in the Banks of Payment sufficient for such redemption.

Section 10: INVESTMENT OF FUNDS. That money in all Funds maintained pursuant to this Resolution may, at the option of the Board, be placed in time deposits or invested

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in direct obligations of or obligations the principal and interest of which are guaranteed by the United States of America; in direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Bank, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, and Banks for Cooperatives; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of February and August of each year. Interest and income derived from such deposits and investments shall be credited to the Fund from which the deposit or investment was made, except that, whenever the Reserve Fund contains the full amount required by this Resolution, interest and income derived therefrom may, at the discretion of the Board, be transferred to the Interest and Sinking Fund. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 11: SECURITY OF FUNDS. That all money in all Funds maintained pursuant to this Resolution to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the University, in principal amounts at all times not less than the amounts of money credited to such funds.

Section 12: REPAIR AND REPLACEMENT FUND. That all moneys from time to time on deposit to the credit of the Repair and Replacement Fund shall be used by the University for the purpose of paying any of the following expenses of the Apartment System not paid for from the Operating and Maintenance Fund: unusual or extraordinary maintenance or repairs, renewals and replacements, and the renovation or replacement of furniture and equipment not paid as part of the Operating and Maintenance Expenses of the Apartment System.

Section 13: OPERATING AND MAINTENANCE FUND. That moneys from time to time on deposit to the credit of the Operating and Maintenance Fund shall be used by the University to pay the Operating and Maintenance Expenses of the Apartment System. Any moneys remaining in the Operating and Maintenance Fund after payment of all Operating and Maintenance Expenses of the Apartment System may be used by the Board for any lawful purpose.

Section 14: ADDITIONAL BONDS. That the Board shall have the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds") in any amounts, for any lawful purpose, including the refunding of any Bonds or Additional Bonds. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Resolution, shall be payable equally and ratably on a parity with the Bonds, and all other outstanding Additional Bonds, and secured by an irrevocable first lien on and pledge of the Gross Revenues. Each resolution under which Additional Bonds are issued shall provide that the Interest and Sinking Fund and the Reserve Fund shall secure and be used to pay all Additional Bonds as well as the Bonds. However, each resolution under which Additional Bonds are issued shall specifically provide and require that, in addition to the amounts required by the provisions of all resolutions authorizing the Bonds and any

then outstanding Additional Bonds to be deposited to the credit of the Interest and Sinking Fund and Reserve Fund, the Board shall transfer from the Gross Revenues and deposit to the credit of the Interest and Sinking Fund at least such additional amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same comes due, and that the Board shall transfer from said Gross Revenues and deposit to the credit of the Reserve Fund at least such amounts as will, together with any amounts already deposited in the Reserve Fund or other amounts required to be subsequently deposited therein in connection with the Bonds and any other then outstanding Additional Bonds, be sufficient to cause the Reserve Fund to accumulate and contain, within a period of not to exceed five years after the date of said Additional Bonds then being issued, a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of such proposed Additional Bonds, the then outstanding Bonds, and any then outstanding Additional Bonds. The principal of all Additional Bonds must be scheduled to be paid or mature on November 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on November 1 and May 1. Additional Bonds shall be issued only in accordance with the resolutions authorizing the Bonds and Additional Bonds then outstanding; however, notwithstanding any provisions of such resolutions to the contrary, no installment, series, or issue of Additional Bonds shall be issued or delivered unless:

(a) The senior financial officer of the The University of Texas System signs a written certificate to the effect that the Board is not in default as to any covenant, condition, or obligation in connection with the then outstanding Bonds and Additional Bonds, and the resolutions authorizing same, and that the Interest and Sinking Fund and Reserve Fund each contain the amount then required to be therein.

(b) The State Auditor of the State of Texas, or a certified public accountant, signs a written certificate to the effect that, during either the University's fiscal year, or the twelve calendar month period, next preceding the date of execution of such certificate, the Net Revenues were at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds then outstanding.

(c) The senior financial officer of The University of Texas System signs a written certificate to the effect that during each University fiscal year while any Bonds or Additional Bonds, including the proposed Additional Bonds, are scheduled to be outstanding, beginning with the fiscal year next following the date of the then proposed Additional Bonds, the Net Revenues estimated to be received during each of said fiscal years, respectively, will be at least equal to 1.25 times the principal and interest requirements on all then outstanding Bonds and Additional Bonds, and the then proposed Additional Bonds, during each of said fiscal years, respectively;

provided, however, that requirements (b) and (c) shall not apply to any refunding bonds with average annual principal and interest requirements no greater than those of the bonds being refunded.

Section 15: RATES AND CHARGES. That the Board covenants and agrees that it shall fix, levy, charge and collect, so long as the Bonds remain outstanding, rental rates and charges for the use and occupancy of the Apartment System which shall at all times produce Gross Revenues sufficient to pay principal of and interest on the Bonds and any Additional Bonds as same becomes due, to establish and maintain the Reserve Fund and Repair and Replacement Fund in the amounts required by this Resolution and any resolutions authorizing Additional Bonds and to pay all Operating and Maintenance Expenses of the Apartment System.

Section 16: INSURANCE. (a) That the Board covenants and agrees that, so long as the Bonds remain outstanding, it shall maintain fire and extended coverage insurance on the Apartment System in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed 80% of the full insurable value of the damaged property. Such insurance shall be carried with a reliable insurance company or companies and the premiums on such insurance shall be paid as an Operating and Maintenance Expense. Upon the happening of any loss or damage covered by such policies, the Board shall make proof of loss and shall do all things necessary or desirable to cause the insurance company to make payment in full directly to the Board. Upon the happening of any loss or damage to the insured property, the Board shall forthwith repair or replace the damaged or destroyed property and shall apply the insurance proceeds solely for that purpose. Any insurance proceeds remaining after the repair and replacement of the damaged or destroyed property shall be deposited to the credit of the Reserve Fund. If the insurance proceeds shall be insufficient to make the property suffering such loss or damage tenable or useful, and if no other funds are available for such purpose, then the insurance proceeds shall be deposited to the credit of the Reserve Fund.

(b) That the Board further covenants and agrees that, so long as the balance in the Reserve Fund is less than the full amount required to be accumulated therein, it shall maintain use and occupancy insurance on the Apartment System in an amount equal to the average annual principal and interest requirements on the Bonds and Additional Bonds then outstanding.

Section 17: ADDITIONS TO APARTMENT SYSTEM; DISPOSITION OF SYSTEM PROPERTY.

(a) That the Board may at any time add any apartment, housing or other facilities to the Apartment System by adopting a resolution or resolutions designating such facility or facilities as a part of the Apartment System, and thereupon the Gross Revenues of each such additional facility shall immediately become subject to the lien and pledge of this Resolution.

(b) That the Board reserves the right to abandon, sell or dispose of any facility or building constituting a part of the Apartment System, provided that it certifies prior to such abandonment, sale or disposition either (i) the building or facility to be abandoned, sold or disposed of is no longer economically capable of producing Net Revenues; or (ii) the Net Revenues of the remaining Apartment System during either the University's Fiscal Year, or the twelve calendar month period, next preceding the date of such

abandonment, sale or disposition plus the estimated annual Net Revenues of any building or facility to be added to the Apartment System are at least 1.25 times the average annual principal interest requirements of all Bonds and Additional Bonds then outstanding.

Section 18: ADDITIONAL COVENANTS. The Board covenants and agrees that:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and in each and every Bond and Additional Bond; that it will promptly pay or cause to be paid from the Gross Revenues the principal of and interest on every Bond and Additional Bond, on the dates and in the places and manner prescribed in such Bonds or Additional Bonds; and that it will, at the times and in the manner prescribed herein, deposit or cause to be deposited, from the Gross Revenues, the amounts of money specified herein.

(b) It is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the holders thereof are and will be valid and enforceable special obligations of the Board in accordance with their terms.

(c) The University owns and is lawfully possessed of, or will own and be lawfully possessed of within a reasonable time after the sale and delivery of the Bonds, the Apartment System, and has, or will have, good and indefeasible estate in such Apartment System in fee simple, that it warrants that it has, and will defend, the title to all the aforesaid Apartment System, and every part thereof and improvements thereon, for the benefit of the holders of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Gross Revenues to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon the Apartment System, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) Insofar as it lawfully may, it will continuously and efficiently operate and maintain in good condition, and

at a reasonable cost, the Apartment System and the facilities and services thereof, so long as any Bonds are outstanding.

(f) While the Bonds are outstanding and unpaid, the Board shall not additionally encumber the Gross Revenues in any manner, except as permitted by this Resolution in connection with the issuance of Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution.

(g) Proper books of record and account will be kept in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Apartment System, and each year while any of the Bonds is outstanding, the University will prepare from such books of record and account a preliminary financial report containing statements of (i) Gross Revenues, Operating and Maintenance Expenses and Net Revenues, (ii) year end balances in funds maintained pursuant to the Resolution and changes in such fund balances from the previous fiscal year and (iii) a schedule of insurance policies, if any, based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of the following year. Such preliminary reports shall be furnished to the original purchasers of the Bonds, the Municipal Advisory Council of Texas, the principal municipal bond rating agencies and any holder of the Bonds who shall request same.

(h) That each year while any of the Bonds is outstanding, an audit will be made of its books and accounts relating to the Apartment System by the State Auditor of the State of Texas, or a certified public accountant, such audit to be based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of the following year. As soon as practicable after the close of each such fiscal year, and when said audit has been completed and made available to the Board, a copy of such audit for the preceding fiscal year shall be mailed to the original purchasers of the Bonds, and to all other bondholders who shall so request. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

Section 19: NO ARBITRAGE. That the Board certifies that based upon all facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the Board reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds or any portion of the Bonds to be an "arbitrage bond" under Section 103(c)(2) of the Internal Revenue Code of 1954, as amended, and the regulations prescribed thereunder. Furthermore, all officers, employees and agents of the Board or the University are authorized and directed to provide certifications of facts and estimates which are material to the reasonable expectations of the Board as of the date the Bonds are delivered and paid for. In particular, all or any officers of the Board or the University are authorized to certify for the Board the facts and circumstances and reasonable expectations of the Board on the date the Bonds are delivered and paid for regarding the amount and use of the proceeds of the Bonds. Moreover, the Board covenants that it shall make such use of the proceeds of the Bonds, regulate investments of proceeds of

the Bonds, and take such other and further action as may be required so that the Bonds shall not be "arbitrage bonds" under Section 103(c)(2) of the Internal Revenue Code of 1954, as amended, and regulations prescribed from time to time thereunder.

Section 20: DISCHARGE BY DEPOSIT. That the Board may discharge its obligation to the holders of any or all of the Bonds and coupons appertaining thereto to pay principal, interest and redemption premium (if any) thereon by depositing with the State Treasurer or at the Banks of Payment either: (1) cash equivalent to the principal amount and redemption premium, if any, plus interest to the date of maturity or redemption, or (2) direct obligations of, or obligations the principal and interest of which are guaranteed by, the United States of America, in principal amounts and maturities and bearing interest at rates sufficient to provide for the timely payment of the principal amount and redemption premium, if any, on such Bonds plus interest to the date of maturity or redemption; provided, however, that if any of such Bonds are to be redeemed prior to their date of maturity, provision shall have been made for giving notice of redemption as provided herein. Upon such deposit, the Bonds and coupons appertaining thereto shall no longer be regarded as outstanding and unpaid. Also, whenever provision is made in the above manner for payment of any Additional Bonds, such bonds shall no longer be deemed outstanding for purposes of any provision contained herein.

Section 21: APPROVAL AND REGISTRATION. That the Chairman of the Board is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of said Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Bonds and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Bonds.

Section 22: SALE AND DELIVERY. That the sale of the Bonds is hereby awarded to Texas Commerce Bank National Association for a price of par plus accrued interest thereon from the date thereof to the date of actual delivery, subject to the approving opinions, as to the legality of the Bonds, of the Attorney General of the State of Texas and Vinson & Elkins, Houston, Texas, market attorneys. When said Bonds have been approved by the Attorney General and registered by the Comptroller of Public Accounts of the State of Texas, they shall be delivered to the named purchaser upon receipt of the full purchase price.

Section 23: APPLICATION OF CERTAIN BOND PROCEEDS. That a portion of the proceeds from the delivery and sale of the Bonds shall be applied to refund and pay in full three (3) outstanding notes secured by liens on the Border West Apartments, West Apartments and Cooper South Apartments (which comprise a portion of the Apartment System) and to discharge and release the liens securing same, by depositing with the State Treasurer of the State of Texas an amount sufficient to pay the outstanding principal balances of said notes and accrued interest thereon to the date of payment,

together with prepayment charges, if any, the statutory fee of the State Treasurer and any other applicable fees or charges to be incurred in connection therewith, under and in strict compliance with Article 717k, Vernon's Texas Civil Statutes, as amended. Upon the deposit of such funds with the State Treasurer, he is hereby authorized and directed to forward such funds (excepting fees for his services) to the owners and holders of the notes being refunded.

Section 24: OFFERING DOCUMENTS. That the Offering Memorandum, together with any supplements and amendments thereto, are hereby ratified, authorized and approved for use in connection with the sale and distribution of the Bonds.

Section 25: CAPTIONS. The captions of the Sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof.

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INTRODUCTION OF FACULTY AND STUDENT REPRESENTATIVES.-- Chairman Shivers first called attention to the photographs of the System complex and component institutions on display in the meeting room and in the foyer. The institutional heads then introduced their respective faculty and student representatives, following which Governor Shivers expressed the Board's delight at the presence of the faculty representatives and students from the various institutions.

Faculty Representatives

Student Representatives

U. T. Austin - President Rogers introduced:

Dr. William Livingston
Chairman, Faculty Senate

Ms. Kathi Chatas, President
Senior Cabinet
Mr. Tom Jaggard, Vice President
Senior Cabinet
Ms. Maureen Walker, President
College Council of Graduate School
Ms. Starr Braun, President
College Council of Humanities
Mr. Tracy Stark, President
College Council of Natural Sciences
Mr. Gregg Sharp, President
College Council of Pharmacy
Ms. Cathy Hurt, President
College Council of Education

U. T. Arlington - President Nedderman

Professor Harry Hanks
Chairman, Faculty Senate

Mr. Keith Head, President
Student Congress
Ms. Tammy Bice, Vice President
Student Congress
Mr. John Ostdick, Reporter
the Shorthorn

U. T. Dallas - President Jordan introduced:

Dr. John Wiorkowski
Speaker of the Faculty

Ms. Sandra Shafto, President
Student Government

U. T. El Paso - President Templeton introduced:

Mr. Larry Roquemore, President
Student Association

Mr. Terry Gay, Executive Assistant

U. T. Permian Basin - President Cardozier introduced:

Dr. R. Scott Irwin, newly elected
President of Faculty Senate

U. T. San Antonio - Acting President Wagener introduced:

Dr. William G. Mitchell
Secretary, The General Faculty
and The University Assembly

Dallas Health Science Center - President Sprague introduced:

Dr. Joan Reisch, Assistant
Professor, Medical Computer
Science, Allied Health Sciences;
President, Committee of
Delegates

Mr. Stephen Mosley, Graduate
Student - Radiation Biology
Program, Graduate School of
Biomedical Sciences, President,
Graduate School Organization

Galveston Medical Branch - President Levin introduced:

William D. Willis, M.D., Ph.D.
Director, Marine Biomedical
Institute

Mr. John Fraser, Senior
Medical Student

Houston Health Science Center - Acting President Blocker introduced:

Robert L. Tuttle, M.D.
Dean of the Medical
School

Mr. Michael Lipshulch, President
School of Nursing Student Body

San Antonio Health Science Center - President Harrison introduced:

Dr. Paul Horowitz, Associate
Professor, Department of
Biochemistry

Ms. Linda Carmack, President
Nursing School Student Body

University Cancer Center - President LeMaistre introduced:

Herman I. Libshitz, M.D.
Associate Professor of
Radiology

Dennis Heaston, M.D., Faculty
Associate of Radiology

Tyler Health Center - Dr. Hurst introduced:

W. T. Matlage, M.D.
Clinical Director

U. T. AUSTIN: REPORT BY PRESIDENT ROGERS ON STUDENT PARTICIPATION IN ABSENCE OF STUDENT GOVERNMENT. -- In response to the request of Regent Hay at a previous meeting, President Rogers presented an oral report relating to the participation of students in activities at The University of Texas at Austin in the absence of Student Government.

RECESS TO PROCEED WITH COMMITTEE MEETINGS AND TO FINISH BUSINESS OF COMMITTEE OF THE WHOLE IN EXECUTIVE SESSION. -- Chairman Shivers announced that the Board would recess (9:20 a. m.) to continue with the committee meetings, and that following the open session of the Committee of the Whole the Board would reassemble in the Regents' Committee Room as a Committee of the Whole in Executive Session pursuant to Article 6252-17, Sections 2(e), (f) and (g), V. T. C. S., to consider:

1. Pending or Contemplated Litigation - Section 2(e)
2. Land Acquisition and Negotiated Contracts - Section 2(f)
 - a. U. T. System: Leases on West Texas Lands
 - b. U. T. Austin: Shuttle Bus Contract
 - c. Houston Health Science Center: Proposed Acquisition of President's Residence
 - d. University Cancer Center: Proposed Acquisition of President's Residence
 - e. University Cancer Center: Relating to Mortgage of Punta Gorda Isles, Inc., on Florida Lands:
 - (1) Quitclaim Deed
 - (2) Partial Release
3. Personnel Matters - Section 2(g)

RECONVENE. -- At 12:05 p. m., when all committees had concluded their business, the Board reconvened.

REPORTS OF STANDING COMMITTEES

Chairman Shivers called for the reports of the Standing Committees. All meetings had been conducted in open session in the Regents' Meeting Room, ninth floor, Ashbel Smith Hall, except the Executive Session of the Committee of the Whole.

REPORT OF SYSTEM ADMINISTRATION COMMITTEE (Pages 35 - 71). -- Vice-Chairman Williams, Chairman of the System Administration Committee, submitted the following report. He stated that the recommendations had been approved in open session and moved the adoption of the report. The report was adopted without objection.

Report

The System Administration Committee in open session this morning approved after discussion but without objection each of the following recommendations of the administration and submits them in this report to the Board of Regents for formal approval:

1. Galveston Medical Branch (Galveston Hospitals) - Texas Department of Corrections Hospital: Preparation of Site by (a) Demolition of Randall Pavilion and (b) Relocation of Existing Service and Emergency Drive (1-B&G-79 and 2-B&G-79). -- With respect to

the site for the Texas Department of Corrections Hospital, it is recommended by President Levin and System Administration that:

- a. Authorization be given to the Administration and Physical Plant of The University of Texas Medical Branch at Galveston to perform all actions necessary to award a contract for the demolition of the existing Randall Pavilion with the cost of the demolition not to exceed an estimated \$75,000 from the legislative funds appropriated for this Hospital
 - b. Authorization be given to the project architect to complete plans and specifications for the relocation of the service and emergency drive and that Galveston Medical Branch Administration and Physical Plant be authorized to perform all actions necessary to award a contract for the relocation of the drive. The cost for the relocation of the service and emergency drive is not to exceed an estimated \$70,000 from the legislative funds appropriated for this Hospital
2. Galveston Medical Branch: Exception to Regents' Rules and Regulations, Part One, Chapter III, Section 5.32 (Nepotism) to Permit Employment of Drs. Charles W. Daeschner, III and Opal Jean Hood Daeschner (9-CW-78). -- It is recommended by President Levin and System Administration that an exception be made to the Regents' Rules and Regulations, Part One, Chapter III, Section 5.32 concerning nepotism to permit the employment of Drs. Charles W. Daeschner, III and Opal Jean Hood Daeschner in the Department of Pediatrics at The University of Texas Medical Branch at Galveston. Drs. Daeschner are the son and daughter-in-law of Dr. Charles W. Daeschner, Jr., Professor and Chairman of the Department of Pediatrics.
3. Houston Health Science Center: Proposed Affiliation Agreement with St. Joseph Hospital, Houston, Texas (1-Med-79). -- It is recommended by System Administration that approval be given to an affiliation agreement by and between The University of Texas Health Science Center at Houston and St. Joseph Hospital, a division of Sisters of Charity of the Incarnate Word, Houston, Texas, to be effective upon approval by the Board of Regents. This agreement is based on the model agreement adopted by the Board of Regents on December 16, 1977 and was executed by the appropriate officials of the institution and the facility on August 14, 1978.

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4. System Administration, U. T. Arlington, U. T. Austin, U. T. El Paso, U. T. San Antonio, Dallas Health Science Center and its Dallas Southwestern Medical School and Dallas School of Allied Health Sciences, Galveston Medical Branch and its Galveston Medical School, Houston Health Science Center and its Houston Medical School and Houston Dental Branch, San Antonio Health Science Center and its San Antonio Medical School, and University Cancer Center (M. D. Anderson): Amendments to the 1977-78 and 1978-79 Budget (11-B-78, 12-B-78, and 1-B-79). --

RECOMMENDATION

The appropriate chief administrative officers, concurred in by System Administration, recommend that their respective 1977-78 and 1978-79 Operating Budget be amended as indicated on the pages set out below:

- The University of Texas System Administration, Page 38
- The University of Texas at Arlington, Pages 39-41
- The University of Texas at Austin, Pages 42-54
- The University of Texas at El Paso, Page 55
- The University of Texas at San Antonio, Page 55
- The University of Texas Health Science Center at Dallas and its Dallas Southwestern Medical School and Dallas School of Allied Health Sciences, Pages 56-60
- The University of Texas Medical Branch at Galveston and its Galveston Medical School, Pages 61-63
- The University of Texas Health Science Center at Houston and its Houston Medical School and Houston Dental Branch, Pages 64-66
- The University of Texas Health Science Center at San Antonio and its San Antonio Medical School, Pages 67-70
- The University of Texas System Cancer Center (M. D. Anderson), Page 71

The source of funds will be from departmental appropriations unless otherwise specified.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
3.	System Airplane Operation - Transfer of Funds	From: Available University Fund Unappropriated Balance	To: System Airplane Operation- Maintenance, Operation, Travel & Equipment \$86,000 Lease Equipment Costs <u>12,000</u>	
	Amount of Transfer	\$98,000	<u>98,000</u>	

THE UNIVERSITY OF TEXAS AT AUSTIN

1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
12.	Plant Funds Transfer of Funds	From: Unappropriated Balance via Estimated Income and Services Department Charges	To: Capital Improvements - Unexpended Plant Funds: Landscaping and Irrigation \$ 100,000 Repair of Streets and Parking Lots 100,000 Energy Monitoring System 300,000 Purchase of Data Processing Equipment 100,000 Replacement of Print Shop Equipment 50,000	
	Amount of Transfer	\$ <u>650,000</u>	\$ <u>650,000</u>	

The allocation of Funds Under Captial Improvements transfer will be as follows:

1. Minor Repair and Remodeling of Physical Plant
 - a. Landscaping and Irrigation (\$100,000). These funds will be used to continue the landscaping program of the University.
 - b. Repair and Replacement of Streets and Parking Lots (\$100,000). The continuation of Monroe Street through the parking lot has caused damage to the parking area. The street needs to be improved from Second Street through the parking lot to Cooper Street.

THE UNIVERSITY OF TEXAS AT ARLINGTON

1977-78 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
12.	Plant Funds (Continued)			
	2. Acquisition of monitoring system for control of energy consumption on campus (\$300,000).			
	3. For the purchase of Automatic Data Processing equipment associated with the utilization of the IBM 370/155.			
	4. Set aside funds so that they may be accumulated for major replacement of equipment in the Print Shop (\$50,000).			
	Details of projects, as applicable, will be submitted for approval through the appropriate Board committees.			

1978-79 BUDGET

1.	Judith A. Birmingham (Non-tenure) Graduate School of Social Work Academic Rate 1978-79 Original Budget Source of Funds: Unallocated Faculty Salaries	Specialist \$ 15,000 (1977-78) 15,000	Specialist \$ 17,750	9-1-78
2.	Ernest L. Buckley (Tenure) Architecture and Environmental Design Academic Rate 1978-79 Original Budget Source of Funds: Unallocated Faculty Salaries	Professor \$ 21,500 (1977-78) 22,000	Professor \$ 23,500	9-1-78

THE UNIVERSITY OF TEXAS AT ARLINGTON

1978-79 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
3.	Carroll L. Wright, Jr. (Tenure) Architecture and Environmental Design	Associate Professor	Associate Professor	
	Academic Rate	\$ 19,500 (1977-78)	\$ 22,000	9-1-78
	1978-79 Original Budget	20,500		
	Source of Funds: Unallocated Faculty Salaries			
4.	James W. Callicut (Tenure) Graduate School of Social Work	Associate Dean and Professor	Associate Dean and Professor	
	Administrative Rate (12 mos)	\$ 38,000 (1977-78)	\$ 40,000	9-1-78
	Academic Rate (9 mos)	26,740 (1977-78)	30,000	9-1-78
	1978-79 Original Budget:			
	Administrative Rate (12 mos)	37,440		
	Academic Rate (9 mos)	28,080		
5.	Thomas R. Kennedy Academic Computing Service	Supervisor, Computer Operations	Supervisor, Computer Operations	
	Salary Rate	\$ 16,440 (1977-78)	\$ 18,804	9-1-78
	1978-79 Original Budget			
	Source of Funds: Transfer from Wages account			

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THE UNIVERSITY OF TEXAS AT AUSTIN

1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
41.	Auxiliary Enterprises - Intercollegiate Athletics for Men Transfer of Funds	From: Intercollegiate Athletics for Men Unappropriated Balance	To: Intercollegiate Athletics for Men Other Expenses	
	Amount of Transfer	\$40,000	\$40,000	---
42.	Auxiliary Enterprises - Division of Housing and Food Service - Simkins Hall Transfer of Funds	From: Simkins Hall Unappropriated Balance via Estimated Income	To: Simkins Hall - Classified Salaries \$ 7,244 Other Expenses <u>13,756</u>	
	Amount of Transfer	\$21,000	<u>\$21,000</u>	---
43.	Auxiliary Enterprises - McDonald Observatory (Visitors' Center and Transient Quarters) Transfer of Funds	From: McDonald Observatory Unappropriated Balance	To: McDonald Observatory - Other Expenses	
	Amount of Transfer	\$6,715	\$6,715	---
44.	Auxiliary Enterprises - Recreational Sports Transfer of Funds	From: Student Services Fees (Required) Unappropriated Balance	To: Tennis Courts at Port Aransas Marine Science Institute	
	Amount of Transfer	\$7,184	\$7,184	---
Additional funds are needed for asphalt parking, concrete curbs, and concrete walks for Port Aransas Marine Science Institute tennis court project.				

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1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
45.	Auxiliary Enterprises - Parking and Traffic Transfer of Funds	From: Parking and Traffic Unappropriated Balance	To: Parking and Traffic Classified Salaries \$ 4,300 Other Expenses <u>25,000</u>	
	Amount of Transfer	\$29,300	<u>\$29,300</u>	---
46.	Auxiliary Enterprises - Faculty Center Transfer of Funds	From: Faculty Center Unappropriated Balance via Estimated Income	To: Faculty Center Other Expenses	
	Amount of Transfer	\$30,000	\$30,000	---
47.	Art Teaching Gallery - Archer M. Huntington Museum Fund (Current Restricted Funds) Transfer of Funds	From: Archer M. Huntington Museum Fund - Securities Income Account	To: Art Teaching Gallery - Archer M. Huntington Museum Fund	
	Amount of Transfer	\$82,000	\$82,000	---
48.	Auxiliary Enterprises - Intercollegiate Athletics for Men Transfer of Funds	From: Intercollegiate Athletics for Men Unappropriated Balance	To: Intercollegiate Athletics for Men - Other Expenses	
	Amount of Transfer	\$20,000	\$20,000	---

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1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
49.	Auxillary Enterprises - Intercollegiate Athletics for Men Transfer of Funds	From: Intercollegiate Athletics for Men Unappropriated Balance	To: Intercollegiate Athletics for Men - Administrative and Pro- fessional Salaries \$ 5,400 Other Salaries and Wages 15,000 Other Expenses <u>73,000</u> <u>\$93,400</u>	---
	Amount of Transfer	\$93,400		
50.	Plant Funds Projects Transfer of Funds	From: Available University Fund Unappropriated Balance (via Budget Allocations)	To: Plant Funds Projects: Zoology - Undergraduate Instructional Laboratory Equipment and Graduate Instructional and Research Equipment \$ 483,000 Mechanical Engineering - Upgrade Instructional Cap- abilities, including Equip- ment Installation and Minor Remodeling 638,000 Home Economics - Special Equipment and Laboratory Expenses 236,000 Home Economics - Equipment Installation and Renovation Projects in Gearing and Painter Halls 35,000 School of Nursing - Special Equipment 52,500 Balcones Research Center - Main Campus Microwave Link <u>49,000</u>	\$1,493,500
	Amount of Transfer	\$1,493,500		

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THE UNIVERSITY OF TEXAS AT AUSTIN

1978-79 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Samuel L. Myers, Jr. (Non-tenure) Economics Academic Rate 1978-79 Original Budget Source of Funds: Dean's Reserve	Assistant Professor \$ 17,000 (1977-78) 17,400	Assistant Professor \$ 19,000	9-1-78
2.	Norval D. Glenn (Tenure) Sociology Academic Rate 1978-79 Original Budget Source of Funds: Dean's Reserve	Professor \$ 29,500 (1977-78) 30,400	Professor \$ 31,500	9-1-78
3.	Angela Dean (Non-tenure) Mathematics Academic Rate	Instructor \$ 10,000 (1977-78)	Instructor \$ 14,500	9-1-78
4.	Mark G. Yudof (Tenure) School of Law Academic Rate 1978-79 Original Budget Source of Funds: Unallocated Teaching Salaries	John S. Redditt Professor \$ 32,366 (1977-78) 35,000	John S. Redditt Professor \$ 37,000	9-1-78
5.	Joseph P. Hazel (Non-tenure) School of Law Academic Rate 1978-79 Original Budget	Lecturer (1/2 T) \$ 18,000 (1977-78) 18,800	Lecturer (FT) \$ 30,500	9-1-78

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1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
6.	Robert J. Baker Computation Center Salary Rate 1978-79 Original Budget	Assistant Director, Computation Center \$ 25,404 (1977-78) 26,268	Assistant Director, Computation Center \$28,080	9-1-78
7.	William E. Galloway Bureau of Economic Geology Salary Rate 1978-79 Original Budget	Research Scientist \$ 24,000 (1977-78) 25,000	Research Scientist \$ 26,400	9-1-78
8.	Charles W. Kreidler Bureau of Economic Geology Salary Rate 1978-79 Original Budget Sources of Funds: Departmental Administrative and Professional Salaries and U.S. Department of Energy Contract	Research Scientist \$ 23,500 (1977-78) 24,750	Research Scientist \$ 25,800	9-1-78
9.	Robert A. Morton Bureau of Economic Geology Salary Rate 1978-79 Original Budget Sources of Funds: Departmental Administrative and Professional Salaries and Interagency Contract	Research Scientist \$ 24,000 (1977-78) 25,500	Research Scientist \$ 26,400	9-1-78

THE UNIVERSITY OF TEXAS AT AUSTIN

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
10.	Paul L. Donoho Marine Science Institute - Galveston Salary Rate Source of Funds: U.S. Navy Contract	Research Scientist \$ 36,400 (1977-78)	Research Scientist \$ 38,875	9-1-78
11.	Mark H. Houston Marine Science Institute - Galveston Salary Rate Source of Funds: NSF Grant	Research Scientist \$ 21,421 (1977-78)	Research Scientist \$ 23,600	9-1-78
12.	Abou-Bakr Ibrahim Marine Science Institute - Galveston Salary Rate Source of Funds: U.S. Navy Contract	Research Scientist \$ 22,804 (1977-78)	Research Scientist \$ 25,130	9-1-78
13.	Connie R. Arnold Marine Science Institute - Port Aransas Salary Rate Source of Funds: Current Restricted - Caesar Kleberg Foundation Grant	Research Scientist \$ 30,500 (1977-78)	Research Scientist \$ 34,000	9-1-78

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THE UNIVERSITY OF TEXAS AT AUSTIN

1978-79 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
14.	David N. Dittmar McDonald Observatory Salary Rate 1978-79 Original Budget Sources of Funds: Departmental Administrative and Professional Salaries and McDonald Observatory Revolving Fund	Special Research Associate \$ 30,024 (1977-78) 31,044	Special Research Associate \$ 32,100	9-1-78
15.	Alvin L. Mitchell McDonald Observatory Salary Rate 1978-79 Original Budget Sources of Funds: McDonald Observatory Revolving Fund and McDonald Observatory Shop Funds	Research Engineer Associate IV \$ 19,440 (1977-78) 19,440	Research Engineer Associate IV \$ 21,492	9-1-78
16.	Paul H. Rybski McDonald Observatory and Astronomy Salary Rate Sources of Funds: McDonald Observatory Revolving Fund and U.S. Air Force contract for the Department of Astronomy	Research Scientist Associate V \$ 21,492 (1977-78)	Research Scientist Associate V \$ 23,760	9-1-78
17.	Fred C. Sanner McDonald Observatory and Astronomy Salary Rate Sources of Funds: McDonald Observatory Revolving Fund and NASA contract for the Department of Astronomy	Postdoctoral Research Associate \$ 12,168 (1977-78)	Postdoctoral Research Associate \$ 14,376	9-1-78

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THE UNIVERSITY OF TEXAS AT AUSTIN

1978-79 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
18.	Bernard F. Tupa Applied Research Laboratories Salary Rate 1978-79 Original Budget Sources of Funds: Government Contract-Payroll Clearing Account	Research Engineer Associate V \$ 21,492 (1977-78) 22,224	Research Engineer Associate V \$ 24,564	9-1-78
19.	Mircea D. Driga Center for Electromechanics Salary Rate Source of Funds - Government Contract-Payroll Clearing Account	Research Engineer \$ 26,268 (1977-78)	Research Engineer \$ 30,000	9-1-78
20.	William F. Weldon Center for Electromechanics Salary Rate Source of Funds: Government Contract-Payroll Clearing Account	Research Engineer \$ 28,000 (1977-78)	Research Engineer \$ 35,000	9-1-78
21.	Rosalie P.N. Anderson School of Social Work - Resource Center on Child Abuse and Neglect Salary Rate Source of Funds: HEW - Office of Human Development Grant	Project Director \$ 19,700 (1977-78)	Project Director \$ 23,000	9-1-78

THE UNIVERSITY OF TEXAS AT AUSTIN

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
22.	David F. Brower Fusion Research Center Salary Rate Source of Funds: U.S. Department of Energy contract and U.S. Army contract	Assistant Director-Engineering and Technology, and Project Director \$ 49,538 (1977-78)	Assistant Director-Engineering and Technology, and Project Director \$ 53,000	9-1-78
23.	George L. Cardwell, III Fusion Research Center Salary Rate Source of Funds: U.S. Department of Energy contract	Research Engineer \$ 28,080 (1977-78)	Research Engineer \$ 30,900	9-1-78
24.	H. Ward Harris Fusion Research Center Salary Rate Source of Funds: U.S. Department of Energy Contract	Special Research Associate \$ 35,484 (1977-78)	Special Research Associate \$ 37,944	9-1-78
25.	Richard D. Hazeltine Fusion Research Center Salary Rate Source of Funds: U.S. Department of Energy contract	Research Scientist \$ 30,570 (1977-78)	Research Scientist \$ 34,800	9-1-78
26.	Jiri Jancarik Fusion Research Center Salary Rate Source of Funds: Texas Atomic Energy Research Foundation	Research Scientist \$ 32,101 (1977-78)	Research Scientist \$ 35,400	9-1-78

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THE UNIVERSITY OF TEXAS AT AUSTIN

1978-79 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
27.	Alan B. Macmahon Fusion Research Center Salary Rate Sources of Funds: U.S. Department of Energy contracts	Research Program Manager \$ 31,673 (1977-78)	Research Program Manager \$ 33,900	9-1-78
28.	Henry R. Strauss Fusion Research Center Salary Rate Source of Funds: U.S. Department of Energy contract	Research Scientist Associate V \$ 26,268 (1977-78)	Research Scientist Associate V \$ 29,040	9-1-78
29.	Alan A. Ware Fusion Research Center Salary Rate Source of Funds: U.S. Department of Energy contract	Research Scientist \$ 46,492 (1977-78)	Research Scientist \$ 49,700	9-1-78
30.	Paul Wildi Fusion Research Center Salary Rate Source of Funds: U.S. Department of Energy contract	Research Engineer \$ 41,792 (1977-78)	Research Engineer \$ 44,700	9-1-78
31.	Henry V. Wong Fusion Research Center Salary Rate Source of Funds: U.S. Department of Energy contract (continuing a leave without pay which began 10/1/77)	Research Scientist (On Leave Without Pay) \$ 31,008 (1977-78)	Research Scientist (On Leave Without Pay) \$ 33,200	9/1-9/30

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THE UNIVERSITY OF TEXAS AT AUSTIN

1978-79 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
32.	Clifford Gustafson Intercollegiate Athletics for Men Salary Rate 1978-79 Original Budget	Head Baseball Coach \$ 19,700 (1977-78) 21,000	Head Baseball Coach \$ 24,000	9-1-78
33.	Cleburne Price, Jr. Intercollegiate Athletics for Men Salary Rate 1978-79 Original Budget	Head Track Coach, Director of Texas Relays \$ 19,000 (1977-78) 20,000	Head Track Coach, Director of Texas Relays \$ 23,000	9-1-78
34.	James L. Blackwood Intercollegiate Athletics for Men Salary Rate 1978-79 Original Budget	Assistant Track Coach, Assistant Director of Texas Relays \$ 13,000 (1977-78) 14,000	Assistant Track Coach, Assistant Director of Texas Relays \$ 15,500	9-1-78
35.	Jones W. Ramsey Intercollegiate Athletics for Men Salary Rate 1978-79 Original Budget	Sports News Director \$ 18,700 (1977-78) 20,000	Sports News Director \$ 21,000	9-1-78
36.	Michael K. Stephens Intercollegiate Athletics for Men Salary Rate 1978-79 Original Budget	Acting Head Trainer \$ 17,000 (1977-78) 16,500	Acting Head Trainer \$ 20,000	9-1-78

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1978-79 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
37.	Dana L. LeDuc Intercollegiate Athletics for Men and Women Salary Rate 1978-79 Original Budget	Strength Coach \$ 10,000 (1977-78) 11,000	Strength Coach \$ 12,500	9-1-78
38.	Michael S. Brown Intercollegiate Athletics for Women Salary Rate 1978-79 Original Budget	Diving Coach \$ 16,000 (1977-78) 17,450	Diving Coach \$ 19,394	9-1-78
39.	Auxiliary Enterprises - Longhorn Aquatics Program Transfer of Funds	From: Auxiliary Enterprises - Unappropriated Balance via Estimated Income	To: Longhorn Aquatics Program: Salaries and Wages - \$ 61,253 Other Operating Expenses - 112,096 Texas Swimming Center - 11,376 Unallocated - 875	
	Amount of Transfer	\$ <u>196,600</u>	\$ <u>196,600</u>	---

To establish an operating budget for the Longhorn Aquatics Program for 1978-79.

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THE UNIVERSITY OF TEXAS AT AUSTIN

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
40.	Auxiliary Enterprises - U.T. Austin Student Publications - UMost Magazine Transfer of Funds	From: U.T. Austin Student Publications Unappropriated Balance via Estimated Income	To: UMost Magazine - Salaries and Wages - \$ 10,843 Other Operating Expenses - <u>20,324</u>	
	Amount of Transfer	<u>\$ 31,167</u>	<u>\$ 31,167</u>	---

TSP has published several magazines in the past, including Texas Ranger, Pearl, and Maverick, but all were discontinued because of lack of support from students and advertisers. No magazine was published in 1977-78. Now the TSP Board wants to start a new general interest magazine, Umost, a slick 8 1/2 x 11 inch magazine with full color pictures. It will be sold by mail subscriptions and by individual copies on campus. Students writing and editing the magazine can get credit for a journalism internship course, under the supervision of a journalism faculty member.

41.	Plant Funds Projects Transfer of Funds	From: Available University Fund Unappropriated Balance (via Budget Allocations)	To: Plant Funds Project - Home Economics - Equipment Installation and Renovation Projects in Gearing and Painter Halls	
	Amount of Transfer	<u>\$ 465,000</u>	<u>\$ 465,000</u>	---

The Nutrition and Food Service areas of the Department will be relocated to Painter Hall from Gearing Hall and the Interior Design Division will move from Painter Hall to Gearing Hall in order to minimize the cost of renovating spaces for the instructional and research programs of the Department. The extensive renovation of Painter Hall about ten years ago will make it less expensive to accommodate laboratory science programs there than to upgrade completely the utility systems in Gearing Hall. The requested funds will be used for equipment installations and remodeling projects, subject to approvals as required, i.e., Buildings and Grounds Committee and Coordinating Board. It is recommended that such projects be done under the aegis of the UT Austin Division of Physical Plant.

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
1.	Earl W. Anderson, Jr. Office of the President Salary Rate 1978-79 Original Budget Source of Funds: Unallocated Salaries	Assistant to the President \$ 25,000 (1977-78) 25,850	Assistant to the President \$ 27,750	9-1-78

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
1.	Patricia Thompson (Non-tenure) College of Sciences & Mathematics - Division of Allied Health and Life Sciences Academic Rate	Teaching Associate \$ 9,500 (1977-78)	Teaching Associate \$ 11,500	9-1-78
2.	Auxiliary Enterprises - Student Services Fees Transfer of Funds	From: Student Services Fees Unappropriated Balance	To: Student Services Fees Unallocated	
	Amount of Transfer	\$ 91,215	\$ 91,215	

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS

1977-73 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
<u>Dallas School of Allied Health Sciences</u>				
16.	Jed E. Guilbeau (Non-tenure) Health Care Sciences Salary Rate	Instructor \$ 16,400	Instructor \$ 19,600	7/1/78
	Source of Funds: Unallocated Salaries			

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>			<u>Proposed Status</u>			<u>Effective Dates</u>
		<u>1977-78</u>	<u>Budget</u>		<u>1978-79</u>	<u>Budget</u>		
		<u>Salary Rate</u>	<u>Augmentation</u>	<u>Total Compensation</u>	<u>Salary Rate</u>	<u>Augmentation</u>	<u>Total Compensation</u>	
<u>Dallas Southwestern Medical School</u>								
1.	John J. McPhaul (Non-tenure) Internal Medicine and Pathology Professor 1978-79 Original Budget	\$ 45,000	\$ 11,123	\$ 56,123	\$ 51,355 \$ 49,500	\$ 7,772 \$ 7,727	\$ 59,127 \$ 57,227	9-1-78
	Source of Funds: Unallocated Faculty Salaries							
2.	Roger H. Unger (Non-tenure) Internal Medicine Professor 1978-79 Original Budget	\$ 45,000	\$ 16,623	\$ 61,623	\$ 51,000 \$ 49,500	\$ 13,123 \$ 12,723	\$ 64,123 \$ 62,223	9-1-78
	Source of Funds: Unallocated Faculty Salaries							

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS

1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1977-78	Budget	Total	1978-79	Budget	Total	
		Salary Rate	Augmentation	Compensation	Salary Rate	Augmentation	Compensation	
<u>Lallas Southwestern Medical School</u>								
3.	William Shapiro (Non-tenure) Internal Medicine and Health Care Sciences Associate Professor 1978-79 Original Budget	\$ 40,200	\$ 13,623	\$ 53,823	\$ 45,200 \$ 44,000	\$ 11,724 \$ 11,724	\$ 56,924 \$ 55,724	9-1-78
	Source of Funds: Unallocated Faculty Salaries							
4.	James W. Smith (Non-tenure) Internal Medicine Associate Professor 1978-79 Original Budget	\$ 40,000	\$ 13,623	\$ 53,623	\$ 45,900 \$ 44,000	\$ 10,724 \$ 10,724	\$ 56,624 \$ 54,724	9-1-78
	Source of Funds: Unallocated Faculty Salaries							
5.	Kirk Lipscomb (Non-tenure) Internal Medicine Assistant Professor 1978-79 Original Budget	\$ 35,500	\$ 13,790	\$ 49,290	\$ 40,900 \$ 39,000	\$ 12,013 \$ 12,013	\$ 52,913 \$ 51,013	9-1-78
	Source of Funds: Unallocated Faculty Salaries							
6.	Walter Peterson (Non-tenure) Internal Medicine and Health Care Sciences Assistant Professor 1978-79 Original Budget	\$ 36,200	\$ 9,678	\$ 45,878	\$ 39,800 \$ 39,000	\$ 12,579 \$ 12,320	\$ 52,379 \$ 51,320	9-1-78
	Source of Funds: Unallocated Faculty Salaries							

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1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Dallas Southwestern Medical School</u>								
7.	James W. Shorey (Non-tenure) Internal Medicine Assistant Professor 1978-79 Original Budget	\$ 35,500	\$ 13,880	\$ 49,380	\$ 40,000 \$ 39,000	\$ 12,320 \$ 12,320	\$ 52,320 \$ 51,320	9-1-78
	Source of Funds: Unallocated Faculty Salaries							
8.	Thomas C. Smitherman (Non-tenure) Internal Medicine Assistant Professor 1978-79 Original Budget	\$ 36,300	\$ 13,790	\$ 50,090	\$ 40,100 \$ 39,000	\$ 12,813 \$ 12,013	\$ 52,913 \$ 51,013	9-1-78
	Source of Funds: Unallocated Faculty Salaries							
9.	Sharon Cassidy (Non-tenure) Internal Medicine and Physiology Assistant Professor							
		<u>1978-79 Original Budget</u>						
		\$ 36,000	---	\$ 36,000	\$ 40,000	---	\$ 40,000	10-1-78
10.	Margie F. York Ophthalmology Optometrist							
		<u>1978-79 Original Budget</u>						
		\$ 20,000	---	\$ 20,000	\$ 25,000	---	\$ 25,000	10-1-78
	Source of Funds: Unallocated Faculty Salaries							

Dr. York was hired as the department's first optometrist and her starting salary was found to be inappropriately low. This raise is to bring her salary within range of other optometrists.

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS

1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Dallas Southwestern Medical School</u>								
11.	Charles S. Petty (Tenure) Pathology Professor of Forensic Medicine and Pathology 1978-79 Original Budget	\$ 44,656	\$ 7,744	\$ 52,400	\$ 49,500 \$ 49,500	\$ 14,738 \$ 5,508	\$ 64,238 \$ 55,008	9-1-78
12.	Vincent J. Dimaio (Non-tenure) Pathology Associate Professor 1978-79 Original Budget	\$ 35,500	\$ 6,916	\$ 42,416	\$ 44,000 \$ 44,000	\$ 9,177 \$ 2,036	\$ 53,177 \$ 46,036	9-1-78
13.	Irving C. Stone (Non-tenure) Pathology Assistant Professor of Forensic Sciences 1978-79 Original Budget	\$ 25,416	---	\$ 25,416	\$ 34,070 \$ 29,376	--- ---	\$ 34,070 \$ 29,376	9-1-78
14.	William T. Lowry (Non-tenure) Pathology Assistant Professor 1978-79 Original Budget	\$ 23,860	---	\$ 23,860	\$ 31,576 \$ 27,144	--- ---	\$ 31,576 \$ 27,144	9-1-78
15.	James C. Garriott (Non-tenure) Pathology and Pharmacology Assistant Professor of Forensic Science and Pharmacology 1978-79 Original Budget	\$ 26,080	---	\$ 26,080	\$ 32,215 \$ 27,776	--- ---	\$ 32,215 \$ 27,776	9-1-78

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS

1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	<u>Dallas Southwestern Medical School</u>							
16.	Abraham A. Ellman (Non-tenure) Radiology Assistant Professor 1978-79 Original Budget	\$ 39,000	\$ 6,000	\$ 45,000	\$ 40,000 \$ 40,000	\$ 10,000 \$ 5,000	\$ 50,000 \$ 45,000	9-1-78
	<u>Dallas Health Science Center</u>							
17.	Allen McCoy Physical Plant Administration Associate Director 1978-79 Original Budget	\$ 25,800	---	\$ 25,800	\$ 29,000 \$ 26,700	--- ---	\$ 29,000 \$ 26,700	9-1-78
	Source of Funds: Unallocated Salaries							

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

1977-78 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	<u>Galveston Medical School</u>							
29.	Barbara L. Thompson (Non-tenure) Family Medicine Assistant Professor	\$ 24,000	\$ 3,000	\$ 27,000	\$ 30,000	\$ 8,000	\$ 38,000	7/1/73
	Source of Funds: Unallocated Salaries and MSRDP							

1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
30.	Plant Funds Transfer of Funds	From: Unappropriated Balance via Estimated Income	To: Capital Improvements, Including Equipment: Project Allocation Account \$ 3,180,000 Hospital Equipment Fund 1,000,000 Hospital Area Renovations 750,000 New Sidewalks and Street Repairs 25,000 Reroof Gail Borden, Graves, Laundry and McCullough Buildings 125,000 Trash and Garbage Dis- posal System Alter- ations 25,000 Convert (a) Old Boiler Room to Energy Monitoring Center; (b) Materials Ware- house to Paint Shop; and (c) Greenhouse to Materials Warehouse 125,000 Parking Lots 195,000 Remodel Nursery to Neo- Natal Intensive Care Unit 75,000	
	Amount of Transfer	\$ <u>5,500,000</u>	\$ <u>5,500,000</u>	

Details of the projects, as appropriate, will be submitted to the Building and Grounds Committee for approval.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

1978-79 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	William D. Willis, Jr. (Tenure) Marine Biomedical Institute Salary Rate 1978-79 Original Budget	Director and Professor \$ 50,000 (1977-78) 52,000	Director and Professor \$ 54,000	9-1-78

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

1977-78 BUDGET

Item No.	Explanation	Present Status		Proposed Status		Effective Dates
		Salary Rate		Salary Rate		
<u>Physical Plant - Building Maintenance</u>						
24.	Electrician Leader William G. Mitchell	\$	13,452	\$	16,440	8-1-78
25.	Electrician Norman W. Rich		13,008		15,372	8-1-78
26.	Thomas P. Wheeler		12,576		14,868	8-1-78
27.	Maintenance Leader Robert E. Littrell		13,008		15,372	8-1-78
28.	Carpenter Patrick D. Ogle		11,772		14,376	8-1-78
29.	Steve C. Harper		11,772		14,376	8-1-78

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1978-79 BUDGET

Item No.	Explanation	Present Status - 1977-78 Budget			Proposed Status - 1978-79 Budget			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
1.	Truman G. Blocker, Jr. Office of the President and Surgery Acting President and Professor	\$ 69,890	\$ 11,420	\$ 81,310	\$ 72,300	\$ 11,800	\$ 84,100	9-1-78
Source of Funds: General Revenue, Trust Funds, and MSRDP								

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1977-78	Budget		1978-79	Budget		
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
1.	Karl R. Oppermann Contracts and Grants Management Director Source of Funds: Departmental Salaries and Unallocated Salaries	\$ 26,000	---	\$ 26,000	\$ 28,000	---	\$ 28,000	9-1-78
2.	Joseph W. Inglis Physical Plant - Building Maintenance Plumber	\$ 11,772	---	\$ 11,772	\$ 14,376	---	\$ 14,376	9-1-78
3.	Claudie Simpson Physical Plant - Building Maintenance Plumber	\$ 11,772	---	\$ 11,772	\$ 14,376	---	\$ 14,376	9-1-78
<u>Houston Medical School</u>								
4.	Salvatore J. Enna (Non-tenure) Neurobiology and Anatomy and Pharmacology Associate Professor 1978-79 Original Budget	\$ 26,500		\$ 26,500	\$ 37,000 30,000		\$ 37,000 30,000	9-1-78
5.	Herbert L. DuPont (Tenure) Internal Medicine - Infectious Diseases and Clinical Microbiology Professor and Director 1978-79 Original Budget Source of Funds: Transfer from Department Wages and MSRDP	\$ 47,000	\$ 12,000	\$ 59,000	\$ 49,000 47,000	\$ 13,000 12,000	\$ 62,000 59,000	9-1-78

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Houston Dental Branch</u>								
<u>1978-79 Original Budget</u>								
6.	Donald C. Hickman (Non-tenure) General Practice Associate Professor Source of Funds: Unallocated Salaries	\$ 30,000	---	\$ 30,000	\$ 32,000	---	\$ 32,000	10-1-78
7.	Mary M. Patten (Non-tenure) Preventive Dentistry-Community Dentistry Assistant Professor	\$ 18,000	---	\$ 18,000	\$ 20,000	---	\$ 20,000	9-1-78
8.	Walter J. Anderson (Non-tenure) Restorative Dentistry - Fixed Multiple Restoration Assistant Professor	\$ 18,000	---	\$ 18,000	\$ 20,000	---	\$ 20,000	9-1-78

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

1977-78 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
<u>SAN ANTONIO MEDICAL SCHOOL</u>				
48.	David H. White Medicine Salary Rate Source of Funds: Unallocated Salaries	Instructor \$26,000	Instructor \$30,000	8-1-78

SAN ANTONIO HEALTH SCIENCE CENTER

49.	Plant Funds Transfer of Funds Amount of Transfer	From: Unappropriated Balance-General Funds \$1,250,000	To: Unexpended Plant Funds \$1,250,000	---
-----	--	---	---	-----

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>			<u>Proposed Status</u>			<u>Effective Dates</u>
		<u>Salary Rate</u>	<u>Augmentation</u>	<u>Total Compensation</u>	<u>Salary Rate</u>	<u>Augmentation</u>	<u>Total Compensation</u>	
<u>San Antonio Medical School</u>								
1.	Ulric J. Laquer (Non-tenure) Family Practice Assistant Professor 1978-79 Original Budget	\$ 39,000	\$ 4,029	\$ 43,029	\$ 41,000 \$ 43,466	\$ 4,200 ---	\$ 45,200 \$ 43,466	9-1-78
Source of Funds: Unallocated Salaries and MSRDP								

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1977-78	Budget		1978-79	Budget		
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>San Antonio Medical School</u>								
2.	Robert J. Clayton (Tenure) Pediatrics Associate Professor 1978-79 Original Budget	\$ 42,000	\$ 1,000	\$ 43,000	\$ 42,000 \$ 44,000	\$ 1,500 \$ 1,000	\$ 45,500 \$ 45,000	9-1-78
	Source of Funds: MSRDP							
3.	Terence F. McGuire (Tenure) Psychiatry Associate Professor 1978-79 Original Budget	\$ 46,146	---	\$ 46,146	\$ 46,271 \$ 46,271	\$ 2,600 ---	\$ 48,871 \$ 46,271	9-1-78
	Source of Funds: MSRDP							
4.	James M. Turnbull (Non-tenure) Psychiatry and Family Practice Associate Professor	\$ 43,000	\$ 2,000	\$ 45,000	\$ 45,200	\$ 2,100	\$ 47,300	9-1-78
	Source of Funds: HEW Grant and MSRDP							
5.	Samy I. Ayoub (Non-tenure) Radiology Instructor	\$ 32,898	---	\$ 32,898	\$ 35,127	---	\$ 35,127	9-1-78
	Source of Funds: Unallocated Salaries							

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1977-78	Budget		1978-79	Budget		
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	<u>San Antonio Medical School</u>							
6.	Vung D. Nguyen (Non-tenure) Radiology Instructor 1978-79 Original Budget	\$ 31,888	---	\$ 31,888	\$ 35,127 \$ 33,818	---	\$ 35,127 \$ 33,818	9-1-78
7.	Ibrahim Ramzy (Tenure) Pathology Associate Professor Source of Funds: Departmental Salaries, Unallocated Salaries, and MSRD	\$ 40,000	\$ 10,000	\$ 50,000	\$ 41,000	\$ 11,500	\$ 52,500	9-1-78
8.	William B. Stavinoha (Tenure) Pharmacology Professor 1978-79 Original Budget Source of Funds: Unallocated Salaries	\$ 44,000	---	\$ 44,000	\$ 47,500 \$ 46,000	---	\$ 47,500 \$ 46,000	9-1-78

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

1978-79 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>San Antonio Medical School</u>								
9.	Alan I. Samuels (Non-tenure) Pharmacology Assistant Professor 1978-79 Original Budget Source of Funds: HEW Grant	\$ 22,900	---	\$ 22,900	\$ 25,400 \$ 24,000	---	\$ 25,400 \$ 24,000	9-1-78
<u>San Antonio Dental School</u>								
10.	David S. Turner (Non-tenure) Orthodontics Clinical Assistant Professor Source of Funds: Unallocated Salaries	\$ 33,500	---	\$ 33,500	\$ 36,900	---	\$ 36,900	9-1-78
11.	Jack L. Hardage Special Instructional Program in Dental Auxiliary Utilization Coordinator 1978-79 Original Budget Source of Funds: Unallocated Salaries	\$ 35,800	---	\$ 35,800	\$ 38,600 \$ 37,600	---	\$ 38,600 \$ 37,600	9-1-78

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THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
<u>M.D. Anderson</u>				
1.	Michael S. Ewer (Non-tenure) Medicine Salary Rate 1978-79 Original Budget Source of Funds: Physicians Referral Service Faculty Associate Funds	Faculty Associate and Instructor \$ 24,000 (1977-78) 24,000	Faculty Associate and Instructor \$ 28,000	9-1-78
2.	Stephan D. Glenn (Non-tenure) Biochemistry Salary Rate 1978-79 Original Budget Source of Funds: NIH Grant	Assistant Biochemist \$ 14,000 (1977-78) 14,500	Assistant Biochemist \$ 17,000	9-1-78

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REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (Pages 72-76). -- Committee Chairman Sterling stated that all matters of the Academic and Developmental Affairs Committee were conducted in open session and had been approved without objection unless otherwise indicated. He filed the following report. There being no objection, the report was adopted:

1. U. T. System; Docket No. 8 of the President of the System (Attachment No. 1) (Catalog Change). -- Committee Chairman Sterling reported that no exception had been received to Docket No. 8 of the President of the System. At the meeting no objections were offered during the consideration of the Docket, and the Docket was unanimously approved in the form distributed by the Secretary. It is attached (Attachment No. 1) following Page 251 and made a part of these Minutes.

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

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

2. U. T. Austin - Appointments to Named Endowed Professorships:
 - (a) Dr. Peter T. Flawn to Leonidas T. Barrow Professorship in Mineral Resources in Department of Geological Sciences;
 - (b) Dr. Donald R. Paul to T. Brockett Hudson Professorship in Chemical Engineering in College of Engineering; and (c) Dr. J. Harlan Cleveland to Distinguished Visiting Tom Slick Professorship of World Peace in Lyndon B. Johnson School of Public Affairs. -- By separate motions and without objection, approval was given to the recommendations of President Rogers and System Administration that:
 - a. Dr. Peter T. Flawn, a distinguished geologist and teacher with an international reputation for his work in the field of mineral resources, be appointed the first recipient of the Leonidas T. Barrow Professorship in Mineral Resources in the Department of Geological Sciences at The University of Texas at Austin effective January 16, 1979.
 - b. Dr. Donald R. Paul, a teacher and scholar with an outstanding record of accomplishment in engineering scholarship and research, be appointed the first recipient of the T. Brockett Hudson Professorship in Chemical Engineering in the College of Engineering at The University of Texas at Austin effective September 1, 1978. (See Page 172 for establishment of Professorship.)
 - c. Dr. J. Harlan Cleveland, a distinguished academician, scholar and public servant with participation in the international field, be appointed to the Distinguished Visiting Tom Slick Professorship of World Peace in

the Lyndon B. Johnson School of Public Affairs at The University of Texas at Austin for the Spring Semester 1979.

The details of the foregoing appointments will be reported in the November-December Docket.

3. U. T. El Paso: Authorization to Seek Approval of Coordinating Board to Transfer Supervision of Allied Health Program from the College of Science to the College of Nursing (Catalog Change). -- The Academic and Developmental Affairs Committee, upon the recommendation of President Templeton and System Administration and without objection, authorized the Administration to seek approval of the Coordinating Board, Texas College and University System to transfer the supervision of the Allied Health Program at The University of Texas at El Paso from the College of Science to the College of Nursing.

If this transfer is approved by the Coordinating Board, the next appropriate catalog published at U. T. El Paso will be amended to reflect this change.

4. U. T. El Paso: Agreement with Marsh Media of El Paso (KVIA-TV). -- Upon recommendation of President Templeton and System Administration and without objection, approval was given to the agreement set out on Pages 73-76 between The University of Texas at El Paso and Marsh Media of El Paso (KVIA-TV). This agreement will provide transmitter and tower facilities for use by U. T. El Paso.

A G R E E M E N T

This AGREEMENT is made this _____ day of _____, 1978, between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of The University of Texas at El Paso, hereinafter referred to as "UTEP", and Marsh Media of El Paso, A Texas General Partnership, hereinafter referred to as "Marsh".

W I T N E S S:

WHEREAS, Marsh is the owner-operator and licensee of KVIA-TV, El Paso, Texas, and

WHEREAS, Marsh is the Lessee of certain property located in El Paso County, Texas, under the lease agreement (the Main Lease) dated April 7, 1976, between Mortgage Investment Co. of El Paso, Celeste Rasberry individually and as independent executrix of the estate of J. L. Rasberry, and Mrs. S. M. Murchison, individually and as independent executrix of the estate of S. M. Murchison, as Lessors, and Marsh as Lessee, upon which leased premises are located the transmitter, antenna and other equipment and facilities for broadcasting the KVIA-TV signal; and

WHEREAS, UTEP operates a public radio station in El Paso, Texas under license of the F.C.C.; and

WHEREAS, UTEP entered into an agreement with the prior owner of KVIA-TV (then KELP-TV) on the 8th day of September, 1972, in which it was agreed that the prior owner of KVIA-TV (then KELP-TV) would provide UTEP with transmitter and tower space on the then proposed KELP-TV Franklin Mountain, Comanche Peak tower site; and

WHEREAS, the Franklin Mountain Comanche Peak transmitter tower was not constructed by KELP-TV but Marsh desires to cooperate with UTEP and to assist in providing UTEP with FM transmitter and tower space; and

WHEREAS, in order to promote the success of UTEP in El Paso, to serve the public interest, and to serve other objectives of the parties, the parties are desirous of entering into the following Agreement setting forth the obligation of the parties with regard thereto.

NOW THEREFORE, it is mutually agreed to as follows:

1. Space for Transmitter and Use of Antenna Tower.

Subject to approval of the Federal Communications Commission:

- a. Marsh shall provide UTEP with space, if available, in the current transmitter building to locate UTEP's FM radio transmitter;
- b. Marsh grants UTEP the right to mount broadcast and other special purpose antennas for either permanent or temporary use for non-commercial communications, on its antenna tower or transmitter building, at such places as designated by Marsh;
- c. Installation and maintenance of UTEP's transmitter and antenna(s) shall be at the sole expense of UTEP; and
- d. In the event the current transmitter building does not have adequate space available for UTEP's radio transmitter, then and in that event any additional construction required or construction costs incurred in order to provide such space, shall be the sole responsibility of and at the sole expense of UTEP.

2. Utilities and Insurance.

- a. UTEP will be responsible for the installation and payment of its own utilities which shall be contracted for separately by UTEP. Electrical power shall be metered separately and apart from the electrical power furnished Marsh. It is understood that natural gas, water, and sewer service will not be available to the site.

b. Insofar as The University is authorized by the Constitution and the laws of the State of Texas, The University agrees to hold Marsh harmless from and against any and all liability resulting from the use of Marsh's facility by The University.

3. Term of the Agreement.

This Agreement shall be effective on the date of execution by both parties and shall remain in effect so long as Marsh shall conduct its television broadcasting operations at the Site.

4. Assignability.

a. UTEP may not assign or transfer its rights hereunder without the prior written consent of Marsh.

b. Marsh may sell or otherwise transfer any of its real or personal property referred to herein during the term of this Agreement, provided that any purchaser or transferee shall acquire the same subject to the requirement of carrying out Marsh's obligations to UTEP hereunder.

5. Conditions of the Agreement.

This Agreement is made subject to the following conditions and shall be of no force or effect until each condition is fully satisfied to the satisfaction of Marsh:

a. That the installation and operation of the proposed UTEP-FM radio transmitter and antenna on the current site is completed and maintained in accordance with engineering standards acceptable to Marsh so that UTEP's FM radio broadcast operation does not in any manner whatsoever interfere with Marsh's broadcast signal or operation.

b. That Mortgage Investment Company of El Paso, as Lessor of the Site, shall provide Marsh with its written consent to the terms of this Agreement; and

c. That the approval of the Federal Communications Commission and any other regulatory body or agency having jurisdiction of the matters contained herein has been obtained.

6. Operations.

If at any time during the term of this agreement UTEP's operation shall in any manner whatsoever interfere with Marsh's operation or broadcast signal, upon receipt of written notice of such interference UTEP shall immediately take any

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and all such action as may be necessary to stop such interference including but not limited to the complete termination of UTEP's operations on the Site.

7. Prior Agreements.

This Agreement constitutes the entire agreement and understanding of the parties and all other prior agreements, if any, are hereby superseded and shall have no effect.

8. Binding Effect.

Without limiting the foregoing restrictions or assignability, this Agreement shall be binding upon, and inure to the benefit of, the parties hereto, their successors and assigns.

9. Notices.

All communications between the parties hereto with respect to this agreement are required to be in writing and shall be addressed as follows:

If to Marsh: Stanley Marsh ~~X~~ III
Box 12077
American National Bank Building
Amarillo, Texas 79101

If to UTEP: The Office of the President
The University of Texas at El Paso
El Paso, Texas 79968

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY

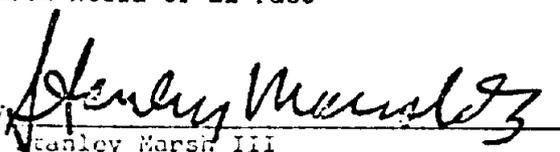
BETTY ANNE THIEDFORD, SECRETARY
Board of Regents of
The University of Texas System

By _____
ALLAN SHIVERS, CHAIRMAN
Board of Regents of
The University of Texas System
Marsh Media of El Paso

Approved as to Content:



President
The University of Texas at El Paso

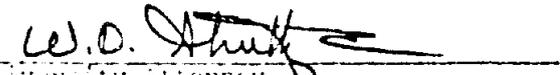
By 

Stanley Marsh III

Approved as to Form:



President
The University of Texas System



University Attorney

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 77 - 90), --
Committee Chairman Bauerle filed the following report of the Buildings
and Grounds Committee and stated that all items were considered in open
session. The report was adopted without objection:

Report

The Buildings and Grounds Committee met on Thursday afternoon, Octo-
ber 19, and unanimously approved the following recommendations:

1. Galveston Medical Branch - Ashbel Smith Building (Old Red) -
Restoration: Endorsement of Project and Pledge to Support. --
A delegation of individuals from Galveston committed to the
restoration of the Ashbel Smith Building (Old Red) at The Uni-
versity of Texas Medical Branch at Galveston appeared before
the Buildings and Grounds Committee. Mr. Ray Holbrook,
County Judge of Galveston County, spoke for an Ad Hoc Com-
mittee, composed of people throughout the State of Texas who
are interested in preserving Old Red. Other members of the
committee present included Mr. Peter Brink, Director of the
Galveston Historical Foundation; Mr. Truett Latimer, Execu-
tive Director of the Texas Historical Commission; and Senator
A. R. Schwartz of Galveston.

Senator Schwartz indicated that the attempt to preserve Old Red
had begun 8 years ago with a state line item appropriation of
\$6,000 to finance studies to determine the cost of restoring the
building.

Mr. Latimer then presented the following plan of the committee
for the Regents' consideration:

- "1. That we seek rehabilitation of Old Red for active use as
an integral part of UTMB. Rehabilitation rather than pure
restoration should be our goal, first, to save money, and
second, to make the building fully usable to meet current
space needs of UTMB. We should not seek a monument,
but a sympathetic development of the building's interior so
that its rehabilitation cost will be partly off-set by savings
on newly-constructed space that would otherwise be needed.
2. That we join together the financial assistance from several
major resources.
... The \$1 million already pledged by you from the Permanent
University Fund and already donated by UTMB alumni.
... \$2 million that we pragmatically seek as a line-item
appropriation for Old Red from the Legislature. In this
regard, we are grateful to President Levin for already
submitting a request for \$6 million to the LBB.
... That \$1 million to be raised from outside sources by
interested groups and individuals with the full cooperation
and assistance of the University.
3. We ask that you be willing to phase the project if we cannot
obtain all the \$7 million or so to complete a total rehabilita-

tion at one time. Thus, the \$4 million I have outlined would stabilize the building and do overall rehabilitation; as additional funds then become available you could complete additional finished space in the building."

Dr. Levin was then introduced, and he explained how Old Red, if it were restored, could be used as an integral part of the Medical Branch.

Mrs. Mary Moody Northen, Chairman of the Board of Trustees of The Moody Foundation, Galveston, was unable to be present to lend her personal support to the Ad Hoc Committee members appearing before the Board, and in her absence sent a telegram outlining efforts to save Old Red, including a pledge from The Moody Foundation for a challenge matching grant of one half million dollars.

Regent Fly made the motion that the Board of Regents endorse the necessity to restore the Ashbel Smith Building and pledge its support for this purpose. The motion was seconded by Regent Clark and prevailed unanimously.

2. U. T. Arlington - Stadium (Multipurpose Athletic Facility): Approval of Final Plans and Authorization to Advertise for Bids. -- System Administration reported that the Coordinating Board, Texas College and University System approved on April 20, 1978, the request for the construction of a Stadium (Multipurpose Athletic Facility) at The University of Texas at Arlington. The final plans and specifications had been prepared by the Project Architect, Schrickel, Rollins and Associates, Inc., Arlington, Texas.

Upon the recommendation of President Nedderman and System Administration and without objection, the Buildings and Grounds Committee:

- a. Approved the final plans and specifications for the Stadium (Multipurpose Athletic Facility) at The University of Texas at Arlington at an estimated project cost of \$5,500,000
- b. Authorized the Office of Facilities Planning and Construction to advertise for bids (including approximately 12,664 seats with an add alternate for 3,432 additional seats) to be presented to the Board of Regents at a future meeting

Chancellor Walker stated that itemized funding for this project would be submitted to the Committee at a subsequent meeting.

3. U. T. Arlington - Additional Parking Facilities: (a) Report of Contract Award for Lot One (East of Pecan Street and North of Mitchell Street) to SRO Asphalt, Inc., Arlington, Texas, and (b) Authorization for U. T. Arlington Administration to Award Contract for Lot Two (Border and Monroe Streets) to Uvalde Construction Company, Dallas, Texas, and Additional Appropriation Therefor. -- The Administration reported that in accordance with the authorization at the April 7, 1978 meeting

of the Board of Regents, for the expansion of parking facilities at The University of Texas at Arlington (construction of two parking lots) at an estimated total project cost of \$480,891 including lighting, irrigation systems, oak trees and ground cover, a contract in the amount of \$236,200 had been awarded to SRO Asphalt, Inc., Arlington, Texas, the lowest responsible bidder, for Lot One (East of Pecan Street and North of Mitchell Street).

It was further reported that bids had been called for the construction of Lot Two (Border and Monroe Streets), and although in order to award this contract additional funding would be needed, the Administration considered this project to be a high priority in their continuing effort to meet urgent parking needs on the campus.

Following a discussion, and upon the recommendation of President Nedderman and System Administration, the Buildings and Grounds Committee without objection:

- a. Authorized U. T. Arlington Administration to award a contract for the additional parking lot at Border and Monroe Streets to the lowest responsible bidder, Uvalde Construction Company, Dallas, Texas, as follows:

Base Bid	\$329,927
Alternate (Add a Minimum of 12 Parking Spaces)	6,407
Total Contract Award	\$336,334

- b. Approved a total cost of \$336,334 to cover the construction contract award for this second parking lot
 - c. Appropriated additional funds in the amount of \$91,643 from Unappropriated Plant Funds - Interest on Bond proceeds to provide for the total cost of this second parking lot
4. U. T. Arlington - Student Housing: Authorization to Submit Project to Coordinating Board. --Because of the time element involved, the Buildings and Grounds Committee without objection authorized the Administration to ask the Coordinating Board, Texas College and University System for permission to construct the proposed Student Housing project at The University of Texas at Arlington. This request will be on the basis of the feasibility study and the construction of the project will be contingent upon the Board of Regents giving final approval.

5. U. T. Austin - School of Architecture: Report of Feasibility Study for Improvement of Facilities; Authorization for Project; Appointment of Thomas-Booziotis & Associates, Dallas, Texas, and Chartier Newton, Austin, Texas, Project Architect, and Appropriation Therefor. -- The Administration submitted a written report of (a) the feasibility study which had been conducted in connection with improvement of facilities for the School of Architecture at The University of Texas at Austin and (b) detailed recommendations of President Rogers.

The feasibility study had been made by the U. T. Austin Administration, the Office of Facilities Planning and Construction and the Consultants, Thomas-Booziotis & Associates, Dallas, Texas, and Chartier Newton, Austin, Texas. The following plan was proposed therein:

An ultimate development plan for the School of Architecture Facilities to include Goldsmith Hall (the existing Architecture Building), Sutton Hall, West Mall Office Building and Battle Hall, as well as new construction of a lecture hall facility at Goldsmith Hall and a new spline building to the south to connect the several existing buildings. Also, a plaza development between Goldsmith Hall, Sutton Hall and the West Mall Office Building. This ultimate development is estimated at a current construction cost of \$8,750,000 exclusive of fees, contingencies, administrative costs and price escalation. Additionally, anticipated furniture, furnishings and special equipment needs are estimated at approximately \$1,302,000 at current day prices. The ultimate development would be accomplished by phased construction, remodeling and new, in a number of sequenced stages depending on availability of funds and relocation of present occupants in some of the existing buildings.

At the request of Committee Chairman Bauerle, Dean Harold Box, School of Architecture, spoke briefly and expressed his approval of the plan proposed and his gratitude for this additional space.

Following a detailed discussion of the feasibility study and President Rogers' recommendations, and upon the recommendation of President Rogers and System Administration, the Buildings and Grounds Committee without objection:

- a. Accepted the development plan proposed in the feasibility study for improvements for the U. T. Austin School of Architecture with the provision that use of Battle Hall as a library facility be deleted from the development plan
- b. Authorized a project for improvements for the School of Architecture with provisions for implementation in stages and subject to available funding
- c. Appointed the planning consultants, Thomas-Booziotis & Associates, Dallas, Texas, and Chartier Newton, Austin, Texas, Project Architect with authorization to prepare preliminary plans and cost estimates for phased construction to be presented to the Board of Regents for consideration at a future meeting
- d. Appropriated \$95,000 from Account No. 36-9040-1000 for fees and related project expenses through completion of preliminary plans

6. U. T. Austin - Robert Lee Moore Hall - Fusion Research Center - Texas Experimental Tokamak (TEXT) Project: Award of Contract to B. L. McGee, Inc., Austin, Texas, and Additional Appropriation Therefor. -- The Administration had submitted in the written material a tabulation of the bids for the modification of the existing underground laboratory and construction of approximately 1,308 square feet of new space in Robert Lee Moore Hall at The University of Texas at Austin to accommodate a new and larger TOKAMAK machine and ancillary equipment. These modifications along with the design, manufacture and installation of the new TOKAMAK machine and associated ancillary equipment had been made possible by the receipt by U. T. Austin of a Federal Grant (No. EG-77-C-05-5398) from the Department of Energy. The grant and the new facility will make possible expanded and significant experimental studies in the vital energy field of fusion research.

Following a review of the bids received, and upon recommendation of President Rogers and System Administration, the Buildings and Grounds Committee without objection:

- a. Awarded the construction contract for the U. T. Austin Fusion Research Center in Robert Lee Moore Hall to the lowest responsible bidder, B. L. McGee, Inc., Austin, Texas for a base bid of \$765,000 subject to the approval of the federal granting agency
 - b. Authorized a total project cost of \$828,000 to cover the building construction contract award, fees and related project expenses
 - c. Appropriated funds in the amount of \$828,000 from Department of Energy Grant No. EG-77-C-05-5398 for these costs
7. U. T. Austin - Addition to Pharmacy Building (Including Renovation of Existing Building): Presentation of Final Plans and Request for Authorization to Advertise for Bids - WITHDRAWN. -- This item was withdrawn at the request of System Administration.
8. U. T. Austin - Special Events Center: Authorization (a) to Install Additional Exterior Lighting; (b) Advertise for Bids; (c) Award Contract or Purchase Order; and (d) Appropriation Therefor. -- The Administration reported the need for improved exterior lighting at the Special Events Center at The University of Texas at Austin to better insure safety of patrons when arriving and departing. When the construction contract for the Center was awarded in May 1974, certain exterior lighting had been deleted for budgetary reasons.

Following a discussion, and based on the recommendations presented by System Administration, the Buildings and Grounds Committee without objection:

- a. Authorized installation of additional exterior lighting (light standards added around the perimeter of the building) at the Special Events Center at U. T. Austin at an estimated total cost of \$155,000

- b. Authorized the Project Architect, B. W. Crain, Jr., Longview, Texas, to prepare bidding documents for the additional exterior lighting system as part of the completion of the project
 - c. Appropriated \$155,000 from Permanent University Fund Bond proceeds to provide for the total cost of the installation, fees and miscellaneous expenses
 - d. Authorized the Office of Facilities Planning and Construction to advertise for bids and complete the project by award of an electrical installation contract or a purchase order, as appropriate, within appropriated funds, with contractual arrangements to be reported to the Board at a future meeting
9. U. T. Austin - Special Events Center - Additional Ticket Windows: Authorization to: (a) Construct; (b) Prepare Bidding Documents (Final Plans); and (c) Advertise for Bids and Complete Project by Award of Contracts or Purchase Orders; and Appropriation Therefor. --
Based upon the recommendation of the Administration for the purpose of relieving congestion at ticket windows, the Buildings and Grounds Committee without objection:
- a. Authorized the construction of a total of sixteen additional ticket windows at The University of Texas at Austin Special Events Center at an estimated total cost of \$148,425
 - b. Authorized the Project Architect, B. W. Crain, Jr., Longview, Texas, to prepare bidding documents (final plans) for the additional ticket windows as a part of the completion of the project
 - c. Authorized the Office of Facilities Planning and Construction to advertise for bids and complete the project by award of construction contracts or purchase orders, as appropriate, within appropriated funds, with contractual arrangements to be reported to the Board at a future meeting
 - d. Appropriated \$148,425 from Permanent University Fund Bond proceeds to provide for the total cost of construction, fees and miscellaneous expenses
10. U. T. Austin - Robert A. Welch Hall - Renovation of Initial (1929) Building: Report of Feasibility Study; Authorization for Project; Appointment of Graeber-Simmons-Cowan, Austin, Texas, Project Architect; and Appropriation Therefor. --The Administration submitted a written report with respect to the feasibility study conducted by the U. T. Austin Administration, the Office of Facilities Planning and Construction and the Consulting Architect, 3D International, Austin, Texas, for renovation of the initial 1929 portion of Robert A. Welch Hall at The University of Texas at Austin. The study for renovation of this fifty year old six level building of 108,300 gross square feet proposed two sequences of construction for remodeling to permit the users to occupy one-half of the building for instructional purposes and ongoing scientific research during the anticipated 26-month construction period at an estimated construction cost of \$12,109,722 exclusive of fees, administrative costs, furniture and furnishings, and special equipment needs.

It was noted that President Rogers had expressed concern about the University's capability to fund the facilities construction and improvements needed in order to provide reasonably well for academic programs, and that she hoped that careful attention would be given to reducing the estimated construction cost during the preparation of any preliminary plans if approved.

Regent Law voiced his concern about priorities of spending vast sums on buildings which are necessary, and almost urgent, but infringing on academic projects which are so important.

After a discussion, and without objection, the Buildings and Grounds Committee upon motion of Regent Fly:

- a. Authorized the Renovation of the Initial (1929) Building of Robert A. Welch Hall at U. T. Austin in accordance with the feasibility study with provisions for sequenced construction subject to available funding
 - b. Appointed the firm of Graeber-Simmons-Cowan, Austin, Texas, formerly associated with 3D/International, Project Architect with authorization to prepare preliminary plans and cost estimates for sequenced construction to be presented to the Board of Regents for consideration at a future meeting
 - c. Appropriated \$121,000 from interest on bond proceeds for fees and related project expenses through completion of preliminary plans
11. U. T. Austin - Marine Science Institute at Port Aransas - Waterfront Improvements: Award of Contract to W. T. Young Construction Company, Corpus Christi, Texas, and Additional Appropriation Therefor. --The Administration reported that the bids for the Waterfront Improvements at The University of Texas Marine Science Institute at Port Aransas exceeded the total project cost of \$350,000 estimated by the Project Engineer, Ogletree and Gunn of Corpus Christi, Texas, and approved by the Board of Regents on April 7, 1978; however a review of the bidding results indicated costs had risen substantially since the December 1977 project authorization for the work. It was the opinion of the Administration that the project is necessary to insure continued safe operation of vessels at the Institute.

Following a discussion, and upon recommendation of President Rogers and System Administration, the Buildings and Grounds Committee without objection:

- a. Awarded a construction contract for Waterfront Improvements at the U. T. Austin Marine Science Institute at Port Aransas to the lowest responsible bidder, W. T. Young Construction Company, Corpus Christi, Texas, for a Base Bid of \$375,063.50
- b. Authorized a revised total project cost of \$475,000.00 to cover the construction contract award, fees, and related project expenses
- c. Appropriated additional funds in the amount of \$125,000.00 from U. T. Austin Unexpended Plant Funds to provide for the total project cost

12. U. T. Austin - McDonald Observatory - Visitors Information Center: Approval of Preliminary Plans. -- The preliminary plans and specifications for the construction of a Visitors Information Center for McDonald Observatory at The University of Texas at Austin were presented by Mr. Dale Selzer of the firm of Dale E. Selzer Associates, Dallas, Texas, Project Architect.

In the discussion that ensued, it was noted that the high cost per square foot is due to the remote location.

The Buildings and Grounds Committee without objection;

- a. Approved the preliminary plans and specifications for the 2,000 gross square foot Visitors Information Center for McDonald Observatory at U. T. Austin at an estimated total project cost of \$250,000
 - b. Authorized the Project Architect to prepare final plans and specifications for consideration of the Board of Regents at a future meeting
13. U. T. El Paso: Amendment to Long Range Campus Development Plan Submitted to Coordinating Board Following the July 9, 1976 Meeting: Feasibility Study Authorized for Expansion of Union Facilities. -- Upon recommendation of President Templeton and System Administration, the Buildings and Grounds Committee without objection amended the Long Range Campus Development Plan submitted to the Coordinating Board, Texas College and University System for The University of Texas at El Paso following the July 9, 1976 meeting of the Board of Regents by adding the following:

		<u>Financed From</u>
a.	College of Business Administration Classroom Building	Permanent University Fund Revenue Bonds
	\$ 5,000,000	
b.	Faculty Office and Classroom Building	Permanent University Fund Revenue Bonds
	2,500,000	
c.	Land Acquisition	Permanent University Fund Revenue Bonds
	750,000	
d.	Site Improvements	Permanent University Fund Revenue Bonds
	750,000	
e.	Expansion of Union Facilities	Combined Fee Revenue Bonds
	<u>4,000,000</u>	
	Total	
	<u>\$ 13,000,000</u>	

It was noted that the construction of Items (a) and (b) would not begin prior to 1980 and that it would possibly be later depending upon the growth in enrollment.

For the Expansion of Union Facilities (Item e. above), Dr. Templeton requested that the architectural firm of Garland and Hilles of El Paso be approved to do a feasibility study and cost estimate to be brought back to the Board for approval at a future meeting. This firm designed the original union building and the subsequent addition.

Though this item was not on the agenda, it was considered and approved because of the time element involved and the necessity of having plans and specifications prepared prior to the submission to the Coordinating Board, Texas College and University System for approval. The item was approved with instructions that it be resubmitted for ratification at the Regents' meeting on November 30-December 1, 1978.

14. Dallas Health Science Center (Dallas Southwestern Medical School) - Ambulatory Care Center: Authorization to Prepare Preliminary Plans and Cost Estimates and Additional Appropriation Therefor. -- Upon the recommendation of President Sprague and System Administration and without objection, the Buildings and Grounds Committee:

- a. Authorized the Project Architect, Fisher and Spillman, Inc., Dallas, Texas, to prepare preliminary plans and cost estimates for an Ambulatory Care Center at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas at an estimated project cost of \$12,000,000
- b. Appropriated an additional \$4,000,000 from the Permanent University Fund Bond proceeds toward the construction of this Center, \$8,000,000 having been previously appropriated from the same source

15. Dallas Health Science Center (Dallas Southwestern Medical School): Authorization to Purchase 100 Acres with Improvements for Off-Campus Animal Farm Facility and to Submit Project to Coordinating Board; Appropriation Therefor. -- The Administration reported that the Animal Research Program at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas had become one of the largest and most productive in the United States with approximately 150,000 animals being used for teaching and research within the academic year 1977-78. In its report, the Administration pointed out several problems within this program due to the lack of space on the campus.

Whereupon, the Buildings and Grounds Committee without objection, and following the recommendations of President Sprague and System Administration:

- a. Authorized the acquisition of approximately 100 acres of land for an off-campus Animal Farm Facility at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas with necessary improvements to provide utilities, roadwork, fencing, basic housing structures and ancillary equipment
- b. Authorized submission of the project to the Coordinating Board, Texas College and University System

- c. Appropriated \$600,000 from Permanent University Fund Bond proceeds to cover land acquisition and Phase I improvements for the facility

President Sprague explained that this facility, chiefly for large animals, would be better located off the campus. He further related that if land is not available within Dallas County, it will be necessary to get permission from the Legislature to purchase land outside the County.

- 16. Dallas Health Science Center (Dallas Southwestern Medical School) - Philip R. Jonsson Basic Science Research Building - Remodeling of Animal Areas and Academic Space: Approval of Final Plans and Authorization to Advertise for Bids. -- Upon the recommendation of President Sprague and System Administration, the Buildings and Grounds Committee without objection:

- a. Approved the final plans and specifications for the Remodeling of Animal Areas and Academic Space (approximately 10,000 square feet for Animal Resources, Psychiatry and Graduate School) in the Philip R. Jonsson Basic Science Research Building at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas at an estimated project cost of \$650,000
- b. Authorized the Office of Facilities Planning and Construction to advertise for bids to be presented to the Board of Regents for consideration at a future meeting

- 17. Galveston Medical Branch - Swimming Pool: Approval of Preliminary Plans: Authorization to Submit to Coordinating Board; and Subject to Coordinating Board Approval Authorization to Prepare Final Plans. -- The preliminary plans and specifications for the construction of a Swimming Pool at The University of Texas Medical Branch at Galveston had been prepared by the Project Architect, Louis Lloyd Oliver and Tibor Beerman, Galveston, Texas.

Following a brief discussion, and without objection, the Buildings and Grounds Committee:

- a. Approved the preliminary plans and specifications for a 42'x82' (25 meters) Swimming Pool plus a diving area of approximately 35'x35' for The University of Texas Medical Branch at Galveston at an estimated total project cost of \$400,000
- b. Authorized the Administration to submit the project to the Coordinating Board, Texas College and University System for approval
- c. Subject to Coordinating Board approval, authorized the Project Architect to prepare final plans and specifications to be submitted to the Board of Regents for consideration at a future meeting

It was noted in the written report from the Administration that this pool would be constructed adjacent to and immediately north of the present Alumni Field House to take advantage of existing lockers and dressing room facilities.

- 17a. Galveston Medical Branch - Ashbel Smith Building (Old Red) - Restoration: Endorsement of Project and Pledge to Support.
See Page 77,
18. Galveston Medical Branch (Galveston Medical School) - Administration Annex: Request for Authorization to Remodel. -- This item was withdrawn.
19. Galveston Medical Branch (Galveston Hospitals) Ambulatory Care Center and (Galveston Medical School) Learning Center: Report of Bidding: Rejection of Bids and Authorization to Re-Advertise. -- The Administration reported that the Ambulatory Care Center and Learning Center projects at The University of Texas Medical Branch at Galveston had been combined into one bid for the convenience of the construction industry; bids had been called for and opened on October 12, 1978. Although nine bidders were initially active and interested in bidding, only three contractors actually submitted bids, and all three bids exceeded the funding available and were 50% above the architects' estimate.

Upon the recommendation of President Levin and System Administration, the Buildings and Grounds Committee without objection:

Rejected all of the bids received on October 12, 1978, for the construction of the Ambulatory Care Center and the Learning Center at the Galveston Medical Branch and authorized re-advertisement for bids with the further recommendation that the Project Architects confer with the contractors who bid to see if they have suggestions for acceptable cost reductions.

20. Galveston Medical Branch (Galveston Hospitals) - Texas Department of Corrections Hospital: Authorization to: (a) Construct Hospital in Phases and (b) Advertise for Bids for Construction of Foundation. -- The Administration reported that due to the need for the Texas Department of Corrections Hospital (preliminary plans approved June 9, 1978) to be completed as soon as possible, methods to expedite completion of the project had been studied by the Galveston Medical Branch Administration, the Project Architect, and the Office of Facilities Planning and Construction; and it had been determined that it would be feasible to phase the construction and to award a contract for the foundation prior to completion of the balance of the plans and specifications.

Following a brief discussion, and upon recommendation of President Levin and System Administration, the Buildings and Grounds Committee without objection:

- a. Approved the phasing of construction of the Texas Department of Corrections Hospital at The University of Texas Medical Branch at Galveston

- b. Authorized the Office of Facilities Planning and Construction to advertise for bids for the foundation prior to completion of the balance of the plans and specifications and to present the results to the Board of Regents for consideration at a future meeting

(For other action relating to this project, see Page 35 .)

- 21. Galveston Medical Branch (Galveston Hospitals) - Heliport: Request for Project. -- This item was postponed and will be submitted at a later meeting.
- 22. San Antonio Health Science Center - Expansion of Basic Science Teaching Space - Lecture Halls: Approval of Final Plans and Authorization to Advertise for Bids. -- Upon the recommendation of President Harrison and System Administration and without objection, the Buildings and Grounds Committee:
 - a. Approved the final plans and specifications (based on previously approved preliminary plans), prepared by the Project Architect, Phelps & Simmons & Garza and Bartlett Cocke & Associates, Inc., San Antonio, Texas, for the Lecture Halls - Expansion of Basic Science Teaching Space at The University of Texas Health Science Center at San Antonio at an estimated total project cost of \$2,250,000
 - b. Authorized the Office of Facilities Planning and Construction to advertise for bids to be presented to the Board of Regents for consideration at a future meeting
- 23. University Cancer Center (M. D. Anderson) - Cyclotron Addition: Acceptance of Grants from National Cancer Institute and M. D. Anderson Foundation and Appropriation of Funds to Project. -- Upon recommendation of President LeMaistre and System Administration, the Buildings and Grounds Committee without objection accepted the following grants and appropriated same for the construction and equipping of a Cyclotron Addition at M. D. Anderson of The University of Texas System Cancer Center. This project was authorized at a preliminary estimated total project cost of \$1,471,000 subject to the receipt of a grant from NCI and appropriate matching funds for construction and equipping the facility:
 - a. National Cancer Institute Grant No. 1 CO6 CA 24709-01 for \$735,041
 - b. M. D. Anderson Foundation Grant for \$750,000

24. University Cancer Center (M. D. Anderson) - Environmental Science Park at Smithville - Science Park Chimpanzee Facility (Camp Swift Division at Bastrop): Appropriation of Funds and Appointment of Committee to Award Construction Contract. -- The Administration reported that the final plans and specifications for the Science Park Chimpanzee Facility at Bastrop had been prepared by The University of Texas System Cancer Center Administration and the Office of Facilities Planning and Construction and that Federal Grant No. NO1-RS-7-2142 in the amount of \$827,832 for the period September 30, 1977 through September 29, 1982, for the operation and maintenance of the facility had been received and is reported in the Permanent Minutes, Volume XXVc, Page 1871.

Upon the recommendation of President LeMaistre and System Administration, the Buildings and Grounds Committee without objection:

- a. Appropriated \$410,000 from Plant Funds Unappropriated Balances, Account No. 106751 for the Science Park Chimpanzee Facility at Bastrop (University Cancer Center, Environmental Science Park). On November 11, 1977, \$540,000 was appropriated.
- b. Appointed the following committee to award between meetings of the Board of Regents a construction contract within the total estimated project cost of \$950,000 for the Science Park Chimpanzee Facility at Bastrop:

Board Chairman Shivers
Committee Chairman Bauerle
Chancellor Walker
Vice President Boyd
Director Kristoferson
President LeMaistre

25. University Cancer Center (M. D. Anderson): Underground Easement to City of Houston for Waterline and Meter (Commencing at Intersection of Wilkins Street and Bertner Avenue). -- Upon the recommendation of President LeMaistre and System Administration and without objection, the Buildings and Grounds Committee approved a 10' x 57' underground easement to the City of Houston for the purpose of improving water service to M. D. Anderson of The University of Texas System Cancer Center from the existing water main in Bertner Avenue. This easement will permit the City to relocate an existing 8" water line and meter at the northwest corner of the property (commencing at the intersection of Wilkins Street and Bertner Avenue).
26. Tyler Health Center - Chapel Addition: (a) Approval of Preliminary Plans; (b) Authorization to Submit to Coordinating Board; and (c) Subject to Coordinating Board Approval, Authorization to Prepare Final Plans and to Appropriate Additional Funds. -- The preliminary plans and specifications for the Chapel Addition at The University of

Texas Health Center at Tyler were presented by Mr. Jim Wright, representing the Project Architect, Page Southerland Page, Dallas, Texas.

Following a discussion, the Buildings and Grounds Committee upon the recommendation of Superintendent Hurst and System Administration and without objection:

- a. Approved the preliminary plans and specifications for the Chapel Addition at the Tyler Health Center at an estimated total project cost of \$360,000; and authorized the submission of the project to the Coordinating Board, Texas College and University System
- b. Subject to Coordinating Board approval
 - (1) Authorized the Project Architect to prepare final plans and specifications to be presented to the Board of Regents at a future meeting
 - (2) Appropriated additional funds in the amount of \$8,000 from Account No. 630-0201-7150, Mae Alice Wiley Fund, for fees and related project expenses through completion of final plans and specifications

In response to Chairman Shivers' request, Superintendent Hurst said that the funds for this project would be raised by the Texas Chest Foundation.

27. Tyler Health Center - Water Supply and Distribution System: Authorization for Feasibility Study; Appointment of Carter & Burgess, Inc., Fort Worth, Texas, Consulting Engineer; and Appropriation Therefor. -- The Administration reported that although the water service to The University of Texas Health Center at Tyler, provided by the Smith County Water Control and Improvement District No. 1, was adequate for the existing facilities, it would not be adequate when the construction additions currently under way had been completed.

Upon recommendation of Superintendent Hurst and System Administration and without objection, the Buildings and Grounds Committee:

- a. Authorized a feasibility study to determine what provisions should be made at the Tyler Health Center to assure adequate water supply and pressures including the estimated cost of making these provisions
- b. Appropriated \$15,000 from Unexpended Plant Funds Balances for the feasibility study including fees and other related expenses

Further, the Committee upon motion of Regent Law, duly seconded, appointed the firm of Carter & Burgess, Inc., Fort Worth, Texas, Consulting Engineer to prepare the feasibility study for consideration of the Board of Regents at a future meeting.

28. U. T. Austin - Texas Memorial Stadium: Proposed Spectator Seating (Press Box) for President. -- At the conclusion of the meeting, Regent Sterling took the opportunity to again express his desire that a press box be provided in Texas Memorial Stadium for the President of The University of Texas at Austin. He described in detail the press box at Texas Tech.

REPORT OF HEALTH AFFAIRS COMMITTEE (Pages 91 - 158). -- Committee Chairman Law stated that all actions of the Health Affairs Committee had been taken in open session and had been approved without objection. He submitted the following report that was likewise approved without objection:

1. U. T. Arlington: Affiliation Agreements with (a) Arlington Boys Club, Inc., Arlington, Texas; (b) Fort Worth Medical Plaza, Inc., d/b/a Medical Plaza Hospital, Fort Worth, Texas; (c) Texas Department of Health, Region V, Arlington, Texas; and (d) Southwestern Baptist Theological Seminary - Walsh Medical Clinic, Fort Worth, Texas. -- Without objection, affiliation agreements by and between The University of Texas at Arlington and the following facilities were approved to be effective immediately:

Facility

- a. Arlington Boys Club, Inc.
Arlington, Texas
- b. Fort Worth Medical Plaza, Inc.,
d/b/a Medical Plaza Hospital
Fort Worth, Texas
- c. Texas Department of Health
Region V, Arlington, Texas
- d. Southwestern Baptist Theological
Seminary - Walsh Medical Clinic
Fort Worth, Texas

These agreements follow the format approved for affiliation agreements by the Board of Regents on December 16, 1977. They will provide additional educational facilities primarily for the nursing students at U. T. Arlington.

2. U. T. El Paso: Affiliation Agreement with the National Medical Hospital of Texas (Sierra Medical Center), El Paso, Texas. -- Upon the recommendation of President Templeton and System Administration and without objection, approval was given to the affiliation agreement set out on Pages 92 - 96 by and between The University of Texas at El Paso and the National Medical Hospital of Texas (Sierra Medical Center), El Paso, Texas, to be effective immediately.

This agreement, executed on August 16, 1978 by the appropriate officials of the institution and the facility, will provide additional clinical facilities for the nursing students at U. T. El Paso.

HEALTH CARE
EDUCATIONAL EXPERIENCE PROGRAM
AFFILIATION AGREEMENT

THIS AGREEMENT made the 10th day of August, 1978, by and between The University of Texas at El Paso ("University"), a component institution of The University of Texas System ("System"), and The Board of Directors of the National Medical Hospital of Texas (Sierra Medical Center) ("Facility"), a corporation existing under the laws of the State of Texas, having its principal office at 1625 Medical Center Drive, El Paso, State of Texas.

WITNESSETH:

WHEREAS, Facility now operates health care facilities located at 1625 Medical Center Drive, in the City of El Paso, State of Texas, and therein provides health care services for persons in need of such services; and University provides an academic program with respect to health care; and,

WHEREAS, University periodically desires to provide health care related educational experiences for its students, which are not otherwise available to them under the existing program of University, by utilization of appropriate facilities and personnel of Facility; and,

WHEREAS, Facility is committed to a goal of providing the best obtainable supply of personnel educated in the field of health care as being in the best interests of Facility, and believes that achievement of such goal can best be accomplished by affording health-care students the opportunity to participate in meaningful educational experiences as a part of an academic health care program, through utilization of appropriate facilities and personnel of Facility; and,

WHEREAS, in order to accomplish such objectives, University and Facility intend to establish and implement from time to time, one or more educational experience programs which will involve the students and personnel of University, and the facilities and personnel of Facility;

NOW, THEREFORE, in consideration of the premises and of the benefits derived

and to be derived therefrom and from the program or programs established and implemented by said parties, University and Facility agree that any program agreed to by and between Facility and University, during the term of this agreement, for purposes of achieving the above described objectives of said parties (hereinafter called "Educational Experience Program," or "Program"), shall be covered by and subject to the following terms and conditions:

1. The Program shall not become effective until all agreements between the parties with respect to Program have been reduced to writing ("Program Agreement"), executed by the duly authorized representatives of Facility and University, and approved in writing by the President of The University of Texas System.

2. The Program may be cancelled by either party by giving such written notice to the other of its intention to terminate the Program as provided in the Program Agreement; provided, however, that the Program shall automatically terminate upon termination of this Agreement.

3. In the event of conflict between the text of Program Agreement and the text of this Agreement, this Agreement shall govern.

4. After Program Agreement becomes effective, no amendments thereto shall be valid unless in writing and executed by the duly authorized representatives of Facility and University, and approved by the President of The University of Texas System.

5. Except for certain acts to be performed by University pursuant to express provisions of this Agreement, Facility hereby agrees to furnish the premises, personnel, services, and all other things necessary for the Educational Experience Program, as specified in the Program Agreement, and, in connection with such Program, further agrees:

(a) To comply with all Federal, State and Municipal laws, ordinances, rules and regulations applicable to performance by Facility of its obligations under this Agreement, and all applicable accreditation requirements, and to certify such compliance to University or other entity when requested to do so by University.

(b) To permit the authority responsible for accreditation of University's curriculum to inspect such facilities, services and other things provided by Facility pursuant to this Agreement as are necessary for accreditation evaluation.

(c) To appoint a person to serve for Facility as Liaison (Liaison) to the faculty and students engaged in the Program; provided, however, that no person not having the prior written approval of University shall be appointed Liaison; and, in such connection, Facility shall furnish in writing to University (not later than thirty (30) days prior to the date the Liaison appointment is to become effective) the name and professional and academic credentials of the person proposed by Facility to be Liaison, and within ten days after receipt of same, University shall notify Facility of University's approval or disapproval of such person. In the event the Liaison becomes unacceptable to University after appointment, and University so notifies Facility in writing, Facility will appoint another person to serve as Liaison in accordance with the procedure stated in the first sentence of this sub-paragraph (c).

6. University hereby agrees:

(a) To furnish Facility with the names of the students assigned by University to participate in the program.

(b) To assign for participation in the Program only those students (1) who have satisfactorily completed those portions of its curriculum which, according to Program Agreement, are prerequisite to such participation, all as determined by University in its sole discretion, and (2) who have entered into a written agreement with University and Facility that they will not publish any material relating to the Program, or their experience in participating therein, without the prior written approval of University and Facility.

(c) The University shall provide the Facility with the name of the insurance company with which each student and member of the faculty using the facility carries malpractice insurance. The Facility shall notify the University prior to January 15 and September 1, each year of any special requirements for malpractice insurance as a condition of using the Facility as provided by this

agreement.

(d) To designate a member of the University faculty to coordinate with Facility through its Liaison the learning assignment to be assumed by each student participating in the Program, and to furnish to Facility in writing the name of such faculty member.

7. All notices under this Agreement shall be provided to the party to be notified in writing, either by personal delivery or by United States mail. All notices under this Agreement shall be deemed given to a party when received by such party's designated representative.

8. All the agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless in writing and signed by the duly authorized representatives of the parties, and approved by the Board of Regents of The University of Texas System.

9. No oral representations of any officer, agent, or employee of Facility or The University of Texas System, or any of its component institutions, (including, but not limited to University), either before or after the effective date of this Agreement, shall affect or modify any obligations of either party hereunder or under any Program Agreement.

10. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided, however, that no assignment by either party shall be effective without prior written approval of the other party. A delay in or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

11. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one (1) year after the date and year of execution by Facility and University, and after such initial term, from year to

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and unless one party shall have given one hundred eighty (180) days' prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (a) at the end of the term of this Agreement during which the last day of such one hundred eighty (180) day notice period falls; or, (b) when all students enrolled in the Program at the end of the term of this Agreement have completed their respective courses of study under the Program; whichever event last occurs.

Executed by University and Facility on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

THE UNIVERSITY OF TEXAS AT EL PASO

By *A. S. Templeton*
A. S. Templeton, President

Chairman, Board of Regents

CONTENT APPROVED:

FORM APPROVED:

W. O. Smith
General Counsel of the System

Ed DeAlba
President of the System

Ernest Amador
Vice President for Academic Affairs
(System)

ATTEST:

Eddie Carrera

THE BOARD OF DIRECTORS OF THE NATIONAL MEDICAL HOSPITAL OF TEXAS (SIERRA MEDICAL CENTER

By *Ed Hart*
Chairman of the Governing Board

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the ____ day of _____, 197 ____.

Secretary, Board of Regents
The University of Texas System

3. U. T. El Paso: Affiliation Agreements with (a) El Paso City-County Health Unit, El Paso, Texas and (b) Surgical Center of El Paso, El Paso, Texas. --Affiliation agreements by and between The University of Texas at El Paso and the following facilities to be effective immediately were approved without objection. The agreements had been executed by the appropriate officials of the institution and facility on the dates indicated below:

<u>Facility</u>	<u>Agreement Executed</u>
a. El Paso City-County Health Unit, El Paso, Texas	July 27, 1978
b. Surgical Center of El Paso El Paso, Texas	July 10, 1978

These agreements follow the format approved for affiliation agreements by the Board of Regents on December 16, 1977. They will provide additional educational facilities primarily for the nursing students at U. T. El Paso.

4. U. T. San Antonio: Affiliation Agreements with (a) Jack O'Dell, Registered Physical Therapist, Fort Worth, Texas; (b) Santa Rosa Medical Center, San Antonio, Texas; and (c) Hill Country Memorial Hospital, Fredericksburg, Texas. --Without objection, approval was given to affiliation agreements by and between The University of Texas at San Antonio and the following facilities to be effective immediately. The agreements had been executed by the appropriate officials of the institution and facility on the dates indicated below:

<u>Facility</u>	<u>Agreement Executed</u>
a. Jack O'Dell, Registered Physical Therapist Fort Worth, Texas	June 30, 1978
b. Santa Rosa Medical Center San Antonio, Texas	July 26, 1978
c. Hill Country Memorial Hospital Fredericksburg, Texas	May 4, 1978

These agreements follow the format approved for affiliation agreements by the Board of Regents on December 16, 1977. They will provide additional educational training opportunities for students primarily in the Division of Allied Health and Life Sciences, specifically in physical therapy.

5. Dallas Health Science Center: Affiliation Agreements with (a) Dallas Independent School District, Dallas, Texas, and (b) Northwest Dallas County Service Center, Farmers Branch, Texas, -- Without objection, approval was given to affiliation agreements by and between The University of Texas Health Science Center at Dallas and the following facilities to be effective immediately. The agreements had been executed by the appropriate officials of the institution and facility on the dates indicated below:

<u>Facility</u>	<u>Agreement Executed</u>
a. Dallas Independent School District Dallas, Texas	July 17, 1978
b. Northwest Dallas County Service Center, Farmers Branch, Texas	July 13, 1978

These agreements follow the format approved for affiliation agreements by the Board of Regents on December 16, 1977.

6. Dallas Health Science Center: Affiliation Agreement with St. Paul Hospital, Dallas, Texas, -- Upon the recommendation of President Sprague and System Administration, the affiliation agreement set out on Pages 99 - 108 by and between The University of Texas Health Science Center at Dallas and St. Paul Hospital, Dallas, Texas, was approved without objection to be effective immediately.

This agreement had been executed by the appropriate officials of the institution and the facility on August 18, 1978. It will provide for full-time faculty of the Southwestern Medical School to be in residence at the St. Paul Hospital and for students at all levels to utilize their facilities.

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STATE OF TEXAS)
COUNTY OF DALLAS)

AFFILIATION AGREEMENT

THIS AGREEMENT made the 18th day of August, 1978, 1978, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM ("Regents"), for and on behalf of The University of Texas Health Science Center at Dallas' Southwestern Medical School ("Southwestern"), and the BOARD OF TRUSTEES OF ST. PAUL HOSPITAL ("Trustees"), a private, non-profit corporation having its principal office at 5909 Harry Hines Boulevard, Dallas, Texas, 75235, said Trustees acting hereinafter for and on behalf of ST. PAUL HOSPITAL ("Hospital");

WITNESSETH:

WHEREAS, Hospital is a private, non-profit institution operating a general hospital facility located at 5909 Harry Hines Boulevard, Dallas, Texas, 75235, and providing quality medical health care services to the sick and injured; and,

WHEREAS, Hospital and Southwestern have the following objectives in common: (1) the desire to coordinate all medical care resources for the benefit of improved patient care and the development of Dallas as a medical center; (2) a common commitment to offer the people of Dallas, Texas, and the Southwest, a program of excellence in medical education; and (3) a desire and intent to develop an agreement that will encourage and use, in future years, the strength of both institutions to the maximum extent consistent with the interests of each; and

WHEREAS, Southwestern shall continue providing health care related experiences for its students, by assuring comprehensive professional coordination between its faculty and Hospital's health care staff, through joint utilization of facilities and personnel; and,

WHEREAS, Hospital is committed to providing by and within the practicable means of its extensive resources, the best available personnel educated in the field of health care, both for Hospital and for other similar institutions who are potential employers of such personnel; and,

WHEREAS, Hospital's extensive medical staff includes many persons with clinical appointments on Southwestern's faculty, thereby providing medical education for physician residents, fellows, medical students and clerkships in numerous professional specializations; and,

WHEREAS, Hospital and Southwestern intend to continue to establish and implement specific faculty and student educational experience programs, to the mutual benefit of their facilities, operations, faculty, staff and personnel hereunder;

NOW, THEREFORE, for and in consideration of the premises, of the benefit derived and to be derived therefrom, and of the particular programs to be established and implemented by the parties, Regents and Trustees state and agree that any specific educational program ("Program") agreed to by and between Hospital and Center during the term of this Agreement, for the purpose of achieving mutual objectives above described, shall be subject to the terms and conditions of this Agreement.

1. Southwestern is an accredited four-year school of medicine governed by the policies, rules and regulations of Regents. A full-time faculty of 521 and over 800 part-time faculty conduct and supervise the instruction. The Medical Library now contains over 140,000 volumes and receives currently over 2,850 domestic and foreign serial publications. Southwestern is advantageously situated in that it has the generous cooperation of many hospital facilities of the city and vicinity. In addition to St. Paul Hospital, the following facilities are utilized in the teaching programs of the school: Parkland Memorial, Baylor University Medical Center,

Methodist Hospital of Dallas, Presbyterian Hospital of Dallas, The Children's Medical Center, Texas Scottish Rite Hospital For Crippled Children, The Dallas Veterans Administration Hospital, Amberlawn Sanitarium, The U.S. Public Health Service Hospital, The John Peter Smith Hospital in Fort Worth, and The Terrell State Hospital in Terrel. Southwestern is dedicated to the promotion of medical education in Dallas and the entire Southwest.

2. St. Paul Hospital is a General Hospital composed of a hospital unit of 489 beds and 50 bassinets operated by the Daughters of Charity of St. Vincent de Paul. As a private, not-for-profit institution, it is charged to provide the highest class of medical care to the sick and injured without reference to color or creed, and to provide necessary surcease to the lot of the poor and destitute, and to foster within its resources education and research as same are related to the improvement of medical care.

Hospital is governed by a Board of Trustees consisting of seven members who are Daughters of Charity selected by the corporate members of the Daughters of Charity with reference to experience and academic background. Trustees select and employ a competent, experienced administrator who is the direct executive representative in the management of Hospital. This administrator is given the necessary authority and is held responsible for the administration of Hospital in all its activities and departments, subject only to such policies as may be adopted and such orders as may be issued by Trustees or by any of its committees to which it has delegated power for such action. The administrator acts as the "duly authorized representative" of the governing board in all matters in which the governing board has not formally designated some other person for that specific purpose.

Hospital provides general care for acute and chronic

disorders and is equipped to provide specialized care in a number of areas. There are approximately 25,000 patients admitted each year in all categories.

The services thus provided are implemented by a physical plant consisting of a main hospital of 489 beds, plus 50 basements which provides services such as physical medicine, nuclear medicine, diagnostic radiology, radiation oncology, pulmonary medicine, gastroenterology, cardiology, blood bank, special care units, outpatient clinic, emergency room facilities, school of laboratory technology and other services.

Hospital's medical staff is comprised of 471 members of whom 297 are certified in their respective specialty. Approximately 50% of the medical staff hold clinical appointments on the faculty of Southwestern.

Medical education is the responsibility of a full-time director, who organizes the teaching cadre from the Hospital Staff Society and arranges the necessary conferences, rounds, etc. At present Hospital offers approved postgraduate training in Internal Medicine, Obstetrics and Gynecology, Pathology, General Surgery and Radiology. There are available additional externships, clinical clerkships, and fellowships in Cardiology, Nephrology, Pulmonary Medicine, Nuclear Medicine, Radiation Oncology and Gastroenterology.

3. To facilitate cooperation between Southwestern and Hospital this Agreement shall be the basis for Program development. A Program shall not be effective until all agreements between the parties with respect to Program shall have been reduced to writing, executed by Hospital and Southwestern, and approved in writing by the President of The University of Texas System. Responsibility for establishing the specific relationships under any Program is hereby vested with the departmental chairmen of Southwestern and the appropriately designated persons of Hospital, who shall be Program directors as provided hereinafter.

4. Any Program may be cancelled by either party upon such party's giving written notice of termination to the other party of such intent to terminate within the specific term of such Program; provided, however, all Programs shall automatically terminate upon termination of this Agreement.

5. In the event of conflict between the text of Program and the text of this Agreement, this Agreement shall govern.

6. After any specific Program becomes effective, no amendments thereto shall be valid unless and until same are stated in writing, executed by Hospital and Southwestern, and approved by the President of The University of Texas System.

7. Subject to the specific acts to be performed by Southwestern pursuant to the express provisions of this Agreement, Hospital hereby agrees to provide for operation and maintenance of fully accredited hospital facilities for teaching, research, patient care and community service, by this affiliation for medical education by integrated Programs at Hospital's facilities. Hospital specifically agrees:

(a) To maintain complete records of acts within any Program, and to provide full information thereon to Southwestern.

(b) To permit the authority responsible for accreditation of Southwestern's curriculum to inspect all facilities, services and other things provided by facility, in addition to all records, reports and other information on Programs, at such reasonable times that such inspection may be requested by Southwestern.

(c) To comply with all Federal, State and local laws, ordinances, rules and regulations applicable to performance by Hospital of its obligations under this Agreement, and to certify such compliance to Southwestern or other

entity when requested to do so by Southwestern.

(d) To designate a person to have the direct and overall responsibility for conduct of each Program as its Program Director; provided, however, such designation shall be subject to approval of Southwestern.

8. Subject to the specific acts to be performed by Hospital under this Agreement, Southwestern shall provide for operation and maintenance of its fully accredited school of medicine for teaching, research, patient care and community service by this affiliation for medical education by integrated programs at Hospital's facilities. Southwestern specifically agrees:

(a) To provide full information, to the extent available, on Program participants.

(b) To assign for participation in Programs only qualified persons, as determined by Southwestern, subject to approval by Hospital.

(c) To designate departmental heads of staff to coordinate with Hospital's Program Directors on actions to be undertaken within any Program.

(d) To do all things Southwestern determines to be reasonably necessary and proper, to assure compliance by participants in Programs, with Hospital's written regulations and policies.

9. Regents and Trustees agree that academic status is a strong inducement for attracting well-qualified individuals for teaching positions at Hospital, and that academic appointment made by Southwestern for individuals in full-time key positions at Hospital should include tenure or assurances of continuation of employment, if possible. This will be granted by Hospital on an individual basis, subject to the approval of

Southwestern. When a faculty member receives a tenured appointment at Hospital, it is understood that Hospital guarantees the tenured faculty member's salary for the period of time specified in each individual case.

If a tenured faculty member's service is terminated at Hospital, then Southwestern may, at its option, assume the tenure obligation depending upon the merits of the individual faculty member, availability of a suitable position and the financial resources to assume the obligation.

10. Physicians employed full-time by Southwestern with academic appointments, and whether based primarily at Southwestern or Hospital, will be subject to The University of Texas System's policies regarding the salary plan for such physicians. Except as may be mutually agreed in any individual contract, fees earned by full-time faculty members will be placed in a trust fund of Southwestern in conformity with the contractual agreement of Southwestern and its faculty as established by the Medical Services and Research Development Plan ("MSRDP Plan"). Fees will be deposited in a separate fund at Southwestern, and will be subject to regular accounting procedures. Initiation and distribution of monies from said funds are to be vested in the chairman of the division or department to which the funds are attributable within Hospital. Such monies are intended to strengthen programs within Hospital. These funds cannot be committed on a continuing basis for the salaries of additional full-time personnel. Quarterly, Southwestern will provide to Hospital's Controller a summary of fees earned and collected by such faculty members, including an accounting of amounts received as insurance proceeds. The division, disbursement and expenditure of such collected funds shall be specified in each individual contract.

11. Hospital will provide research facilities for physicians who are located, for geographical and employment purposes,

on a full-time basis on its campus. Research projects at Hospital may be jointly sponsored by Southwestern. There will be a prior agreement regarding the extent of responsibility of each institution in the administration of research funds, the provision of staff and facilities, and the ownership of equipment purchased with research funds.

12. Southwestern recognizes the current and previously stated policy of Hospital regarding "Respect for Life" which prohibits the performance of abortion or primary sterilization procedures at St. Paul Hospital.

13. If any aspect of this agreement becomes unsatisfactory, a joint committee shall be responsible for discussing and resolving the questions involved. If a change in the agreement is necessary, the committee shall make recommendations to the authorities in each institution. If problems develop which are sufficiently serious and cannot be resolved, dissolution shall be mutually agreed upon with adequate time to allow each institution to make necessary arrangements in an orderly manner.

14. The continuing sound relationship which has heretofore existed between Hospital and Southwestern is recognized by both parties to be essential to continued administration under this Agreement. Effective discussion and review of the affiliation here established shall be subject to continuous discussion and consultation at the departmental level. Such review shall be the basis for administration of routine matters within the terms of this Agreement and any Programs adopted pursuant thereto. Furthermore, Hospital and Southwestern shall designate representatives to an affiliation oversight committee, which shall review this affiliation, relationships thereunder, administrative practices thereby developed and related matters, which committee shall meet at least annually for purposes of review and recommendation to Regents and Trustees.

15. No oral representation of any officer, agent or employee

of Hospital or Southwestern, or the University of Texas System or any of its component institutions (including, but not limited to Southwestern), whether made before or after the effective date of this Agreement, shall affect or modify any obligation of the parties hereunder.

16. All agreements between the parties on the subject matter of this affiliation have been reduced to writing herein. Amendments to this Agreement shall be valid unless and until they have been stated in writing, signed by Hospital and Southwestern, and approved by Regents and Trustees.

17. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assigns; provided, however, no assignment by either party shall be valid until approved by the other party. A delay or failure of performance by either party shall not constitute default hereunder, or give rise to any claims for damages if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

18. All notices under this Agreement shall be provided to the party to be notified either by personal delivery or by United States Mail. All notices under this Agreement shall be deemed given to a party when received by such party's designated representative.

19. This Agreement shall be effective on the date hereinabove first written, and shall continue in effect for an initial term ending one (1) year after such date, and after such initial term from year to year until one party shall have given one (1) year's written notice to the other party of intent to terminate this Agreement; provided, however, such termination shall not affect any academic tenure appointment made under paragraph seven (7) of this Agreement.

EXECUTED by the parties, to be effective on the day and

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and first above written, as witnessed by their signatures duly affixed hereto.

WITNESSES:

THE UNIVERSITY OF TEXAS SYSTEM

Chairman of the Board of Regents

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:

Calvin Walker
President

M. Lynn Taylor for
General Counsel

Gene M. Brantley
Vice President for
Health Affairs

ATTEST:

ST. PAUL HOSPITAL

John L. Linnam, Treasurer

Sister Laurence
President

7. Galveston Medical Branch: Appointment of Jay Collie Fish, M. D., to the Granville T. Hall Chair in General Surgery. -- Upon the recommendation of President Levin and System Administration, Jay Collie Fish, M. D., was appointed to the Granville T. Hall Chair in General Surgery at The University of Texas Medical Branch at Galveston effective immediately. This Chair was established at the February 11, 1977 meeting of the Board of Regents. Prior to the establishment of the Chair, Dr. Fish had held the Granville T. Hall Professorship in General Surgery. Dr. Fish, a distinguished teacher and researcher, has received numerous awards. He has been described according to Dr. George T. Bryan, Dean of Medicine, as "a nearly ideal academic surgeon... and a source of great strength to the Department and the Medical School."
8. Galveston Medical Branch: Affiliation Agreements with (a) Austin State School, Austin, Texas, and (b) Bexar County Mental Health/Mental Retardation Center, San Antonio, Texas. -- Affiliation agreements by and between The University of Texas Medical Branch at Galveston and the following facilities to be effective immediately were approved without objection. The agreements had been executed by the appropriate officials of the institution and facility on the dates indicated below:

<u>Facility</u>	<u>Agreement Executed</u>
a. Austin State School Austin, Texas	June 1, 1978
b. Bexar County Mental Health/ Mental Retardation Center, San Antonio, Texas	June 1, 1978

These agreements follow the format approved for affiliation agreements by the Board of Regents on December 16, 1977.

9. Galveston Medical Branch: Affiliation Agreement with United States Public Health Service Hospital, Nassau Bay, Texas. -- Upon the recommendation of President Levin and System Administration, the following affiliation agreement (Pages 109 - 117) between The University of Texas Medical Branch at Galveston and the United States Public Health Service Hospital, Nassau Bay, Texas, was approved without objection to be effective immediately.

AFFILIATION AGREEMENT

THIS AGREEMENT made the ____ day of _____, 197__,
by and between THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
("University"), a component institution of The University of Texas System
("System"), having its principal office at 601 Colorado Street, Austin,
State of Texas, 78701, and THE UNITED STATES PUBLIC HEALTH SERVICE HOSPITAL,
NASSAU BAY ("Hospital"), a federally operated hospital, having its principal
office at 300 Independence Avenue SW, Washington, DC.

WITNESSETH:

WHEREAS, Hospital now operates hospital facilities located at 2050 Space Center Drive, in the city of Nassau Bay, Houston, State of Texas, 77058, and therein provides health care services for persons in need of such services; and University provides an academic program with respect to health care; and

WHEREAS, University periodically desires to provide health care related educational experiences for its students, which are not otherwise available to them under the existing program of the University, by utilization of appropriate facilities and personnel of Hospital; and,

WHEREAS, it is in the respective interests of the University and the Hospital to enhance their mutual objectives of providing the optimum standard of medical care available and to improve continuously the standards of such patient care. To that end, the University and the Hospital do hereby enter into a general affiliation relationship as described hereinunder in respect to patient care, teaching/training, and research. The President and the Director will constitute the focal point of all necessary coordination and interpretation in respect to the substance of this agreement.

1. Provisions of Agreement

A. In respect to the Hospital and subject to the availability of resources:

(1) The Hospital will make available to the University its hospital facilities and staff in regard to the training, teaching, and research activities of the University.

(2) The Hospital will be a source of patients for both the teaching and research programs of the University. In respect to research programs, compliance with Federal Policy on informed consent and other related requirements regarding the "Protection of Human Subjects" is mandatory when such programs involve participation of Hospital staff members or Hospital patients, whether such programs are conducted at the Hospital or University (Ref: 45 Code of Federal Regulations Part 46.)

(3) The Director of the Hospital will retain ultimate control of operating policy and administration and be responsible for the professional medical support and administrative services related to patient care and other ongoing programs within the Hospital. The standards and level of patient care within the Hospital are implicit in that responsibility.

(4) Each chief of an affiliated service at the Hospital, in addition to his normal official accountability to the Director of the Hospital for patient care activities within the Hospital, will be responsible to the respective academic chairman of the University for the conduct of his department's teaching and research programs at the Hospital. The chiefs of affiliated departments will be appointed by the Hospital in cooperation with the University for the and in consonance with residency training affiliation of the Hospital in that program. Acceptable chiefs may receive appropriate academic appointments to the University staff subject to the rules and regulations of the Board of Regents and as such will relate academically to the appropriate department head, but their final accountability as members of the USPHS staff will be to the Hospital Director.

(5) An appropriate Hospital Committee will monitor details of all research programs, reviewing and approving all research projects prior to their implementation and in accordance with existing Department of Health, Education, and Welfare and Public Health Service regulations. A committee will be established by the Hospital in conformance with PHS policy. Such committee will review and approve all proposed publications emanating from research within the Hospital.

B. In respect to the University and subject to its internal limitations:

(1) The University will make available to the Hospital improved training and research opportunities for PHS trainees

and staff and, in this respect, will make available to PHS staff appropriate Continuing Medical Education programs.

(2) The President of the University retains ultimate control of those teaching and research functions and activities resulting from the implementation of this agreement.

(3) The rotation of residents from The University of Texas Hospitals at the Hospital will be accomplished with mutual agreement between the Chief of the Hospital Department and corresponding Program Director of the University, with due consideration given to adequate coverage within the Hospital. During any such assignments or reassignments, the sources of support of the respective residents will retain their respective funding responsibility regardless of locale of assignment.

(4) Fellows, Trainees, Postdoctoral Associates, etc.: Those individuals who qualify for such posts will be selected by an appropriate sponsor subject to approval by the respective chief of the service. Were the individual to assume any clinical responsibility whatsoever at the Hospital, his qualifications must be approved by the Director. For foreign graduates, an Educational Commission for Foreign Medical Graduates (ECFMG) certificate is required for participation in any clinical activity.

2. Miscellaneous

A. Research activities within the Hospital are subject to final approval by the Division of Hospitals and Clinics Central Investigations Committee, and such activities will be subject to criteria and standards prescribed by the Department of Health, Education, and Welfare (DHEW).

B. Insofar as is possible and for the purpose of avoiding unnecessary duplication of costly facilities or services, appropriate administrative and fiscal arrangements will be developed so that patients may be offered the full advantage of specialized services which currently exist or will be developed under the aegis of either the Hospital or The University of Texas Hospitals at

Galveston (Galveston Hospitals) within the University's Affiliated Hospital Program.

C. The rules and regulations of the respective institution shall apply to staff and to trainees while assigned to the institution.

D. Appropriate coordinating committee composed of equal number of representatives from the University and the Hospital will be constituted as determined by the Director of the Hospital and the President of the University to provide the necessary guidance, oversight, and direction to the programs involved in this affiliated relationship.

E. Program Agreements

(1) The Program Agreement (i.e., memorandum of agreement with an individual department of the University) shall not become effective until all agreements between the parties with respect to Program have been reduced to writing ("Program Agreement"), executed by the duly authorized representatives of Hospital and University, and approved in writing by the President of the System and Public Health Service headquarters and become effective upon signature. For individual training programs conducted under this agreement, additional specific terms of agreement shall be developed for the approval of the Director of the Hospital and the President of the University to cover the general scope and nature of training, numbers of trainees, periods of training, supervision and evaluation expected, privileges of trainees, and other relevant information.

(2) The Program may be cancelled by either party by giving 60-day prior written notice to the other of its intention to terminate the Program as provided in the Program Agreement; provided, however, that the Program shall automatically terminate upon termination of this Affiliation Agreement.

(3) In the event of conflict between the text of the Program Agreement and the text of this Affiliation Agreement, this Agreement shall govern.

(4) After Program Agreement becomes effective, no amendments thereto shall be valid unless in writing and executed by the duly authorized representatives of Hospital and University, and approved by the President of The University of Texas System.

(5) Except for certain acts to be performed by University pursuant to express provisions of this Agreement, Hospital hereby agrees to furnish the premises, personnel, services, and all other things necessary for the Educational Experience Program, as specified in the Program Agreement, and, in connection with such Program, further agrees:

i. To comply with all federal, state, and municipal laws, ordinances, rules, and regulations applicable to performance of Hospital of its obligations under this Agreement, and all applicable accreditation requirements, and to certify such compliance to University or other entity when requested to do so by University.

ii. To permit the authority responsible for accreditation of University's curriculum to inspect such facilities, services, and other things provided by Hospital pursuant to this Agreement as are necessary accreditation evaluation.

iii. To appoint a person to serve for Hospital as Liaison to the faculty and students engaged in the Program; provided, however, that any person appointed Liaison must first have prior written approval of the University; and, in such connection, Hospital shall furnish

in writing to University (not later than thirty days prior to the date the Liaison appointment is to become effective) the name and professional and academic credentials of the person proposed by Hospital to be Liaison, and with ten days after receipt of same, University shall notify Hospital of University's approval or disapproval of such person. In the event the Liaison becomes unacceptable to University after appointment, and University so notifies Hospital in writing, Hospital will appoint another person to serve as Liaison in accordance with the procedure stated in the first sentence of this paragraph (iii).

(6) University hereby agrees:

i. To furnish Hospital with the names of the faculty and trainees assigned by University to participate in the Program.

ii. To assign for participation in the Program only those students (a) who have satisfactorily completed those portions of its curriculum which, according to Program Agreement, are prerequisite to such participation, and (b) who have entered into a written agreement with University and Hospital that they will not publish any material relating to the Program, or their experience in participating therein, without the prior written approval of the University and Hospital.

iii. To designate a member of the University faculty to coordinate with Hospital through its Liaison the learning assignment to be assumed by each student participating in the Program, and to furnish to Hospital in writing the name of such faculty member.

F. All notices under this Agreement shall be provided to the party to be notified in writing, either by personal delivery or by United States mail. All notices under this Agreement shall be

deemed given to a party when received by such party's designated representative.

G. All the agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless in writing and signed by the duly authorized representatives of the parties, and approved by the Board of Regents of The University of Texas System and Public Health Service headquarters.

H. No oral representations of any officer, agent, or employee of Hospital or The University of Texas System, or any of its component institutions (including, but not limited to University), either before or after the effective date of this Agreement, shall affect or modify any obligations of either party hereunder or under any Program Agreement.

I. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided, however, that no assignment by either party shall be effective without prior written approval of the other party. A delay in or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

J. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System and Public Health Service Headquarters. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one year after the date and year of execution by Hospital and University, and after such initial term, from year to year unless one party shall have given 180 day's prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (1) at the end of the term of this Agreement during which the last day of such 180 day notice period falls; or, (2) when all students enrolled in the Program at the end of the term of this Agreement have

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completed their respective courses of study under the Program;
whichever event last occurs

EXECUTED by University and Hospital on the day and year first above
written, in duplicate copies, each of which shall be deemed an original.

UNIVERSITY:

By William C. Levin
William C. Levin, MD, President, UTMB

FORM APPROVED - SYSTEM:

By M. Lynn Taylor for
General Counsel of the
System

CONTENT APPROVED - SYSTEM:

By E. D. Walker
E. D. Walker, President of the System

By Edmund N. Brandt, Jr.
E. N. Brandt, Jr., MD, PhD
Vice President for Health Affairs (System)

By _____
Allan Shivers, Chairman
Board of Regents,
The University of Texas System

ATTEST - HOSPITAL

By Pauline L. Davis

CONTENT APPROVED - HOSPITAL:

By Thomas L. Shinnick, MD
Thomas L. Shinnick, MD
Director, PHS Hospital, Nassau Bay, Texas

By Edward J. Hinman, MD
Edward J. Hinman, MD
Director, Division of Hospitals and
Clinics, Bureau of Medical Services

By James H. Erickson, MD
James H. Erickson, MD
Director, Bureau of Medical Services

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the
Board of Regents of The University of Texas System on the _____ day of
_____, 197__.

Secretary, Board of Regents
The University of Texas System
BETTY ANNE THEDFORD

10. Houston Health Science Center: Affiliation Agreements with
(a) Institute of Clinical Toxicology, Houston, Texas; (b) Rosewood
General Hospital, Houston, Texas; (c) Bayou Glen Nursing Home,
Houston, Texas; (d) Golden Age Manor Bellfort, Houston, Texas;
(e) Larry Byrd, D. D. S., Houston, Texas; (f) Memorial Hospital
System, Houston, Texas; (g) Visiting Nurse Association of Houston,
Inc., Houston, Texas; (h) Planned Parenthood Center, Houston,
Texas; (i) Villa Northwest Convalescent Center, Houston, Texas;
(j) St. Anthony Center, Houston, Texas; (k) Houston International
Hospital, Houston, Texas; (l) Sharpstown General Hospital, Houston,
Texas; and (m) Houston Northwest Medical Center Hospital, Houston,
Texas. --The Committee without objection approved affiliation agree-
ments by and between The University of Texas Health Science Center
at Houston and the following facilities to be effective immediately.
The agreements had been executed by the appropriate officials of
the institution and the facility on the dates indicated below:

<u>Facility</u>	<u>Agreement Executed</u>
a. Institute of Clinical Toxicology Houston, Texas	June 7, 1978
b. Rosewood General Hospital Houston, Texas	July 13, 1978
c. Bayou Glen Nursing Home Houston, Texas	August 16, 1978
d. Golden Age Manor Bellfort Houston, Texas	August 24, 1978
e. Larry Byrd, D.D.S. Houston, Texas	August 21, 1978
f. Memorial Hospital System Houston, Texas	September 11, 1978
g. Visiting Nurse Association of Houston, Inc., Houston, Texas	September 11, 1978
h. Planned Parenthood Center Houston, Texas	September 14, 1978
i. Villa Northwest Convalescent Center, Houston, Texas	September 14, 1978
j. St. Anthony Center Houston, Texas	September 8, 1978
k. Houston International Hospital Houston, Texas	September 18, 1978
l. Sharpstown General Hospital Houston, Texas	September 6, 1978
m. Houston Northwest Medical Center Hospital Houston, Texas	September 11, 1978

These agreements follow the format approved for affiliation agree-
ments by the Board of Regents on December 16, 1977.

11. Houston Health Science Center: Establishment of the Bates College of Law-Houston Health Science Center Institute for the Inter-professional Study of Health Law. -- Upon the recommendation of Acting President Blocker and System Administration, the agreement set out on Pages 119 - 124 by and between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Health Science Center at Houston, and the Board of Regents of the University of Houston System, for and on behalf of the the University of Houston, Bates College of Law was approved without objection to be effective immediately.

This agreement, executed by the appropriate officials of the institution and the facility on August 21, 1978, provides for the establishment of the Bates College of Law-Houston Health Science Center Institute for the Interprofessional Study of Health Law.

UNIVERSITY OF HOUSTON

CENTRAL CAMPUS

RESOLUTION

Bates College of Law - University of Texas Health Science Center
Institute for the Interprofessional Study of Health Law

Effective August 21, 1978

KNOW ALL MEN BY THESE PRESENTS: That on the 21st day of August, 1978, the Board of Regents of the University of Houston System met at a regular meeting, and passed the following resolution:

WHEREAS, on the 5th day of December, 1977, the Board of Regents of the University of Houston System did approve an agreement between it and the Board of Regents of the University of Texas System creating the Bates College of Law - University of Texas Health Science Center Institute for the Interprofessional Study of Health Law; and,

WHEREAS, the University of Texas System has since requested certain amendments to the aforesaid agreement, which are reflected in the attached revision of the agreement;

BE IT THEREFORE RESOLVED, that the Board of Regents of the University of Houston System hereby approves the attached agreement creating the Bates College of Law - University of Texas Health Science Center for the Interprofessional Study of Health Law, and authorizes the execution of the same by the officers specified thereon.

OCT 20 1978

120

THE STATE OF TEXAS I
COUNTY OF HARRIS I

AGREEMENT

This AGREEMENT is executed on the 21st day of August, 1978, between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Health Science Center at Houston, hereinafter called "Center" and the Board of Regents of the University of Houston System, for and on behalf of the University of Houston Main Campus, Bates College of Law, hereinafter called "University."

WITNESSETH:

The purpose of this Agreement is to establish the "Bates College of Law - University of Texas Health Science Center Institute for the Interprofessional Study of Health Law," hereinafter called "Institute".

WHEREAS, the University and Center have the following common objectives:

- (1) to engage in teaching, research, and service relating to health law and policy, including health care delivery, insurance, malpractice, professional regulation, research involving human subjects, hospital law, environmental health and occupational health;
- (2) to foster understanding among lawyers and others in the legal system (including students) of medicine and the health care system;
- (3) to foster understanding among physicians, and others in the health care system (including students) of law and the legal system;
- (4) to foster among laymen better understanding of the health care and legal systems and their inter-relations;

- (5) to foster among legal and health care professionals an understanding of humanistic values relevant to their professions;
- (6) to develop joint or special programs, and otherwise to enhance the overall educational objectives of both the Center and the University; and
- (7) to establish an Institute of academic excellence;

NOW, THEREFORE, for and in consideration of the foregoing, and in further consideration of the mutual benefits, the parties agree as follows:

1. General Provisions

a. The programs and activities of the Institute shall be consistent with the academic plans and governing rules and regulations of the University and the Center and all applicable state and federal laws and regulations.

b. Through and in the name of the Center or the University, or both, the Institute may seek funds and other support for its programs, including real and personal property, subject to the provisions of Paragraph a. above.

c. The Institute shall be administered by an Executive Committee, hereinafter called "Committee", which shall be responsible to the administrations of the University and the Center and shall be composed of the President of the Center or his designee and two additional representatives of the Center appointed by him, and the Dean of the Bates College of Law, herein called "College", or his designee, and two additional representatives of the College appointed by the Dean. The Director, appointed as provided in Paragraph 1.c., shall be a member of the Committee and may vote on all matters except the conditions of his or her employment or its continuation. The President of the Center, or his designee, and the Dean of the College, or his designee, shall serve in alternate years as Chairman of the Committee, commencing with the President of the Center, or his designee, who shall serve initially from the date of formation

of the Institute for a period of one year from September 1, 1978.

d. The Committee shall select an Advisory Board of not less than nine (9) nor more than fifteen (15) persons who are distinguished members of the legal and medical professions to advise the Committee and the Director concerning the programs of the Institute and to aid in such other ways as the Committee seems desirable. Members shall serve in staggered terms of three or four years as set by the Committee to assure that no less than three nor more than five members of the Board shall be selected annually. Members of the Advisory Board may not serve more than two consecutive terms.

e. The Committee shall recommend to the University and the Center the appointment of a Director of the Institute who shall be its chief administrative officer and shall serve at the pleasure of the University and the Center with the advice of the Committee. Faculty status at either the University or the Center shall not be a requirement for service as Director, but the University or the Center, or both, may appoint the Director to a faculty position pursuant to the rules and regulations of the University or Center.

f. Upon recommendation of the Director, the Committee may appoint such Fellows of the Institute as may be necessary to its programs of teaching, research, and service. Faculty status at the University or Center shall not be required for appointment as a Fellow of the Institute, but the University or the Center, or both, may appoint a Fellow to a faculty position pursuant to the rules and regulations of the University or Center.

g. The Committee shall initiate annual budgets for the Institute, which shall be submitted to and approved by the President of the Center and the Dean of the College prior to submission to final approval authorities. Such budgets and expenditure of all funds by the Institute, or by Center or University on behalf of Institute, shall be subject to the

budgetary processes and authorities of the Center and the University, respectively, and their respective governing boards.

h. The Institute shall be located in Houston, Harris County, Texas.

2. Responsibilities of the University

The University shall:

a. seek to furnish such public or private funds as it can reasonably provide to support the programs of the Institute;

b. provide the cooperation of other educational units of the University as may be appropriate and feasible;

c. provide such facilities as may be reasonably needed by the Institute and can reasonably be provided;

d. cooperate in all reasonable and proper ways in seeking funds and other resources other than its own funds or resources for the support of the Institute.

3. Responsibilities of the Center

The Center is reciprocally bound in the same manner as the University to seek to furnish funds, provide cooperation of component units, provide facilities, and cooperate in seeking funds or other resources to support the Institute.

4. Term of Agreement, Modification and Termination

This agreement is for a term of one year from the date of execution and shall continue thereafter from year to year unless terminated by either party upon six (6) months written notice to the other party. The agreement may be modified or terminated at any time by the consent of both parties.

5. Miscellaneous Provisions

a. Parties bound: This Agreement shall be binding and inure to the benefit of the parties hereto and their respective employees, administrators, and legal representatives where permitted by this Agreement.

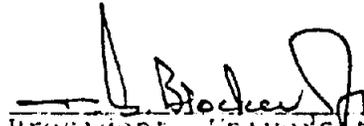
b. Legal construction: In case any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

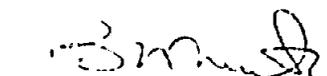
c. Prior agreements superseded: This Agreement constitutes the sole and only agreement between the Center and the University and supersedes any prior understanding or written or oral agreements between the Center and the University concerning the establishment and operation of the Institute. This Agreement does not supersede or affect any other agreement between the University and the Center.

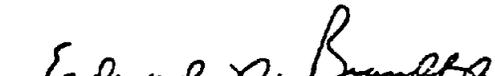
EXECUTED at Houston, Texas, on the day and year first above written.

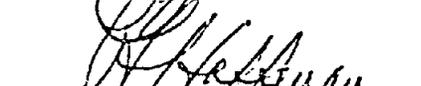
WITNESSES:


 Paul Bates, College of Law
 University of Houston

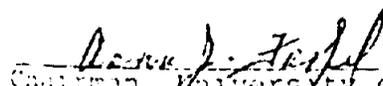

 President, University of Texas
 Health Science Center

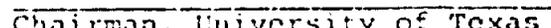

 Chancellor, Central Campus
 University of Houston


 Vice President for Health Affairs
 University of Texas System


 President, University of
 Houston System


 President & Chief Operations
 Officer, University of Texas System


 Chairman, University of Houston
 Board of Regents


 Chairman, University of Texas System
 Board of Regents

APPROVED AS TO FORM:


 University of Houston System
 Attorney


 University of Texas System
 Office of General Counsel

12. Houston Health Science Center: Affiliation Agreement with Medical Center Del Oro Hospital, Houston, Texas. -- Upon the recommendation of Acting President Blocker and System Administration, the Health Affairs Committee without objection approved the affiliation agreement set out on Pages 125 - 131 by and between The University of Texas Health Science Center at Houston and the Medical Center Del Oro Hospital, Houston, Texas, to be effective immediately.

This agreement had been executed by the appropriate officials of the institution and the facility on August 4, 1978. It will benefit the educational programs for medical students, interns and residents of the Houston Health Science Center.

MEDICAL EDUCATION AND HEALTH CARE

AFFILIATION AGREEMENT

THIS AGREEMENT made the 4th day of Aug., 1978, by and between The University of Texas Health Science Center at Houston ("University"), a component institution of The University of Texas System ("System"), and Medical Center Del Oro Hospital ("Facility"), a for-profit corporation organized and existing under the laws of the State of Texas having its principal office at 8081 Greenbriar, Houston, Texas,

WITNESSETH:

WHEREAS, Facility now operates hospital facilities located at 8081 Greenbriar, in the City of Houston, State of Texas, and therein provides health care services for persons in need of such services; and University provides a medical education program with respect to health care; and,

WHEREAS, University periodically desires to provide health care related educational experiences for its interns, residents, fellows and medical students, which are not otherwise available to them under the existing program of University, by utilization of appropriate facilities and personnel of Facility; and,

WHEREAS, Facility is committed to a goal of making available the best obtainable supply of personnel educated in the field of health care to those who utilize its health care services and facilities, as being in the best interest of Facility, and believes that achievement of such goal can best be accomplished by affording University's interns, residents, fellows and medical students the opportunity to participate in meaningful educational

experiences as a part of a medical education and health care program, through utilization of appropriate facilities and personnel of facility, and appropriate personnel of University; and,

WHEREAS, in order to accomplish such objectives, University and Facility intend to establish and implement from time to time one or more medical education and health care experience programs which will involve the interns, residents, fellows and medical students and personnel of University, and the facilities and personnel of Facility;

NOW, THEREFORE, in consideration of the premises and of the benefits derived and to be derived therefrom, and from the program or programs established and implemented by said parties, University and Facility agree that any program agreed to by and between Facility and University, during the term of this Agreement, for purposes of achieving the above described objectives of said parties (hereinafter called "Medical Education Experience Program," or "Program"), shall be covered by and subject to the following terms and conditions:

1. The Program shall not become effective until all agreements between University and Facility with respect to Program have been reduced to writing ("Program Agreement"), executed by the duly authorized representatives of Facility and University, and approved in writing by the President of System, and, if payment of monies or conditions of employment or appointment are a part of such Program Agreement, approved by the Board of Regents of System.
2. The Program may be cancelled by either party by giving such written notice to the other of its intention to terminate the Program as provided in the Program Agreement; provided, however, that the Program shall automatically terminate upon termination of this Agreement.
3. In the event of conflict between the text of Program Agreement and the text of this Agreement, this Agreement shall govern.
4. After Program Agreement becomes effective, no amendments thereto shall be valid unless in writing and executed by the duly authorized representatives of Facility and University, and approved by the President

of System, and, if payment of monies or conditions of employment or appointment are a part of such Program Agreement, approved by the Board of Regents of System.

5. Appointment to the Medical Staff of Facility and admissions of patients to Facility shall be subject to, and in accordance with, the Medical Staff By-Laws and written regulations and procedures of Facility. The right to administer, direct, supervise, and control activities of Facility and its personnel is hereby expressly retained by Facility.

6. Appointment of members of the Medical Staff of Facility to the faculty of the University shall be subject to, and in accordance with, the Rules and Regulations of the Board of Regents of System.

7. Except for certain acts to be performed by University pursuant to express provisions of this Agreement, Facility hereby agrees to furnish the premises, personnel, services, and all other things necessary for the Program, as specified in the Program Agreement, and, in conjunction with such Program, further agrees:

(a) To comply with all Federal, State and Municipal laws, ordinances, rules and regulations applicable to performance by Facility of its obligations under this Agreement, and all applicable accreditation requirements, and to certify such compliance to University or other entity when requested to do so by University.

(b) To permit the authority responsible for accreditation of University's curriculum to inspect such facilities, services and other things provided by Facility pursuant to this Agreement as are necessary for accreditation evaluation.

(c) To appoint a person to serve for Facility as Liaison (Liaison) to the faculty and students engaged in the Program; provided, however, that no person not having the prior written approval of University shall be appointed Liaison; and in such connection, Facility shall furnish in writing to University (not later than

thirty (30) days prior to the date the Liaison appointment is to become effective) the name and professional and academic credentials of the person proposed by Facility to be Liaison, and within ten days after receipt of same, University shall notify Facility of University's approval or disapproval of such person. In the event the Liaison becomes unacceptable to University after appointment, and University so notifies Facility in writing, Facility will appoint another person to serve as Liaison in accordance with the procedure stated in the first sentence of this sub-paragraph (c).

(d) Subject to the provisions of paragraph 5, to appoint any full-time member, or members, of the faculty of University to the active Medical Staff of Facility upon suitable application made to Facility by such faculty member and to afford any such person, or persons, so appointed full admission-of-patient privileges as limited by System policy.

(e) The patient fees attributable to the physician services of full-time University faculty on the Medical Staff of Facility shall be handled and treated in all respects solely in accordance with policies and procedures of University as approved by the Board of Regents of System.

(f) To permit interns, residents, fellows and medical students assigned by University to enter in and upon the premises of Facility for purposes of the Program, and to participate in providing health care services to patients insofar as appropriate and permissible under law and as provided in Program Agreement.

8. University hereby agrees:

(a) To furnish Facility with the names of the interns, residents, fellows and medical students assigned by University to participate in the Program.

(b) To assign for participation in the Program only those interns, residents, fellows and medical students (1) who have satisfactorily completed those portions of its curriculum which, according to Program Agreement, are prerequisite to such participations, and (2) who have entered into a written agreement with University and Facility that they will not publish any material relating to the Program, or their experiences in participating therein, without the prior written approval of University and Facility.

(c) To designate a member of the University faculty to coordinate with Facility through its Liaison the learning assignment to be assumed by each intern, resident, fellow and medical student participating in the Program, and to furnish to Facility in writing the name of such faculty member. The designated Faculty member must be eligible for and be appointed to the active Medical Staff of the Facility as provided in paragraph 7c.

9. If and when deemed to be desirable (but subject to prior written agreement of the parties hereto) Facility will provide research facilities for University faculty members on the active Medical Staff of Facility and who are physically based full-time in and at Facility.

10. All notices under this Agreement shall be provided to the party to be notified in writing, either by personal delivery or by United States mail. All notices under this Agreement shall be deemed given to a party when received by such party's designated representative.

11. All the agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless in writing and signed by the duly authorized representatives of the parties, and approved by the Board of Regents of System.

12. No oral representations of any officer, agent, or employee of Facility or System, or any of its component institutions, (including, but not limited to University), either before or after the effective date of this Agreement, shall affect or modify any obligations of either party hereunder or under any Program Agreement.

13. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided, however, that no assignment by either party shall be effective without prior written approval of the other party. A delay in or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

14. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one (1) year after the date and year of execution by Facility and University, and after such initial term, from year to year unless one party shall have given one hundred eighty (180) days prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (a) at the end of the term of this Agreement during which the last day of such one hundred eighty (180) days notice period falls; or (b) when all interns, residents, fellows and medical students enrolled in the Program at the end of the term of this Agreement have completed their respective courses of study under the Program; whichever event last occurs.

Executed by University and Facility on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

UNIVERSITY

By: [Signature]
President

CONTENT APPROVED:

[Signature]
President of the System

[Signature]
Vice President for Board Affairs
(System)

FORM APPROVED:

[Signature]
General Counsel of System

FACILITY

By: [Signature]
James H. Jones
Administrator of
Medical Center Del Oro Hospital

ATTEST:

[Signature]
(Title) Administrative Secretary

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the ___ day of ___, 19__.

Secretary, Board of Regents
The University of Texas System

Chairman, Board of Regents
The University of Texas System

- 13. Houston Health Science Center: Memorandum of Agreement with Veterans Administration Hospital, Houston, Texas, Relating to the Dental Branch (Supersedes Agreement Approved by the Board of Regents on December 10, 1976). -- Upon the recommendation of Acting President Blocker and System Administration, the memorandum of agreement set out on Pages 132 - 135 relating to the Dental Branch by and between The University of Texas Health Science Center at Houston and the Veterans Administration Hospital, Houston, Texas, was approved without objection to be effective immediately.

This agreement supersedes the agreement approved by the Board of Regents on December 10, 1976 and later amended on February 11, 1977.

MEMORANDUM OF AGREEMENT (AFFILIATION)

B E T W E E N

THE VETERANS ADMINISTRATION HOSPITAL, HOUSTON, TEXAS, AND
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

This Agreement, when approved by the United States Veterans Administration and the Board of Regents of The University of Texas System, shall authorize the Veterans Administration Hospital to affiliate with the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Health Science Center and its Dental Branch at Houston, for the purpose of education and training. The Dental Branch accepts advisory responsibility for the education and training programs conducted with the Veterans Administration Hospital. The Veterans Administration retains full responsibility for the care of patients, including all administrative and professional functions pertaining thereto.

Responsibilities shall be divided as follows:

1. The University of Texas Health Science Center at Houston, Dental Branch:

a. Will nominate to the Chief Medical Director a member of their faculty to represent the Dental Branch on the hospital Dean's Committee.

b. Will nominate to the Veterans Administration Hospital Director on an annual basis a staff of consulting and attending specialists in the number and with the qualifications agreed upon by the Dean's Committee and the Veterans Administration.

c. Will supervise, through the Veterans Administration Hospital Director and the Staff of consulting and attending specialists, the education and training programs of the Veterans Administration Hospital and such programs

as are operating jointly by the Veterans Administration and the Dental Branch.

d. Will nominate all dentists for residency or other graduate education and training programs in the numbers and with the qualifications agreed upon by the Dean's Committee and the Veterans Administration.

2. The Veterans Administration:

a. Will operate and administer the Veterans Administration Hospital.

b. Will appoint qualified physicians and dentists to full-time and regular part-time staff of the Hospital. Nominations to the Hospital Director by the Dean's Committee for full-time and regular part-time positions shall be welcomed. The regularly appointed staff, including Chiefs of Services, shall be fully responsible to their immediate superiors in the Veterans Administration.

c. Will consider for appointment the attending and consulting staff and the dentist trainees nominated by the College and recommended by the Dean's Committee.

d. Will cooperate fully with The University of Texas Dental Branch in the conduct of appropriate programs of education, training, and research.

3. The Director, Veterans Administration Hospital:

a. Will be fully responsible for the operation of the Veterans Administration Hospital.

b. Will cooperate with the Dean's Committee in the conduct of education and training programs and in evaluation of all participating individuals and groups.

4. Chiefs of Service:

a. Will be responsible to their superiors in the Veterans Administration for the conduct of their service.

b. Will, in cooperation with consulting and attending staff, supervise the education and training programs within their respective services.

5. The Attending Staff:

a. Will be responsible to the Chief, Dental Service.

b. Will accept responsibility for the proper care and treatment of patients in their charge upon delegation by the Hospital Director or his designee.

c. Will provide adequate training to house staff assigned to their service.

d. Will hold faculty appointment in The University of Texas Dental Branch or will be outstanding members of the profession with equivalent professional qualifications acceptable to the Veterans Administration.

6. Consultants:

a. Will be members of the faculty, of professorial rank, in The University of Texas Dental Branch, or equivalent professional qualifications acceptable to the Veterans Administration, and subject to VA regulations concerning consultants.

b. Will, as representatives of The University of Texas Dental Branch, participate in and take responsibility for the education and training programs of the Veterans Administration Hospital, subject to VA policy and regulations.

c. Will afford to the Hospital Director, Chief of Staff, and the Chief, Dental Service the benefit of their professional advice and counsel.

TERMS OF AGREEMENT:

1. The University of Texas Dental Branch will not discriminate against any employee or applicant for employment or registration in its course of study because of race,

color, sex, creed, or national origin.

2. Nothing in this Agreement is intended to be contrary to State or Federal laws, and in the event of conflict, the State and Federal laws will supersede this Agreement.

3. Civil actions arising from alleged negligence or wrongful conduct of house staff while engaged in patient care or related activities at the Veterans Administration Hospital, Houston, Texas, will be considered and acted upon in accordance with the provisions of 38 U.S.C. 4116.

4. This Agreement may be terminated at any time upon the mutual consent of both parties or upon six (6) months advance written notice given by either party. An annual review of policies and procedures will be made.

EXECUTED this 15th day of June, 1978.

VETERANS ADMINISTRATION HOSPITAL

BY John V. Sheehan
JOHN V. SHEEHAN
Hospital Director
Veterans Administration Hospital
Houston, Texas

BY _____
JOHN D. CHASE, M.D.
Chief Medical Director
Department of Medicine and Surgery
Veterans Administration

ATTEST: BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

BY Betty Anne Thedford, Secretary Board of Regents of The University of Texas System
BY ALLAN SHIVERS, Chairman Board of Regents of The University of Texas System

Approved as to Form:

Approved as to Content:

M. Lynn Kelly
University Attorney

Allan Shivers
President, The University of Texas System

14. Houston Health Science Center: Affiliation Agreement with St. Anthony Center, Houston, Texas. -- Upon the recommendation of Acting President Blocker and System Administration, the affiliation agreement set out on Pages 136-141 by and between The University of Texas Health Science Center at Houston and St. Anthony Center, Houston, Texas was approved without objection to be effective immediately. This agreement had been executed by the appropriate officials of the institution and the facility on September 11, 1978.

MEDICAL EDUCATION AND HEALTH CARE

AFFILIATION AGREEMENT

THIS AGREEMENT made the *11th* day of *Sept*, 1978, by and between The University of Texas Health Science Center at Houston ("University"), a component institution of The University of Texas System ("System"), and St. Anthony Center ("Facility"), a rehabilitation and skilled nursing facility which is a non-profit corporation organized and existing under the laws of the State of Texas having its principal office at Houston, Texas,

WITNESSETH:

WHEREAS, Facility now operates hospital facilities located at 6301 Almeda Road, in the City of Houston, State of Texas, and therein provides health care services for persons in need of such services; and University provides a medical education program with respect to health care; and,

WHEREAS, University periodically desires to provide health care related educational experiences for its interns, residents, fellows and medical students, which are not otherwise available to them under the existing program of University, by utilization of appropriate facilities and personnel of Facility; and,

WHEREAS, Facility is committed to a goal of making available the best obtainable supply of personnel educated in the field of health care to those who utilize its health care services and facilities, as being in the best interest of Facility, and believes that achievement of such goal can best be accomplished by affording University's interns, residents, fellows and medical students the opportunity to participate in meaningful educational experiences as a part of a medical education and health care program, through utilization of appropriate facilities and personnel of facility, and appropriate personnel of University; and,

WHEREAS, in order to accomplish such objectives, University and Facility intend to establish and implement from time to time one or more medical education and health care experience programs which will involve the interns, residents, fellows and medical students and personnel of University, and the facilities and personnel of Facility;

NOW, THEREFORE, in consideration of the premises and of the benefits derived and to be derived therefrom, and from the program or programs established and implemented by said parties, University and Facility agree that any program agreed to by and between Facility and University, during the term of this Agreement, for purposes of achieving the above described objectives of said parties (hereinafter called "Medical Education Experience Program," or "Program"), shall be covered by and subject to the following terms and conditions:

1. The Program shall not become effective until all agreements between University and Facility with respect to Program have been reduced to writing ("Program Agreement"), executed by the duly authorized representatives of Facility and University, and approved in writing by the President of System, and, if payment of monies or conditions of employment or appointment are a part of such Program Agreement, approved by the Board of Regents of System.
2. The Program may be cancelled by either party by giving such written notice to the other of its intention to terminate the Program as provided in the Program Agreement; provided, however, that the Program shall automatically terminate upon termination of this Agreement.
3. In the event of conflict between the text of Program Agreement and the text of this Agreement, this Agreement shall govern.
4. After Program Agreement becomes effective, no amendments thereto shall be valid unless in writing and executed by the duly authorized representatives of Facility and University, and approved by the President of System, and, if payment of monies or conditions of employment or appointment are a part of such Program Agreement, approved by the Board of Regents of System.

5. Appointment to the Medical Staff of Facility and admissions of patients to Facility shall be subject to, and in accordance with, the Medical Staff By-Laws and written regulations and procedures of Facility. The right to administer, direct, supervise, and control activities of Facility and its personnel is hereby expressly retained by Facility.

6. Appointment of members of the Medical Staff of Facility to the faculty of the University shall be subject to, and in accordance with, the Rules and Regulations of the Board of Regents of System.

7. Except for certain acts to be performed by University pursuant to express provisions of this Agreement, Facility hereby agrees to furnish the premises, personnel, services, and all other things necessary for the Program, as specified in the Program Agreement, and, in conjunction with such Program, further agrees:

(a) To comply with all Federal, State and Municipal laws, ordinances, rules and regulations applicable to performance by Facility of its obligations under this Agreement, and all applicable accreditation requirements, and to certify such compliance to University or other entity when requested to do so by University.

(b) To permit the authority responsible for accreditation of University's curriculum to inspect such facilities, services and other things provided by Facility pursuant to this Agreement as are necessary for accreditation evaluation.

(c) To appoint a person to serve for Facility as Liaison (Liaison) to the faculty and students engaged in the Program; provided, however, that no person not having the prior written approval of University shall be appointed Liaison; and in such connection, Facility shall furnish in writing to University (not later than thirty (30) days prior to the date the Liaison appointment is to become effective) the name and professional and academic credentials of the person proposed by Facility to be Liaison, and within ten days after receipt of same, University shall notify Facility of University's approval or disapproval of such person. In the event

the Liaison becomes unacceptable to University after appointment, and University so notifies Facility in writing, Facility will appoint another person to serve as Liaison in accordance with the procedure stated in the first sentence of this sub-paragraph (c).

(d) Subject to the provisions of paragraph 5, to appoint any full-time member, or members, of the faculty of University to the active Medical Staff of Facility upon suitable application made to Facility by such faculty member and to afford any such person, or persons, so appointed full admission-of-patient privileges as limited by System policy.

(e) The patient fees attributable to the physician services of full-time University faculty on the Medical Staff of Facility shall be handled and treated in all respects solely in accordance with policies and procedures of University as approved by the Board of Regents of System.

(f) To permit interns, residents, fellows and medical students assigned by University to enter in and upon the premises of Facility for purposes of the Program, and to participate in providing health care services to patients insofar as appropriate and permissible under law and as provided in Program Agreement.

8. University hereby agrees:

(a) To furnish Facility with the names of the interns, residents, fellows and medical students assigned by University to participate in the Program.

(b) To assign for participation in the Program only those interns, residents, fellows and medical students (1) who have satisfactorily completed those portions of its curriculum which, according to Program Agreement, are prerequisite to such participations, and (2) who have entered into a written agreement with University and Facility that they will not publish any material relating to the Program, or their experiences in participating therein, without the prior written approval of University and Facility.

(c) To designate a member of the University faculty to coordinate with Facility through its Liaison the learning assignment to be assumed by each intern, resident, fellow and medical student participating in the Program, and to furnish to Facility in writing the name of such faculty member. The designated Faculty member must be eligible for and be appointed to the active Medical Staff of the Facility as provided in paragraph 7c.

9. If and when deemed to be desirable (but subject to prior written agreement of the parties hereto) Facility will provide research facilities for University faculty members on the active Medical Staff of Facility and who are physically based full-time in and at Facility.

10. All notices under this Agreement shall be provided to the party to be notified in writing, either by personal delivery or by United States mail. All notices under this Agreement shall be deemed given to a party when received by such party's designated representative.

11. All the agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless in writing and signed by the duly authorized representatives of the parties, and approved by the Board of Regents of System.

12. No oral representations of any officer, agent, or employee of Facility or System, or any of its component institutions, (including, but not limited to University), either before or after the effective date of this Agreement, shall affect or modify any obligations of either party hereunder or under any Program Agreement.

13. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided, however, that no assignment by either party shall be effective without prior written approval of the other party. A delay in or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

14. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System. If so

approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one (1) year after the date and year of execution by Facility and University, and after such initial term, from year to year unless one party shall have given one hundred eighty (180) days prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (a) at the end of the term of this Agreement during which the last day of such one hundred eighty (180) days notice period falls; or (b) when all interns, residents, fellows and medical students enrolled in the Program at the end of the term of this Agreement have completed their respective courses of study under the Program; whichever event last occurs.

Executed by University and Facility on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

UNIVERSITY

By: *T. G. Blocker, Jr.*
 President T. G. Blocker, Jr., M.D.
The University of Texas
Health Science Center at Houston

CONTENT APPROVED:

E. W. [Signature]
 President of the System
Edward M. [Signature]
 Vice President for Health Affairs
 (System)

FORM APPROVED:

M. Lynn [Signature]
 General Counsel of System

FACILITY

By: *Sister M. Laura Murphy*
 Sister M. Laura Murphy
 Administrator

ATTEST:

[Signature]
 (Title)
 Assoc. Administrator

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the _____ day of _____, 19____.

 Secretary, Board of Regents
 The University of Texas System

 Chairman, Board of Regents
 The University of Texas System

15. Houston Health Science Center: Affiliation Agreement with San Jacinto Methodist Hospital, Baytown, Texas. -- Upon the recommendation of Acting President Blocker and System Administration, the affiliation agreement set out on Pages 142-147 by and between The University of Texas Health Science Center at Houston and San Jacinto Methodist Hospital, Baytown, Texas, was approved without objection to be effective immediately.

This agreement had been executed by the appropriate officials of the institution and the facility on August 7, 1978. It will provide educational opportunities for the medical students, interns and residents of the Houston Health Science Center.

MEDICAL EDUCATION AND HEALTH CARE

AFFILIATION AGREEMENT

THIS AGREEMENT made the 7th day of Aug., 1978, by and between The University of Texas Health Science Center at Houston ("University"), a component institution of The University of Texas System ("System"), and San Jacinto Methodist Hospital ("Facility"), a non-profit corporation organized and existing under the laws of the State of Texas having its principal office at 1101 Decker Drive, Baytown, Texas,

WITNESSETH:

WHEREAS, Facility now operates hospital facilities located at 1101 Decker Drive, in the City of Baytown, State of Texas, and therein provides health care services for persons in need of such services; and University provides a medical education program with respect to health care; and,

WHEREAS, University periodically desires to provide health care related educational experiences for its interns, residents, fellows and medical students, which are not otherwise available to them under the existing program of University, by utilization of appropriate facilities and personnel of Facility; and,

WHEREAS, Facility is committed to a goal of making available the best obtainable supply of personnel educated in the field of health care to those who utilize its health care services and facilities, as being in the best interest of Facility, and believes that achievement of such goal can best be accomplished by affording University's interns, residents, fellows and medical students the opportunity to participate in meaningful educational experiences as a part of a medical education and health care program, through utilization of appropriate facilities and personnel of facility, and

appropriate personnel of University; and,

WHEREAS, in order to accomplish such objectives, University and Facility intend to establish and implement from time to time one or more medical education and health care experience programs which will involve the interns, residents, fellows and medical students and personnel of University, and the facilities and personnel of Facility;

NOW, THEREFORE, in consideration of the premises and of the benefits derived and to be derived therefrom, and from the program or programs established and implemented by said parties, University and Facility agree that any program agreed to by and between Facility and University, during the term of this Agreement, for purposes of achieving the above described objectives of said parties (hereinafter called "Medical Education Experience Program," or "Program"), shall be covered by and subject to the following terms and conditions:

1. The Program shall not become effective until all agreements between University and Facility with respect to Program have been reduced to writing ("Program Agreement"), executed by the duly authorized representatives of Facility and University, and approved in writing by the President of System, and, if payment of monies or conditions of employment or appointment are a part of such Program Agreement, approved by the Board of Regents of System.
2. The Program may be cancelled by either party by giving such written notice to the other of its intention to terminate the Program as provided in the Program Agreement; provided, however, that the Program shall automatically terminate upon termination of this Agreement.
3. In the event of conflict between the text of Program Agreement and the text of this Agreement, this Agreement shall govern.
4. After Program Agreement becomes effective, no amendments thereto shall be valid unless in writing and executed by the duly authorized representatives of Facility and University, and approved by the President of System, and, if payment of monies or conditions of employment or appointment are a part of such Program Agreement, approved by the Board of Regents of System.

5. Appointment to the Medical Staff of Facility and admissions of patients to Facility shall be subject to, and in accordance with, the Medical Staff By-Laws and written regulations and procedures of Facility. The right to administer, direct, supervise, and control activities of Facility and its personnel is hereby expressly retained by Facility.

6. Appointment of members of the Medical Staff of Facility to the faculty of the University shall be subject to, and in accordance with, the Rules and Regulations of the Board of Regents of System.

7. Except for certain acts to be performed by University pursuant to express provisions of this Agreement, Facility hereby agrees to furnish the premises, personnel, services, and all other things necessary for the Program, as specified in the Program Agreement, and, in conjunction with such Program, further agrees:

(a) To comply with all Federal, State and Municipal laws, ordinances, rules and regulations applicable to performance by Facility of its obligations under this Agreement, and all applicable accreditation requirements, and to certify such compliance to University or other entity when requested to do so by University.

(b) To permit the authority responsible for accreditation of University's curriculum to inspect such facilities, services and other things provided by Facility pursuant to this Agreement as are necessary for accreditation evaluation.

(c) To appoint a person to serve for Facility as Liaison (Liaison) to the faculty and students engaged in the Program; provided, however, that no person not having the prior written approval of University shall be appointed Liaison; and in such connection, Facility shall furnish in writing to University (not later than thirty (30) days prior to the date the Liaison appointment is to become effective) the name and professional and academic credentials of the person proposed by Facility to be Liaison, and within ten days after receipt of same, University shall notify Facility of University's approval or disapproval of such person. In the event the Liaison becomes unacceptable to University after appointment, and University so notifies Facility in writing, Facility will

appoint another person to serve as Liaison in accordance with the procedure stated in the first sentence of this sub-paragraph (c).

(d) Subject to the provisions of paragraph 5, to appoint any full-time member, or members, of the faculty of University to the active Medical Staff of Facility upon suitable application made to Facility by such faculty member and to afford any such person, or persons, so appointed full admission-of-patient privileges as limited by System policy.

(e) The patient fees attributable to the physician services of full-time University faculty on the Medical Staff of Facility shall be handled and treated in all respects solely in accordance with policies and procedures of University as approved by the Board of Regents of System.

(f) To permit interns, residents, fellows and medical students assigned by University to enter in and upon the premises of Facility for purposes of the Program, and to participate in providing health care services to patients insofar as appropriate and permissible under law and as provided in Program Agreement.

8. University hereby agrees:

(a) To furnish Facility with the names of the interns, residents, fellows and medical students assigned by University to participate in the Program.

(b) To assign for participation in the Program only those interns, residents, fellows and medical students (1) who have satisfactorily completed those portions of its curriculum which, according to Program Agreement, are prerequisite to such participations, and (2) who have entered into a written agreement with University and Facility that they will not publish any material relating to the Program, or their experiences in participating therein, without the prior written approval of University and Facility.

(c) To designate a member of the University faculty to coordinate with Facility through its Liaison the learning assignment to be assumed by each intern, resident, fellow and medical student

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participating in the Program, and to furnish to Facility in writing the name of such faculty member. The designated Faculty member must be eligible for and be appointed to the active Medical Staff of the Facility as provided in paragraph 7c.

9. If and when deemed to be desirable (but subject to prior written agreement of the parties hereto) Facility will provide research facilities for University faculty members on the active Medical Staff of Facility and who are physically based full-time in and at Facility.

10. All notices under this Agreement shall be provided to the party to be notified in writing, either by personal delivery or by United States mail. All notices under this Agreement shall be deemed given to a party when received by such party's designated representative.

11. All the agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless in writing and signed by the duly authorized representatives of the parties, and approved by the Board of Regents of System.

12. No oral representations of any officer, agent, or employee of Facility or System, or any of its component institutions, (including, but not limited to University), either before or after the effective date of this Agreement, shall affect or modify any obligations of either party hereunder or under any Program Agreement.

13. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided, however, that no assignment by either party shall be effective without prior written approval of the other party. A delay in or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

14. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one (1)

year after the date and year of execution by Facility and University, and after such initial term, from year to year unless one party shall have given one hundred eighty (180) days prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (a) at the end of the term of this Agreement during which the last day of such one hundred eighty (180) days notice period falls; or (b) when all interns, residents, fellows and medical students enrolled in the Program at the end of the term of this Agreement have completed their respective courses of study under the Program; whichever event last occurs.

Executed by University and Facility on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

UNIVERSITY

By: [Signature]
President

CONTENT APPROVED:

[Signature]
President of the System

[Signature]
Vice President for ~~Human~~ Affairs
(System)

FORM APPROVED:

[Signature]
General Counsel of System

FACILITY

By: [Signature]
George M. Fleming, Ed.D.
Executive Director and President of
The Board of Trustees

ATTEST: [Signature]
Notary Public in and for
Harris County, Texas

(Title)
My commission expires on December 1, 1979

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the _____ day of _____, 19____.

Secretary, Board of Regents
The University of Texas System

Chairman, Board of Regents
The University of Texas System

16. Houston Health Science Center: Contract with the Brookside Funeral Home, Houston, Texas. -- Upon the recommendation of Acting President Blocker and System Administration, the contract set out on Pages 148 - 152 between The University of Texas Health Science Center at Houston and Brookside Funeral Home, Houston, Texas, was approved without objection to be effective immediately. This contract had been executed by the appropriate officials of the institution and the facility on August 29, 1978.

AGREEMENT

THIS AGREEMENT made the 29th day of August, 1978, by and between the University of Texas Health Science Center at Houston ("University"), a component institution of The University of Texas System, and Brookside Funeral Home ("Brookside"), a corporation organized and existing under the laws of the State of Texas, having its principal office at 13401 Eastex Freeway, Houston, Texas

State of Texas.

WITNESSETH:

WHEREAS, BROOKSIDE now operates a funeral home business located at 13401 Eastex Freeway, Houston, Texas, in the City of Houston, State of Texas, through its licensed employees and associates; and

WHEREAS, the UNIVERSITY desires to employ Brookside to transport certain anatomical materials and perform cremation services;

NOW, THEREFORE, for and in consideration of the foregoing in order to accomplish the aforesaid and hereinafter stated purposes, and in mutual consideration of the obligations entered into this contract, it is hereby agreed by and between the University and Brookside as follows:

1. At the direction of the University, Brookside will take possession of any body at any location in Harris County, Texas, and deliver said body to any location within the Texas Medical Center as may be designated by the University and will secure all necessary papers as may be required by the laws of the State of Texas and any pertinent rules, regulations or other requirements of administrative agencies, said papers to be secured from the attending physician, family, Bureau of Vital Statistics, funeral home, nursing home, or hospital, or other source as necessary. For and in consideration of the performance of these services, the University agrees to pay and Brookside to receive SIXTY DOLLARS (\$60) per body.

2. At the direction of the University, Brookside will take possession of any body at any location outside of Harris County, Texas, and deliver said body to any location within the Texas Medical Center as may be designated by the University and will secure all necessary papers as may be required by the laws of the State of Texas and any pertinent rules, regulations or other requirements of administrative agencies, said papers to be secured from the attending physician, family, Bureau of Vital Statistics, funeral home, nursing home, or hospital, or other source as necessary. For and in consideration of the performance of these services, the University agrees to pay and Brookside to receive FORTY-FIVE CENTS (\$.45) per mile calculated from Brookside to the location from which the body is transported to the location within the Texas Medical Center designated by the University.

3. Brookside is authorized to advance the payment of reasonable charges on behalf of the University to any funeral home holding a body designated for the University. For the services rendered in the transport of a body and for embalming and obtaining of papers required by the laws of the State of Texas, Brookside will be reimbursed for its actual expenditures by the University upon written request and after approval of the Department of Neurobiology and Anatomy of the University of Texas Medical School and the Vice President for Business Affairs, University of Texas Health Science Center at Houston.

4. At the direction of the University Brookside will take possession of any body at any location within the Texas Medical Center and deliver said body to any other location within the Texas Medical Center as may be designated by the University. For and in consideration of the performance of these services, the University agrees to pay and Brookside agrees to receive FIFTEEN DOLLARS (\$15) per body if the body is picked up or delivered between the hours of 8:00 a.m. and 5:00 p.m. and TWENTY-FIVE DOLLARS (\$25) per body if the body is picked up and delivered at any other hour.

5. At the direction of the University, Brookside will perform cremation services for and on behalf of the University. This service will include, but is not limited to:

- a. Securing an amended Certificate of Death;
- b. Securing a cremation permit;

- c. Transporting bodies from location within the Texas Medical Center designated by the University to the Brookside Crematorium;
- d. Cremating said bodies and scattering the cremains or forwarding the cremains as directed by the University.

Bodies designated by the University for cremation and scattering will be placed in wooden containers by the University. Wooden containers will contain no more than two bodies. For the above services, the University agrees to pay and Brookside agrees to receive ONE HUNDRED AND THIRTY-FIVE DOLLARS (\$135) per container. It is understood and agreed that when Brookside takes possession of any body or cremains for the performance of any service pursuant to this agreement, Brookside assumes full and complete responsibility for any cause of action resulting from any event or act related to said body while in Brookside's possession. Brookside agrees to indemnify and hold harmless the University, and its agents, servants, officers and employees, from all causes of action, claims or demands, costs or expenses arising out of any injury or damage or claim of such by any person or party in connection with the transportation, handling, disposition or delivery of all bodies while in the actual possession of Brookside pursuant to this agreement.

6. In addition to the services described in Paragraph 5., when a body is to be cremated and the cremains forwarded to the next of kin or other persons designated by the University, the University will place only that body in a wooden container for cremation. Within ten (10) days of the receipt of such body, Brookside will advise the designated recipient that the cremation of said body has taken place and that delivery of the cremains will be made by a specific method. Within ten (10) days of such notification, delivery of the cremains will be made or in accordance with further written instructions of the designated recipient. In the event that the family member or other person designated by the University to receive the cremains cannot be located by Brookside within the time limitation of the agreement, Brookside will advise the University in writing, describing the efforts made by Brookside to locate the designated recipient. Brookside shall place the cremains in a permanent container and retain said cremains, properly marked, for a period not less than six months. After six months the University will instruct

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Brookside concerning disposition of the cremains. The University, at its election, may provide a letter or other communication to the recipient to be delivered with the cremains. Brookside shall provide to the University copies of all notifications under this paragraph. Within 30 days of the receipt of the body, Brookside will certify, in writing, to the University that delivery of the cremains has been accomplished, said certification to include the method of delivery, date of forwarding of cremains, date of receipt of cremains, and name of the party receiving said cremains. For this service, the University agrees to pay and Brookside to receive ONE HUNDRED AND THIRTY-FIVE DOLLARS (\$135) per container.

7. Brookside shall provide the services described in this Agreement in accordance with the laws of the State of Texas, the United States of America, and all applicable rules and regulations of administrative agencies, and in accordance with standards of professional conduct and ethics. Failure of Brookside to so perform shall give the University the right to terminate this Agreement immediately and without notice.

8. This Agreement shall be for a term of one year from the date of execution and shall continue thereafter from year to year unless terminated by either party by sixty (60) days written notice to the other party. The terms of this Agreement may be revised, modified, or terminated by written agreement of both parties.

Executed by the University and Brookside on the day and year first above written.

UNIVERSITY

By _____
Chairman, Board of Regents,
University of Texas System

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FORM APPROVED:

CONTENT APPROVED:

M. Lynn Taylor, Jr.
General Counsel for the System

Carl DeLoraine
President of the System

Dr. J.C. Fennell
President, University of Texas
Health Science Center at Houston

ATTEST:

BROOKSIDE

[Signature]

By [Signature]

Title [Signature]

Title [Signature]

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing agreement was approved by the Board of Regents of The University of Texas System on the _____ day of _____, 1978.

Secretary, Board of Regents
The University of Texas System

- 17. University Cancer Center: Interagency Agreement with the Texas Department of Health, Austin, Texas. -- Upon the recommendation of President LeMaire and System Administration, the interagency agreement set out on Pages 153 - 157 between The University of Texas System Cancer Center and the Texas Department of Health, Austin, Texas, was approved without objection to be effective immediately.

This agreement establishes an interagency center for cancer prevention and control for the purposes of fostering improved cancer and control, improved coordination of cancer programs, expanded prevention and control efforts, conduction of statewide cancer studies, and the preparation of periodic reports to the Governor and the Legislature.

INTERAGENCY AGREEMENT

THIS AGREEMENT is made ____ day of _____, 197__,
by and between The University of Texas System Cancer Center ("Cancer Center"),
a component institution of The University of Texas System, ("System"), and
the Texas Department of Health, a State agency having its principle office in
Austin, State of Texas.

WHEREAS, the Texas Department of Health was established by Legisla-
ture "to better protect and promote the health of the people of Texas" (Art. 4414a
V.T.C.S.) and is comprised of the Texas Board of Health and Commissioner of
Health who "shall have general supervision and control of all matters pertaining
to the health of citizens of this State" (Art. 4419, V.T.C.S.) as provided by the
Act, and

WHEREAS, The System Cancer Center was established in 1941 (H.B. 268,
47th Legislature) as the "Texas State Cancer Hospital and The Division of Cancer
Research" under the University of Texas to be "devoted to the diagnosis, teaching,
study, prevention, and treatment of neoplastic and allied diseases; as an Atomic
Energy Laboratory and Radiologic Institute in 1950 (S.B. No. 6, 51st Legislature)
and in 1971 (H.C.R. 112, 62nd Legislature) "reaffirmed as the official state re-
source for the education, research and treatment of Cancer and Allied diseases
for the citizens and physicians and medical and dental schools of Texas and
available as a national resource", and

WHEREAS, cancer is a major health problem in Texas affecting approximately
1 in every 4 Texas residents and representing the second leading cause of death in
the State, and

WHEREAS, cancer prevention and control efforts to reduce human suffering
and economic loss in Texas can be optimized through cooperation and planning among
agencies within the State.

NOW, THEREFORE, in consideration of the premises and of the benefits
to be derived, The System Cancer Center and the Texas Department of Health jointly
agree to establish an Interagency Center for Cancer Prevention and Control for
the purposes of fostering improved cancer control; improving coordination in
cancer programs; expanding prevention and control efforts; conducting statewide
cancer studies; identifying unmet cancer needs; preparing periodic reports to

the Governor and Legislature and providing information and assistance to state, regional and Community planning groups. It is agreed that:

1. This Agreement will become effective upon approval and execution by the Texas Board of Health and the Board of Regents of The University of Texas System.

2. The Chief Administrative Officer from each agency will appoint an individual who will be responsible for interagency programs and general coordination of cooperative cancer prevention and control efforts.

3. Projects and Programs selected as cooperative interagency ventures will be defined in writing and approved in writing by the Chief Administrative Officer of each agency. Project definition will include scope, timetable and assignment for each agency. Staff and budgetary support for cooperative projects will be provided by each agency according to the mutually agreed upon assignments.

4. The Chief Administrative Officers of each agency will meet at least semi-annually to review progress and results of ongoing cooperative programs and discuss new joint cancer prevention and control projects.

5. Each agency will carry out their established functions. Broad areas of functional primary responsibility are as follows:

<u>FUNCTIONAL AREA</u>	<u>TDH</u>	<u>UTSCC</u>
Prevention and Education	Public education	Professional education
Screening	Public Health Clinic	Private physician sector
Research	Public Health Education Methods	Cancer Causes, Detection, Epidemiology and Treatment
Cancer Mortality and Morbidity Data	Data collection	Data analysis
Cancer Care Resources Development	Facilities	Personnel

6. Toward the establishment of the Interagency Center for Cancer Prevention and Control:

The Texas Department of Health agrees to:

a) Provide data processing tapes from the Bureau of Vital Statistics on Mortality in Texas.

b) Provide computer tapes on data collected from the Cancer Information Service (Tumor Registry) for epidemiological analysis by UTSCC.

c) Conduct surveys and collect data for special epidemiologic studies as mutually agreed upon which are directed toward analysis of high cancer risk populations, possible environmental causes and other epidemiology clues to cause and prevention.

d) Employ and test in cooperation with UTSCC new cancer screening and early detection methods in public health clinics and programs.

e) Conduct periodic surveys, as mutually agreed upon, of cancer care resources (prevention, detection, diagnosis, treatment, rehabilitation) in Texas.

f) Conduct ongoing and special education programs on cancer prevention and early detection methods.

g) Provide, in cooperation with UTSCC, health care planning assistance, consultation and data to state, regional and local planning groups.

7. The UTSCC agrees to:

a) Provide the TDH with the Tumor Registry data for patients admitted and treated at UTSCC, M. D. Anderson Hospital and Tumor Institute.

b) Conduct statistical analysis of cancer data provided from the TDH Cancer Information Service and prepare appropriate reports.

c) Conduct, as mutually agreed upon, special epidemiologic studies of populations with high cancer mortality/incidence rates possible environmental causes and other epidemiologic clues to the cause and preventions of the disease.

d) Research, evaluate, demonstrate and recommend new and more effective cancer prevention, screening and early detection, diagnosis and treatment methods. Supply such services for persons with cancer pursuant to the rules and regulations of the University of Texas Board of Regents and other such policies of UTSCC.

e) Analyze data on Cancer care resources in Texas and prepare appropriate reports.

f) Conduct ongoing special programs directed to professional and allied health personnel cancer education designed to hasten the transfer of new and improved cancer control and prevention technology in the community.

g) Provide, in cooperation with TDH, health care planning assistance, consultation and data to state, regional and local planning groups. Decide with TDH the allocation of specific needs and functions as they may develop in this program.

8. This Agreement may be cancelled by either party by giving at least sixty (60) days written notice to the other of its intention to terminate the Agreement.

9. All notices under this agreement shall be provided by personal delivery or by the United States Mail. All notices under this Agreement shall be deemed to be given to a party when received by a designated representative of the party.

10. All Agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless it is in writing and is signed by the duly authorized representatives of the parties and approved by the Board of Health and Board of Regents of The University of Texas System.

11. No oral representations of any officer, agent, or employee of TDH or UTSCC either before or after the effective date of this Agreement, shall affect or modify any obligations of either party hereunder.

12. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided however, that no assignment by either party shall be effective without prior written approval of the other party. A delay in or failure of performance by either party shall not constitute default hereunder, or give rise to any claim or damages. Nothing herein shall prevent either party from carrying out their duly assigned statutory duties.

13. This Agreement shall not become effective unless and until approved by both the Texas Board of Health and Board of Regents of The University of Texas System. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect until terminated by one or the other party.

14. Executed by the TDH and UTSCC on the date and year first written above in duplicate copies, each of which shall be deemed an original.

UTSCC

BY Charles A. McIntire, MD
President, The University of Texas
System Cancer Center

Robert C. Hendry, MD
Director, The University of Texas,
M.D. Anderson Hospital and Tumor In-
stitute

TDH

BY John A. Huff, M.D.
Commissioner, Texas Department
of Health

CONTENT APPROVED:

Edith A. Allen
President, The University of Texas
System

Robert C. Hendry, MD

FORM APPROVED:

General Counsel of the University
of Texas System

Chairman, Board of Regents

Commissioner, Texas Department of Health

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement between The University of Texas System Cancer Center and the Texas Department of Health, Austin, Texas, was approved by the Board of Regents of The University of Texas System on the _____ day of _____, 197__.

Betty Anne Thedford
Secretary, Board of Regents
The University of Texas System

18. University Cancer Center: Amendment to Extend Sponsored Research Agreement with the John S. Dunn Research Foundation, Houston, Texas. -- Upon the recommendation of President LeMaistre, concurred in by System Administration, the sponsored research agreement between The University of Texas M. D. Anderson Hospital and Tumor Institute and the John S. Dunn Research Foundation, Houston, Texas, approved by the Board of Regents on December 16, 1977 for one year, was amended by extending it indefinitely with termination provided upon six months' written notice by either party.

It was noted that the John S. Dunn Foundation is a great support entity of The University of Texas System Cancer Center and further that Mr. Dunn is a member of the Board of Trustees of the Hermann Hospital Estate.

19. University Cancer Center: Affiliation Agreement with Rio Grande Radiation Treatment and Cancer Research Foundation, McAllen, Texas (Supersedes Agreement Approved by the Board of Regents on July 9, 1976). -- Upon the recommendation of President LeMaistre and System Administration, the Health Affairs Committee approved an affiliation agreement by and between The University of Texas System Cancer Center and the Rio Grande Radiation Treatment and Cancer Research Foundation, McAllen, Texas, subject to approval by the Foundation of the deletion of the second paragraph of said agreement (Section 2.17) and the substitution therefor of the standard indemnity clause in the University's model agreement which reads as follows:

"University shall, to the extent authorized under the constitution and laws of the State of Texas, hold Facility harmless from liability resulting from University's acts or omissions within the terms of this Agreement; provided, however, University shall not hold Facility harmless from any claims, demands, or causes of action arising in favor of any person or entity, growing out of, incident to, or resulting directly or indirectly from negligence (whether sole, joint, concurring or otherwise) of Facility, its officers, agents, representatives, or employees, or any person or entity not subject to University's supervision or control."

This agreement will supersede the agreement approved by the Board of Regents on July 9, 1976. The final draft of the agreement will be reported for the record at a future meeting of the Board of Regents.

REPORT OF LAND AND INVESTMENT COMMITTEE (Pages 158-200). -- Committee Chairman Clark submitted the following report of the Land and Investment Committee. He stated that all items were approved unanimously in open session unless otherwise indicated. The report was adopted without objection:

Though the Chairman of the Board of Regents has authority to execute any document authorized by the Board, either the Executive Director for Investments, Trusts and Lands or the Chancellor of the System may execute, unless otherwise indicated in the report, all necessary instruments authorized in this report when each has been approved as to form by an attorney in the Office of General Counsel and as to content by the appropriate official. These instruments relate to real estate or mineral interests held or controlled by the Board of Regents as a part of the Permanent University Fund or as a part of any Trust and Special Fund.

L PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

1. Report on Clearance of Monies to Permanent University Fund for June, July and August 1978 and Report on Oil and Gas Development as of August 31, 1978. -- The following reports with respect to (a) certain monies cleared to the Permanent University Fund for June, July and August 1978 and (b) Oil and Gas Development as of August 31, 1978, were received from the Executive Director for Investments, Trusts and Lands and made a part of this Committee's report:

<u>Permanent University Fund</u>	<u>June 1978</u>	<u>July 1978</u>	<u>August 1978</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year</u>
Royalty					
Oil	\$ 3,420,916.02	\$ 3,907,485.54	\$ 3,440,947.23	\$ 40,032,058.92	\$ 38,280,207.77
Gas	2,693,154.01	2,861,887.85	2,668,121.08	36,236,948.87	36,974,443.62
Water	19,266.01	27,331.81	33,449.37	234,101.16	185,337.43
Salt Brine	2,726.98	2,534.39	2,086.54	38,736.41	34,603.84
Sulphur	40,836.30	54,952.71	47,548.77	576,146.22	1,343,161.31
Rental					
Oil and Gas Leases	42,892.01	32,789.45	157,461.90	1,402,667.49	1,115,730.39
Other	6,717.00	2,180.00	300.00	21,394.93	32,013.39
Miscellaneous	52,357.38	-0-	14,832.95	801,147.95	616,763.45
	<u>\$ 6,278,865.71</u>	<u>\$ 6,889,161.75</u>	<u>\$ 6,364,747.84</u>	<u>\$ 79,343,201.95</u>	<u>\$ 78,582,261.25</u>
Bonuses, Oil and Gas Lease Sales	-0-	-0-	-0-	17,869,500.00	13,324,000.00
Total, Permanent University Fund	<u>\$ 6,278,865.71</u>	<u>\$ 6,889,161.75</u>	<u>\$ 6,364,747.84</u>	<u>\$ 97,212,701.95</u>	<u>\$ 91,906,261.25</u>

Oil and Gas Development - August 31, 1978
Acreage Under Lease - 1,015,542

Number of Producing Acres - 376,372

Number of Producing Leases - 1,646

2. Permanent University Fund - Investment Advisory Committee: Appointment of Mr. Orson C. Clay, Galveston, Texas, to Five-Year Term. -- Upon the recommendation of the Administration, Mr. Orson C. Clay, President of the American National Life Insurance Company, headquartered in Galveston, Texas, was appointed to the Permanent University Fund Investment Advisory Committee for a five year period, September 1, 1978 through August 31, 1983. With this appointment, the members of the Investment Advisory Committee are:

	<u>Term Expires</u>
Mr. Harold W. Hartley	8/31/79
Mr. Thomas B. McDade	8/31/80
Mr. Gene H. Bishop	8/31/81
Mr. Dee Osborne	8/31/82
Mr. Orson C. Clay	8/31/83

3. Permanent University Fund: Approved Stock List. -- In compliance with the Regents' Rules and Regulations, Part Two, Chapter IX, Section 2.61, Executive Director Lobb presented the following list of companies whose stocks are considered suitable for purchase or retention for the Permanent University Fund. Committee Chairman Clark indicated that the list had been approved by the Investment Advisory Committee.

This list was approved without objection.

AEROSPACE

Boeing Company (The)
McDonnell Douglas Corporation
Rockwell International Corporation

AIR TRANSPORT

Delta Air Lines, Incorporated
Emery Air Freight Corporation

APPAREL - TEXTILE

Burlington Industries, Incorporated

AUTOMOTIVE

Bendix Corporation (The)
Borg-Warner Corporation
Champion Spark Plug Company
Dana Corporation
Eaton Corporation
Ford Motor Company
General Motors Corporation
Genuine Parts Company
Timken Company (The)

BANK & FINANCE

American Express Company
BankAmerica Corporation
Bankers Trust New York Corporation
Beneficial Corporation
C.I.T. Financial Corporation
Chase Manhattan Corporation
Chemical New York Corporation
Citicorp
Continental Illinois Corporation
Crocker National Corporation
Federal National Mortgage Association
First Bank System, Incorporated
First Chicago Corporation
First National Boston Corporation
First Pennsylvania Corporation
Florida National Banks of Florida, Inc.
Heller (Walter E.) International Corporation
Household Finance Corporation

Bank & Finance - Continued

Manufacturers Hanover Corporation
 Mellon National Corporation
 J.P. Morgan & Co., Incorporated
 NCHR Corporation
 Northwest Bancorporation
 Seafirst Corporation
 Security Pacific Corporation
 Southeast Banking Corporation
 Valley National Bank of Arizona
 Wachovia Corporation (The)
 Wells Fargo & Company
 Western Bancorporation

BUILDING MATERIAL

Armstrong Cork Company
 Boise Cascade Corporation
 Carrier Corporation
 Champion International Corporation
 Georgia-Pacific Corporation
 Ideal Basic Industries, Inc.
 Jim Walter Corporation
 Johns-Manville Corporation
 Lone Star Industries, Inc.
 Masco Corporation
 Masonite Corporation
 Owens-Corning Fiberglas Corporation
 Potlatch Corporation
 Trane Company (The)
 United States Gypsum Company
 Weyerhaeuser Company

CHEMICAL

Air Products & Chemicals,
 Incorporated
 Allied Chemical Corporation
 American Cyanamid Company
 Big Three Industries, Incorporated
 Celanese Corporation
 Diamond Shamrock Corporation
 Dow Chemical Company (The)
 Du Pont (E.I.) de Nemours and
 Company
 Grace (W.R.) & Company
 Hercules Incorporated
 Monsanto Company
 PPG Industries, Incorporated
 Rohm and Haas Company
 Stauffer Chemical Company
 Union Carbide Corporation

COSMETICS

Avon Products, Inc.
 Chesebrough-Pond's Inc.
 Gillette Company (The)
 International Flavors & Fragrances,
 Inc.
 Revlon, Inc.

DRUG & MEDICAL SUPPLIES

Abbott Laboratories
 American Home Products
 Corporation
 American Hospital Supply
 Corporation
 Baxter Travenol Laboratories,
 Inc.
 Becton, Dickinson and
 Company
 Bristol-Myers Company
 Hospital Corporation of
 America
 Johnson & Johnson
 Lilly (Eli) and Company
 Merck & Co., Inc.
 Pfizer Inc.
 Richardson-Merrell
 Incorporated
 Robins (A.H.) Company,
 Incorporated
 Rorer Group Inc.
 Schering-Plough Corporation
 Searle (G.D.) & Co.
 SmithKline Corporation
 Squibb Corporation
 Sterling Drug Inc.
 Upjohn Company (The)
 Warner-Lambert Company

EDUCATION & ENTERTAINMENT

American Broadcasting
 Companies, Inc.
 AMF Incorporated
 CBS Inc.
 Disney (Walt) Productions
 Donnelley (R.R.) and Sons
 Company
 Dun & Bradstreet Companies,
 Inc.
 Gannett Co., Inc.
 Harcourt Brace Jovanovich,
 Inc.
 McGraw-Hill, Incorporated
 Prentice-Hall, Inc.
 Time Incorporated
 Times Mirror Company (The)

ELECTRIC EQUIPMENT

Emerson Electric Co.
 General Electric Company
 Reliance Electric Company
 Square D Company
 Sunbeam Corporation
 Thomas & Betts Corporation
 Westinghouse Electric
 Corporation
 Whirlpool Corporation

ELECTRONIC INSTRUMENTS

AMP Incorporated
 Foxboro Company (The)
 General Signal Corporation

Electronic Instruments - Continued

Hewlett-Packard Company
 Honeywell, Inc.
 International Telephone & Telegraph Corp.
 Motorola, Inc.
 Perkin-Elmer Corporation (The)
 RCA Corporation
 Texas Instruments Incorporated
 Tektronix, Inc.
 Zenith Radio Corporation

FOOD, BEVERAGE & SOAP

Anderson, Clayton & Company, Incorporated
 Archer-Daniels-Midland Company
 Beatrice Foods Co.
 Borden, Incorporated
 CPC International, Inc.
 Campbell Soup Company
 Central Soya Company, Inc.
 Coca-Cola Company (The)
 Colgate-Palmolive Company
 Consolidated Foods Corporation
 Dr Pepper Company
 Esmark, Inc.
 General Foods Corporation
 General Mills, Incorporated
 Heinz (H.J.) Company
 Heublein, Inc.
 Kellogg Company
 Kraft, Inc.
 Nabisco, Inc.
 Norton Simon, Incorporated
 PepsiCo, Inc.
 Philip Morris Incorporated
 Pillsbury Company (The)
 Procter & Gamble Company (The)
 Ralston Purina Company
 Reynolds (R.J.) Industries, Inc.
 Schlitz (Jos.) Brewing Company
 Standard Brands Incorporated

INSURANCE

Aetna Life & Casualty Company
 American General Insurance Company
 American National Insurance Company
 Capital Holding Corporation
 Chubb Corporation (The)
 Colonial Penn Group, Inc.
 Combined Insurance Company of America
 Connecticut General Insurance Corporation
 Continental Corporation (The)
 Crum and Forster
 Farmers Group, Inc.
 INA Corporation
 Jefferson-Pilot Corporation
 Lincoln National Corporation
 Marsh & McLennan Companies, Inc.
 Safeco Corporation
 St. Paul Companies, Inc.

Insurance - Continued

Southwestern Life Corporation
 Travelers Corporation (The)
 United States Fidelity & Guaranty Company
 USLIFE Corporation

MACHINERY

Black & Decker Manufacturing Company (The)
 Briggs & Stratton Corporation
 Bucyrus-Erie Company
 Caterpillar Tractor Co.
 Clark Equipment Company
 Cooper Industries, Inc.
 Deere & Company
 Gardner-Denver Company
 Ingersoll-Rand Company
 Joy Manufacturing Company
 Pullman Incorporated

METALS & MINING

Aluminum Company of America
 AMAX Inc.
 Armco Inc.
 ASARCO Incorporated
 Kennecott Copper Corporation
 Newmont Mining Corporation
 Phelps Dodge Corporation
 St. Joe Minerals Corporation
 United States Steel Corporation

MISCELLANEOUS

ARA Services, Inc.
 Corning Glass Works
 Minnesota Mining and Manufacturing Company
 Southern Natural Resources, Inc.
 Tenneco Inc.

OFFICE EQUIPMENT

Burroughs Corporation
 International Business Machines Corporation
 NCR Corporation
 Sperry Rand Corporation
 Xerox Corporation

OIL

Atlantic Richfield Company
 Baker International Corporation
 Continental Oil Company (Del.)
 Dresser Industries, Inc.
 Exxon Corporation
 Getty Oil Company

Oil - Continued

Gulf Oil Corporation
 Halliburton Company
 Hughes Tool Company
 Kerr-McGee Corporation
 Louisiana Land and Exploration Company (The)
 Marathon Oil Company
 McDermott (J. Ray) & Co., Inc.
 Mesa Petroleum Company
 Mobil Corporation
 Phillips Petroleum Company
 Santa Fe International Corporation
 Shell Oil Company
 Smith International, Incorporated
 Standard Oil Company of California
 Standard Oil Company (Indiana)
 Standard Oil Company (The) (Ohio)
 Texaco Inc.
 Union Oil Company of California

PAPER & CONTAINERS

American Can Company
 Continental Group, Inc. (The)
 Crown Zellerbach Corporation
 Great Northern Nekoosa Corporation
 International Paper Company
 Kimberly-Clark Corporation
 Mead Corporation (The)
 Owens-Illinois, Inc.
 St. Regis Paper Company
 Scott Paper Company
 Union Camp Corporation
 Westvaco Corporation

PHOTOGRAPHIC

Eastman Kodak Company
 Polaroid Corporation

PUBLIC UTILITIES

Allegheny Power System, Incorporated
 American Natural Resources Company
 American Telephone & Telegraph Company
 Arizona Public Service Company
 Baltimore Gas & Electric Company
 Carolina Power and Light Company
 Central Louisiana Electric Company, Inc.
 Central & South West Corporation
 Central Telephone & Utilities Corporation

Public Utilities - Continued

Commonwealth Edison Company
 Continental Telephone Corporation
 Duke Power Company
 ENSERCH Corporation
 Florida Power Corporation
 Florida Power & Light Company
 General Telephone & Electronics Corporation
 Gulf States Utilities Company
 Houston Industries Incorporated
 Houston Natural Gas Corporation
 Idaho Power Company
 Middle South Utilities, Inc.
 Montana Power Company (The)
 Northern Indiana Public Service Company
 Northern States Power Company (Minn.)
 Oklahoma Gas & Electric Company
 Pacific Power & Light Company
 Panhandle Eastern Pipe Line Company
 Public Service Company of Colorado
 Public Service Company of Indiana, Inc.
 Rochester Telephone Corporation
 Southern California Edison Company
 Southern Company (The)
 Southwestern Public Service Company
 Tampa Electric Company
 Texas Eastern Corporation
 Texas Utilities Company
 Tucson Gas & Electric Company
 United Telecommunications, Inc.
 Wisconsin Electric Power Company

RAIL - MISCELLANEOUS TRANSPORTATION

ACF Industries, Incorporated
 Burlington Northern Incorporated
 Consolidated Freightways, Inc.
 GATX Corporation
 Santa Fe Industries, Inc.
 Union Pacific Corporation

RETAIL TRADE

Associated Dry Goods Corporation
 Carter Hawley Hale Stores, Inc.
 Dayton Hudson Corporation
 Eckerd (Jack) Corporation
 Federated Department Stores, Inc.
 Gordon Jewelry Corporation
 K mart Corporation
 Lucky Stores, Inc.
 Marshall Field & Company

Retail Trade - Continued
May Department Stores Company
(The)
Melville Corporation
Penney (J.C.) Company,
Incorporated
Safeway Stores, Incorporated
Sears, Roebuck & Company
Southland Corporation (The)
Winn-Dixie Stores,
Incorporated
Zale Corporation

RUBBER

Firestone Tire & Rubber
Company (The)
Goodyear Tire & Rubber
Company (The)

B. LAND MATTERS

Easements and Surface Leases Nos. 4667-4715, Material Source Permits Nos. 559-563 and Water Contract No. 167. --Easements and Surface Leases Nos. 4667-4715, Material Source Permits Nos. 559-563 and Water Contract No. 167 were approved as set out below. Each document on the University's standard form and at the standard rates that became effective February 1, 1977, had been approved as to content by the appropriate official. Payment for each had been received in advance unless otherwise indicated:

1. Easements and Surface Leases Nos. 4667-4715

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4667	Tenneco Oil Company (renewal of 2688)	Surface Lease (salt water disposal)	Andrews	11	1 acre	9/1/78- 8/31/79*	\$ 500.00 (annual)
4668	Maralo, Inc. (renewal of 2689)	Surface Lease (salt water disposal)	Andrews	3	1 acre	8/27/78- 8/26/79*	500.00 (annual)
4669	Reading & Bates Petroleum Co. (renewal of 2760)	Surface Lease (salt water disposal)	Upton	5 ^c	1 acre	10/1/78- 9/30/79*	500.00 (annual)
4670	Chevron Pipe Line Company (renewal of 54)	Surface Lease (pump station)	Hudspeth	K	10.84 acres	7/1/78- 6/30/83	3,754.00 (flat)
4671	Gordon Bankston	Surface Lease (road sign site)	Ward	16	less than 1 acre	8/1/78- 7/31/79**	150.00 (annual)
4672	Algie A. Felder	Surface Lease (tower site and office)	El Paso	L	1 acre approximately	8/1/78- 7/31/79**	1,200.00 (annual)

*Renewable from year to year, but not to exceed five years.

**Renewable from year to year, but not to exceed ten years.

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4673	Maralo, Inc. (renewal of 2694)	Pipe Line	Andrews	3	81.08 rds. 4 inch	9/1/78- 8/31/88	\$ 202.75
4674	Lone Star Gas Company, Inc.	Pipe Line	Ward	17	939.52 rds. 6 inch	4/1/78- 3/31/88	2,318.56
4675	Phillips Petroleum Company	Pipe Line	Crockett	5, 6, 13	1,879.21 rds. 6-5/8 inch 1,319.28 rds. 4-1/2 inch	7/1/78- 6/30/88	9,595.47
4676	Phillips Petroleum Company (renewal of 2660)	Pipe Line	Andrews, Crane	10, 30	232.2 rds. 4-1/2 inch	9/1/78- 8/31/88	580.50
4677	Phillips Petroleum Company (renewal of 2813)	Pipe Line	Andrews	3, 4	145.4 rds. 4-1/2 inch	11/1/78- 10/31/88	363.50
4678	Phillips Petroleum Company (renewal of 2778)	Pipe Line	Winkler	20, 21	671.60 rds. 4-1/2 inch	9/1/78- 8/31/88	1,679.00
4679	Northern Gas Products Company	Pipe Line	Martin, Andrews	7	2,289.88 rds. various size	8/1/78- 7/31/88	6,869.64
4680	Northern Natural Gas Company	Pipe Line	Reagan	9, 10	1,015.39 rds. 4-1/2 inch & 6-5/8 inch	8/1/78- 7/31/88	3,046.17
4681	Community Public Service Co. (renewal of 2830)	Power Line	Winkler	20	80.84 rds. single pole	1/1/79- 12/31/88	150.00 (minimum)
4682	Community Public Service Co. (renewal of 2809)	Power Line	Pecos	27	150.40 rds. single pole	11/1/78- 10/31/88	150.40
4683	Sun Oil Company (renewal of 2814)	Pipe Line	Crane	30	188.5 rds. 3 inch	12/1/78- 11/30/88	471.25

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4684	Fin-Tex Pipe Line Company (renewal of 2815)	Pipe Line	Crane	31	735 rds. 4-1/2 inch	12/1/78- 11/30/88	\$ 1,837.50
4685	Reading & Bates Petroleum Co. (renewal of 2833)	Pipe Line	Upton	3, 58	1007.7 rds. 2 inch	12/1/78- 11/30/88	2,520.00
4686	Texas Electric Service Co. (renewal of 2685, 2757 & 2695)	Power Line	Ector, Ward	35, 17, 16	731.64 rds. single pole	10/1/78- 9/30/88	731.64
4687	Texas Electric Service Co. (renewal of 2683, 2695 & 2757)	Power Line	Andrews	1, 2, 5, 9, 10, 11, 13	2,377.98 rds. single pole	10/1/78- 9/30/88	2,377.98
4688	Texas Electric Service Co. (renewal of 2684 & 2793)	Power Line	Crane	30, 31, 35	864.31 rds. single pole	10/1/78 9/30/88	864.31
4689	BTA Oil Producers (renewal of 2826)	Pipe Line	Upton Reagan	3, 58	760 rds. 2 inch	12/1/78- 11/30/88	1,900.00
4690	Mobil Pipe Line Company (renewal of 2756)	Pipe Line	Andrews	3, 4	149.49 rds. 4-1/2 inch	10/1/78- 9/30/88	373.73
4691	Oasis Pipe Line Company	Pipe Line	Winkler	21	200.72 rds. 4 inch	8/1/78- 7/31/88	602.16
4692	Oasis Pipe Line Company	Pipe Line	Ward	16	40.85 rds. 12 inch	6/1/78- 5/31/88	285.95
4693	Shell Pipe Line Corporation (renewal of 2725)	Pipe Line	Andrews	1, 9	147 rds. 3-1/2 inch 126 rds. 4-1/2 inch	11/1/78- 10/31/88	682.50
4694	Pioneer Natural Gas Company (renewal of 2606 & 2607)	Pipe Line	Andrews	14	4,127 rds. various size	3/28/78- 3/27/88	10,317.50

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4695	Gulf Refining Company (renewal of 2648)	Pipe Line	Crane	30	2,742 rds. 8-5/8 inch	9/1/78- 8/31/88	\$ 6,855.00
4696	Gulf Oil Corporation	Pipe Line	Ward	17, 18	1,257.94 rds. 4 inch	8/1/78- 7/31/88	3,773.82
4697	The Permian Corporation	Pipe Line	Andrews	7	82.79 rds. 3-1/2 inch	7/1/78- 6/30/88	248.37
4698	El Paso Natural Gas Company (renewal of 2902)	Pipe Line	Reagan	2	134.73 rds. 4-1/2 inch	4/1/79- 3/31/89	336.83
4699	El Paso Natural Gas Company (renewal of 2651)	Pipe Line	Ward	17	196.455 rds. 4-1/2 inch	12/1/78- 11/30/88	491.14
4700	El Paso Natural Gas Company (renewal of 2655)	Pipe Line	Ward	17	1,327.127 4-1/2 inch	12/1/78- 11/30/88	3,317.82
4701	Phillips Petroleum Company (renewal of 2729)	Pipe Line	Crane, Upton	30	603.3 rds. 4-1/2 inch 211.8 rds. 6-5/8 inch	7/1/78- 6/30/88	2,037.75
4702	Phillips Petroleum Company (renewal of 2659)	Pipe Line	Crane, Andrews	10, 30, 31, 35	532.1 rds. 10-3/4 inch 574.9 rds. 4-1/2 inch	8/1/78- 7/31/88	2,767.50
4703	West Texas Utilities (renewal of 2780)	Power Line	Crockett	46	2,147.5 rds. single pole	9/1/78- 8/31/88	2,147.50
4704	West Texas Utilities (renewal of 2781)	Power Line	Pecos	16, 18	1,320.56 rds. single pole	9/1/78- 8/31/88	1,320.56
4705	West Texas Utilities (renewal of 2782)	Power Line	Reagan	2, 9, 11, 48	2,107.69 rds. single pole	9/1/78- 8/31/88	2,107.69

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4706	Southwest Texas Electric Cooperative, Inc. (renewal of 2710)	Power Line	Crockett, Reagan	14, 47, 49	963.15 rds. single pole	8/1/78- 7/31/88	\$ 963.15
4707	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	30	248.7878 rds. single pole	6/1/78- 5/31/88	248.79
4708	Southwest Texas Electric Cooperative, Inc.	Power Line	Irion	40	34.5454 rds. single pole	7/1/78- 6/30/88	150.00 (minimum)
4709	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	47	112.4242 rds. single pole	6/1/78- 5/31/88	150.00 (minimum)
4710	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	47, 50	526.4848 rds. single pole	7/1/78- 6/30/88	526.48
4711	Southwest Texas Electric Cooperative, Inc.	Power Line	Reagan	48, 49	150.3030 rds. single pole	6/1/78- 5/31/88	150.30
4712	Chevron Pipe Line Company (renewal of 53)	Pipe Line	Hudspeth Winkler	G, H, J, K, L & 21	11,397 rds. 8 inch 6,285.87 rds. 20 inch	7/1/78- 6/30/88	50,493.05
4713	El Paso Electric Company	Power Line	El Paso	L	145 rds. single pole	9/1/78- 8/31/88	150.00 (minimum)
4714	Lo-Vaca Gathering Company (renewal of 2805)	Pipe Line	Pecos	22, 23	2,079.21 rds. 30 inch	11/1/78- 10/31/88	7,277.24
4715	Layton L. Nutter	Surface Lease (pipe yard)	Reagan	11	1.3 acres	6/1/78- 5/31/79*	250.00 (annual)

*Renewable from year to year, but not to exceed ten years..

2. Material Source Permits Nos. 559-563

No.	Grantee	County	Location	Quantity	Consideration
559	Farmer Constr. Co.	Andrews	Block 4	1,918 cubic yards caliche	\$ 671.30
560	Farmer Constr. Co.	Andrews	Block 11	2,490 cubic yards caliche	871.50
561	Redden Construction Co.	Ward	Block 16	150 cubic yards caliche	150.00 (min.)
562	Reliable Construction Co., Inc.	Andrews	Block 1	650 cubic yards caliche	227.50
563	Jones Bros. Rental Equipment Co., Inc.	Pecos	Block 27	9,599 cubic yards caliche	1,439.85*

3. Water Contract No. 167

No.	Grantee	County	Location	Period	Consideration
167	Northern Natural Gas Company	Pecos	Block 19	7/1/78-6/30/83	\$ 100.00**

*This agreement was made under the old schedule.

**Annual rental is \$100.00, to be paid in advance. Royalty is 12¢ per 1,000 gallons of water produced, with a minimum royalty of \$200.00 per year.

OCT 20 1978

II. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

1. System Administration: Establishment of The University of Texas System Pooled Income Fund for Use by Component Institutions in Attracting Deferred Gifts; Policies for Administration Thereof (1969 Tax Reform Act). -- The Administration pointed out in the written material that a provision of the 1969 Tax Reform Act had made it possible for a charitable organization (as defined in Section 501 (c) (3) of the Internal Revenue Code) to establish a form of charitable trust called a "pooled income fund" to receive gifts in amounts for which the establishment of an individual trust, such as a unitrust or annuity trust, was not feasible. In the year for which a gift is made, the donor participating in such a fund is entitled to an income tax deduction equal to the value of the remainder interest that the charity will receive, calculated by reference to IRS tables.

Whereupon, the Land and Investment Committee without objection authorized the establishment of The University of Texas System Pooled Income Fund for use by component institutions in attracting deferred gifts. The Chairman of the Board of Regents was authorized to execute the required Pooled Income Fund Trust Agreement when the document had been approved as to form and content by the Chancellor of the System and the Office of General Counsel.

With respect to the administration of this fund, the Administration recommended the following policies which were adopted by the Committee without objection:

- a. Initial gifts of a minimum of \$5,000 shall be accepted where there is promise that during a succeeding five-year period further gifts by that donor will total an additional \$5,000 resulting in a total gift of \$10,000.
- b. Following the initial gift, subsequent additional gifts must be a minimum of \$1,000 each.
- c. There shall be no more than two income beneficiaries for each account established in the fund by a donor and that each such beneficiary be over age 50.
- d. The fund's fiscal year shall be the calendar year.
- e. The fund shall be invested in securities authorized for Trust and Special Funds under the control of the Board of Regents with emphasis on yield.
- f. The initial unit value of gifts will be \$1.00.
- g. The Chancellor of the System, System Vice President for Business Affairs, Executive Director for Investments, Trusts and Lands or Trust Officer may execute the individual trust agreements with each donor.

- h. Components will be responsible for reporting additions to their respective accounts on the institutional docket. The initial gift of \$5,000 will be reported on the Investments, Trusts and Lands Agenda.
- i. Each remainder removed from this fund will be reported on the Land and Investment Agenda as to usage.

Under this Pooled Income Fund a number of units, equal to the value of the gift in relation to the then value of the rest of the fund, will be assigned each donor. Yearly, the donor or his beneficiary will receive a share of the fund's earnings based on the number of units held. At the death of the last income beneficiary, payments of income will terminate and the charity will remove the gift from the fund and apply it to the purpose designated by the donor.

2. U. T. Austin - Acceptance of Gift of Stock and Establishment of T. Brockett Hudson Professorship in Chemical Engineering, College of Engineering. --By unanimous vote and with an expression of sincere appreciation, a gift of 8,982 shares of Southwest Chemical Services Incorporated stock was accepted from Mr. T. Brockett Hudson, Houston, Texas; and the T. Brockett Hudson Professorship in Chemical Engineering was established in the College of Engineering at The University of Texas at Austin. Mr. Hudson received both his B. S. (1947) and M. S. (1949) degrees in Chemical Engineering from U. T. Austin.

This Professorship is to be funded with \$100,000 of the proceeds from this gift of stock. All funds in excess of \$100,000 will be added to the T. Brockett Hudson/ Joseph Magliolo, Jr., Endowed Fund for Excellence in Chemical Engineering at U. T. Austin (Item 4, Page 173).

(See Item 2, Page 72, Academic and Developmental Affairs Committee Report, for initial appointment to this Professorship.)

3. U. T. Austin: Acceptance of Gift of Stock and Establishment of the Carol and Henry Groppe Professorship in Chemical Engineering, College of Engineering. --Upon the recommendation of President Rogers and System Administration and by unanimous vote, a gift of 4,500 shares of Southwest Chemical Services Incorporated stock was accepted with gratitude from Mr. and Mrs. Henry Groppe, Houston, Texas; and the Carol and Henry Groppe Professorship in Chemical Engineering was established in the College of Engineering at The University of Texas at Austin. Mr. Groppe received his degree in Chemical Engineering from U. T. Austin in 1946.

This Professorship will be funded with the first \$100,000 received from the sale of the stock. All funds in excess of \$100,000 will be added to the T. Brockett Hudson/ Joseph Magliolo, Jr., Endowed Fund for Excellence in Chemical Engineering at U. T. Austin (Item 4, Page 173).

4. U. T. Austin: Acceptance of Gift of Stock and Establishment of T. Brockett Hudson/ Joseph Magliolo, Jr., Endowed Fund for Excellence in Chemical Engineering, College of Engineering. -- Upon the recommendation of President Rogers and System Administration and by unanimous vote, a gift of 2,000 shares of Southwest Chemical Services Incorporated stock was accepted with gratitude from Mr. Joseph Magliolo, Jr., of Houston, Texas. Mr. Magliolo received both his B. S. (1948) and M. S. (1949) degrees in Chemical Engineering from The University of Texas at Austin.

Upon the further recommendation of President Rogers and the Administration and without objection, it was ordered that the proceeds from this stock be added to the proceeds in excess of \$100,000 derived from Mr. T. Brockett Hudson's gift of stock establishing the T. Brockett Hudson Professorship in Chemical Engineering (Item 2, Page 172) to establish the T. Brockett Hudson/ Joseph Magliolo, Jr., Endowment Fund for Excellence in Chemical Engineering, College of Engineering, at The University of Texas at Austin.

The income from this fund, as intended by the donors, shall be used to promote excellence in Chemical Engineering education by providing scholarships to exceptional undergraduate and fellowships to exceptional graduate students in Chemical Engineering, support for distinguished visiting faculty, funds to acquire special equipment needed in research and teaching, and funds for the exchange of technical information at professional meetings and conferences. The allocation of these funds will be under the direction of a faculty committee composed of the Chairman of the Department of Chemical Engineering, two full professors and an associate or assistant professor to be elected by the Department faculty.

5. U. T. Austin: Establishment of Geophysical Fund for Department of Geological Sciences in Support of Wallace E. Pratt Professorship in Geophysics. -- The Land and Investment Committee authorized the establishment of a Geophysical Fund for the Department of Geological Sciences in support of the Wallace E. Pratt Professorship in Geophysics at The University of Texas at Austin. This fund is to be established with gifts in the amount of \$15,000 from Mr. Wallace E. Pratt to the Geology Fund.

Income from this fund will be used at the discretion of the appointee to the Wallace E. Pratt Professorship in Geophysics in support of the geophysics program of the Department of Geological Sciences at U. T. Austin. The Pratt Professorship was established on June 1, 1973.

The Committee expressed gratitude to Mr. Pratt for his continued interest in the University.

6. U. T. Austin: Acceptance of Gifts from Mrs. Sidney S. (Bert Kruger) Smith and Mr. Aaron Kruger and Establishment of Fania Kruger Poetry Scholarship Fund. --With sincere appreciation, gifts totaling \$9,000 were accepted from Mrs. Sidney S. (Bert Kruger) Smith and Mr. Aaron Kruger, and the Fania Kruger Poetry Scholarship Fund was established at The University of Texas at Austin in memory of the mother of Mrs. Smith and Mr. Kruger. An additional \$1,000 will be paid within 1979. Mrs. Fania Kruger was very active and interested in the area of fine arts relating to poetry and short stories.
7. U. T. Austin: Acceptance of Charles A. Stacey Charitable Remainder Unitrust. --With sincere appreciation, the Land and Investment Committee accepted a charitable remainder unitrust created by Mr. Charles A. Stacey in August 1978. Provisions of the unitrust allow for assignment to the Board of Regents for the remainder to be used at The University of Texas at Austin contingent upon the acceptance of the Board of Regents.

This unitrust is funded by a \$120,000 non interest bearing note payable to Mr. Stacey at the rate of \$12,000 per year commencing on January 2, 1980. The note is signed by Walter Ray Vickery, purchaser from Mr. Stacey of Salem Publishing Company, a Missouri corporation, and is guaranteed by the corporation.

The trust agreement provides for life income to Mr. Stacey at the lesser of 6% of market value on January 1 of each year or actual net income with provisions for cumulative deficiencies in any previous years which income did not equal 6% to be made up in future years if earned.

Mr. Stacey, a 1943 graduate of U. T. Austin in Journalism and a Life Member of the Ex-Students' Association, will designate a specific purpose for his contribution following this acceptance.

8. U. T. Austin: Establishment of Anne Wilkens Memorial Revolving Scholarship Fund. --The Anne Wilkens Memorial Revolving Scholarship Fund was established at The University of Texas at Austin by unanimous vote of the Land and Investment Committee with funding of \$10,000 from the School of Social Work - Various Donors Account. These funds had been given by associates, friends and ex-students of Miss Wilkens and had been reported previously.

Miss Wilkens, Professor Emeritus of the School of Social Work, has been associated for twenty-three years with the department, having served in the capacity of Acting Dean, Director of Field Instruction, and teacher.

9. Dallas Health Science Center (Dallas Southwestern Medical School): Authorization to Join in Agreement with Southwestern Medical Foundation, the Independent Executor of the Louis Cerf Estate, and the Attorney General Regarding Payment of Bequest Under Will of Louis Cerf. --Chancellor Walker was authorized to join Southwestern Medical Foundation, the Independent Executor of the Louis Cerf Estate, and the Attorney General in the execution of an agreement under which a bequest from Louis Cerf

estimated to be \$10,000 to \$12,000 would be paid to Southwestern Medical Foundation for the use of the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas in the field of Cardio-Vascular Research.

10. Galveston Medical Branch (Galveston Medical School): Acceptance of Bequest and Establishment of The Mary Edith Landes Memorial Fund for the Benefit of the Child Health Center. -- With sincere appreciation and by unanimous vote, a bequest totaling \$52,615.18 (1/2 of a \$10,000 bequest plus 1/24 of 7/10ths of the residuary estate) was accepted under the Will of Mrs. Edith Landes. In accordance with the provisions of the Will, The Mary Edith Landes Memorial Fund for the Benefit of the Child Health Center was established at the Galveston Medical School of The University of Texas Medical Branch at Galveston.
11. University Cancer Center (M. D. Anderson): Acceptance of Gift from Mr. Robert Mosbacher and Establishment of Mosbacher Pediatrics Professorship. -- With sincere appreciation and thanks, a cash gift of \$65,000 was accepted by unanimous vote from Mr. Robert Mosbacher; and the Mosbacher Pediatrics Professorship was established at M. D. Anderson of The University of Texas System Cancer Center. This gift is to be added to the endowment account of the present amount of \$64,287 that was established on June 10, 1977 for the purpose of establishing this named professorship.

B. REAL ESTATE MATTERS

1. U. T. System - Hogg Foundation - Varner Property: Ground Lease and Conveyance of Improvements (Texas State Hotel Property) at Fannin and Rusk, Houston, Texas, to David Askanase, Trustee. -- In the written material, the Administration set out the status of the ground lease covering property at the corner of Fannin Street and Rusk Avenue in Houston, Texas, on which the Texas State Hotel is located. This property was conveyed to the Board of Regents in 1952 by the Hogg Foundation when the Varner Company was dissolved, subject to a ground lease expiring in 2025. The Lessee, Texas State Hotel, Ltd., had been in default since October 1977 and had sought protection under Chapter XII of the Bankruptcy Act.

Committee Chairman Clark said that negotiations had been conducted with the first and second lien holders and the lessee for the past several months, and that all parties had agreed, subject to approval by the Board of Regents and the Court, to petition the Court to declare the old lease terminated and to approve a new lease and convey the improvements to Texas State Hotel, Inc., the former owner and current second lien holder.

Upon recommendation of System Administration, approval was given for the Board of Regents as Trustees of the Hogg Foundation - W. C. Hogg Memorial Fund to grant a new Ground Lease (set out on Pages 182-199) covering property at the corner of Fannin Street and Rusk Avenue in Houston, Texas, to Mr. David Askanase, Trustee, for a term of 35 years at a monthly rental of \$715, plus an initial payment of \$48,000. Further, approval

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was given to convey to Mr. Askanase by a deed the improvements (Texas State Hotel) for a term to coincide with the term of the Ground Lease. The improvements are located on the property covered by the Ground Lease. The terms of this conveyance are set out in Special Deed and Real Estate Note (Pages 176 - 181). [All papers involved in this real estate transaction are draft copies, but the final copy of each as approved by the Office of General Counsel will be incorporated in the official copy of the minutes.] See Page 1010.

It was pointed out that this new lease is favorable to the University, providing for a total income over the 35-year term of \$4,860,000 as opposed to \$1,680,000 under the old lease for the same period. In addition, the term has been reduced from 47 years to 35 years, and the option to purchase has been eliminated. Past due rentals in the amount of \$48,000 will be brought current.

Upon motion of Regent Sterling, those who helped to arrange for this new Ground Lease were commended.

REAL ESTATE LIEN NOTE

\$4,559,700.00

AUSTIN, TEXAS, OCTOBER _____, 1978

For value received, I, We, or either of us, as principals, promise to pay to the order of The Board of Regents of The University of Texas System as Trustees of the Hogg Foundation--W. C. Hogg Memorial Fund in the City of Austin, Travis County, Texas, the sum of Four Million Five Hundred Fifty-Nine Thousand Seven Hundred and No/100 Dollars (\$4,559,700.00), in legal and lawful money of the United States of America, said note to bear no interest, except that matured unpaid principal shall bear interest at the rate of ten per cent (10%) per annum from date of maturity until paid.

This note is due and payable as follows, to-wit: In 420 consecutive monthly installments of principal, as follows:

- (1) 120 equal consecutive monthly installments in the sum of \$7,285.00 each, the first of such being due and payable on or before the 1st day of November, 1978, with like installments being due on or before the 1st day of each month thereafter until said 120 installments have been paid in full;
- (2) 60 equal consecutive monthly installments in the sum of \$8,285.00 each, the first of such being due and payable on or before the 1st day of November, 1988, with like installments being due on or before the 1st day of each month thereafter until said 60 installments have been paid in full;

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- (3) 60 equal consecutive monthly installments in the sum of \$10,285.00 each, the first of such being due and payable on or before the 1st day of November, 1993, with like installments being due on or before the 1st day of each month thereafter until said 60 installments have been paid in full;
- (4) 180 equal consecutive monthly installments in the sum of \$14,285.00 each, the first of such being due and payable on or before the 1st day of November, 1998, with like installments being due on or before the 1st day of each month thereafter or until said 180 installments have been paid in full.

It is expressly provided that upon default in the punctual payment of this note or any part thereof, as the same shall become due and payable, the entire indebtedness secured by the hereinafter mentioned lien shall be matured, at the option of the holder; and in the event default is made in the prompt payment of this note when due or declared due, and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through Probate, Bankruptcy or other judicial proceedings, then the makers agree and promise to pay ten per cent (10%) additional on the amount of principal and interest then owing, as attorney's fees.

Each maker, surety and endorser of this note expressly waives all notices, demands for payment, presentation for payment, notices of intention to accelerate the maturity, protest and notice of protest, as to this note and as to each, every and all installments hereof.

Payment hereof is secured by a Vendor's Lien expressly retained by The University of Texas System acting by and through its Board of Regents as Trustees of the Hogg Foundation--W. C. Hogg Memorial Fund in Deed of even date herewith to David Askanase, Trustee, and is further secured by Deed of Trust of even date herewith executed by the said David Askanase, Trustee, to the Board of Regents of The University of Texas System as Trustees of the Hogg Foundation--W. C. Hogg Memorial Fund, to which instruments and the record thereof reference is here made for all purposes.

DAVID ASKANASE, TRUSTEE

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THE STATE OF TEXAS §
COUNTY OF HARRIS § KNOW ALL MEN BY THESE PRESENTS:
§

That The University of Texas System, acting herein by its Board of Regents as Trustees of the Hogg Foundation--W. C. Hogg Memorial Fund, herein called Grantor, for and in consideration of the sum of Ten Dollars and other valuable consideration paid to the Grantor by the Grantee herein named, the receipt of which is hereby acknowledged, and for the further consideration of Grantee's promise to pay to Grantor the sum of Four Million Five Hundred Fifty-Nine Thousand Seven Hundred and No/100 Dollars (\$4,559,700.00), evidenced by and according to the terms of Grantee's Promissory Vendor's Lien Note in said principal sum, being payable as stated therein, the payment of which note is secured by the Vendor's Lien herein retained, and is additionally secured by a Deed of Trust of even date herewith to Linward Shivers, Trustee, have GRANTED, SOLD and CONVEYED, and by these presents do GRANT, SELL and CONVEY unto David Askanase, Trustee, for a term of years as herein stated, all that certain Building and those certain Improvements (but not the land itself) situated upon and being affixed to that lot, tract or parcel of land in Harris County, Texas, described in Exhibit "A" attached hereto and incorporated herein by reference.

Concurrently with the execution of this Deed, a Ground Lease of even date herewith is being executed by Grantor, as Lessor, and Grantee, as Lessee, relating to the land above described, a copy of such lease being attached hereto as Exhibit "B" and incorporated herein for all purposes; and by this conveyance of the Building and Improvements, it is the intent of the parties to effect a severance of the Building and Improvements from the land, so that the Building and Improvements shall

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thereafter during the term of this Grant (subject to liens, said Ground Lease and the other matters referred to herein) be the property of Grantee, whereas the land shall continue to be the property of Grantor.

"Building and Improvements" means the hotel and commercial building now on said land, and all other buildings, improvements and appurtenances now standing in, on and above said land or any part thereof, together with all machinery, apparatus, equipment, fittings and fixtures, including trade fixtures of every kind and nature whatsoever, located, affixed and attached in, on, along, over, and across said land or any part thereof, and said Building and Improvements including, but without limiting the generality hereof, all engines, furnaces, boilers, structures, pumps, heaters, tanks, dynamos, motors, generators, switchboards, if any, intercommunication equipment, electrical equipment and fixtures, heating, ventilators, air cooling and air conditioning apparatus, gas fixtures, underground pipes and conduits, elevators, shades, awnings, screens, and signs, all of which machinery, apparatus, equipment, fittings and fixtures are hereby understood and agreed to be said Building and Improvements appropriated to the use of said real estate and whether fixed or unannexed shall, for the purpose of this Deed, be real estate conveyed hereby, together with the right of support by said land and the right, without limitation, to lower underground pipes and conduits and replace same and to repair, renew or replace beams, piers and foundations.

This conveyance and grant shall be and is hereby limited to a term of thirty-five (35) years and shall absolutely terminate and the property revert to Grantor, its successors and assigns, on the 31st day of October, 2013, without the necessity of any action or reentry by Grantor herein and unless sooner terminated as otherwise provided herein.

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This conveyance and grant shall be and is hereby further limited by the term of said Ground Lease and shall absolutely terminate and the property revert to Grantor, its successors and assigns, upon termination of said Ground Lease for any reason, without the necessity of any action or reentry by Grantor herein.

The covenants and obligations of Lessee in said Ground Lease are hereby adopted as if set out verbatim herein, and with the exception of the rentals therein provided, are hereby assumed by Grantee herein insofar as they are performable with reference to the Building and Improvements herein conveyed whether the terms of said Lease specifically refer to said Building and Improvements or not.

This conveyance is executed by Grantor and accepted by Grantee, expressly subject to all easements and restrictions of record in Harris County, Texas, affecting said property, as well as any and all ordinances and regulations of any governmental authority affecting said property.

TO have and to hold the above described Building and Improvements, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, his successors and assigns forever, it being expressly agreed, however, that the Vendor's Lien is retained against all of the same, until the above described note and all interest and other charges therein provided are fully paid, when this Deed shall become absolute.

NO WARRANTY OF HABITABILITY ARISES BY VIRTUE OF THIS DEED OR THE SAID GROUND LEASE. AS PART OF THE CONSIDERATION FOR THIS DEED AND THE SPECIFIED CONSIDERATION, GRANTOR EXPRESSLY DISCLAIMS AND GRANTEE EXPRESSLY WAIVES ANY IMPLIED WARRANTY OF HABITABILITY, INCLUDING PRESENT AND FUTURE CONDITIONS, WHETHER LATENT

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OR PATENT. GRANTEE HEREBY ACKNOWLEDGES THAT GRANTEE HAS EXAMINED THE CONVEYED PREMISES, AND ACCEPTS THEM IN THEIR EXISTING CONDITION. NO REPRESENTATIONS ARE MADE ON THE PART OF GRANTOR OR ITS AGENTS AS TO THE PRESENT OR FUTURE CONDITION OF THE SAID PREMISES. GRANTEE AGREES TO ORDER AND PAY FOR ALL REPAIRS AND REPLACEMENTS NECESSARY TO MAINTAIN THE PREMISES IN TENANTABLE CONDITION, AS PROVIDED FOR IN PARAGRAPH 6 OF THE ATTACHED GROUND LEASE.

THIS CONVEYANCE IS MADE WITHOUT WARRANTY OF ANY KIND WHATEVER, EXPRESS OR IMPLIED.

Grantee agrees, notwithstanding anything to the contrary herein, that there shall be no conveyance of the Building and Improvements herein conveyed or any interest in same, whether voluntary or involuntary, to any person, firm or entity other than the then current owner of the said Ground Lease.

EXECUTED this _____ day of October, 1978.

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By _____
Executive Director of
Investments, Trusts and Lands

ATTEST:

APPROVED AS TO CONTENT:

Mortgage and Real Estate Officer

FORM APPROVED:

University Attorney

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THE STATE OF TEXAS §
COUNTY OF HARRIS §

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GROUND LEASE

This Lease Agreement is made and entered into this 1st day of November, 1978, by and between THE UNIVERSITY OF TEXAS SYSTEM ACTING HEREIN BY ITS BOARD OF REGENTS, AS TRUSTEES OF THE HOGG FOUNDATION -- W. C. HOGG MEMORIAL FUND, "Lessor", and DAVID ASKANASE, TRUSTEE IN BANKRUPTCY, "Lessee", and is as follows:

WITNESSETH:

Article 1.

LEASED PREMISES AND TERM OF LEASE

Lessor hereby leases, demises and lets unto Lessee for a term of thirty-five (35) years, commencing on the 1st day of November, 1978, and ending on the 31st day of October, 2013, the following-described parcel of land lying and being situated in the City of Houston, County of Harris, and State of Texas, to-wit:

Parts of Lots One (1) and Two (2) and all of Lot Three (3), in Block Eighty (80), SSBB, according to the map and plat of the City of Houston, and being more particularly described as follows:

All of Lots One (1) and Two (2), except a fifteen by fifty foot strip of land off the rear or westerly end of each of said lots, and all of the said Lot Three (3), in said Block Eighty (80); the said portions of lots One (1) and Two (2) fronting eighty-five (85) feet on Rusk Avenue and one hundred (100) feet on Fannin Street, and said Lot Three (3) fronting fifty (50) feet on Fannin Street and running back immediately adjacent to and parallel with the north line of Lot Two (2), one hundred feet in depth, described by metes and bounds as follows:

BEGINNING at the Southeast corner of said Lot One (1), at the intersection of the north line of Rusk Avenue and the west line of Fannin Street;

THENCE in a westerly direction with the north line of Rusk Avenue, and parallel to Rusk Avenue, with south line of Lot One (1) for a distance of 86.02 feet to corner;

THENCE in a northerly direction parallel with the east line of Lots One (1) and Two (2), a distance of 100 feet to a point in the south line of Lot Three (3);

THENCE in a westerly direction with the south line of Lot Three (3), a distance of 15.15 feet to the southwest corner of said lot;

THENCE in a northerly direction parallel with the east line of Lot Three (3) and following its west line, a distance of 50 feet to its northwest corner;

THENCE in an easterly direction with the north line of Lot Three (3), a distance of 101.17 feet to the northeast corner of Lot Three (3) in the west line of Fannin Street;

THENCE in a southerly direction with the west line of Fannin Street and following the east line of Lots Three (3), Two (2), and One (1), a distance of one hundred and fifty (150) feet to the place of BEGINNING;

being the same land conveyed to Varner Company by Annette Finnigan, et al, by deed dated January 1, 1924, as found of record in Volume 566, Page 227, of the Deed Records of Harris County, Texas, said land having been conveyed to Lessor by Varner Company by deed dated 31 July, 1952, recorded Vol. 2478, p. 269, Deed Records, said Harris County, Texas.

Article 2.

RENT

In consideration of the lease of said premises by Lessor, Lessee covenants and agrees to pay Lessor as rental during said term the sum of \$300,300.00, payable in 420 equal monthly installments of \$715.00 each, such installments being payable in advance on the first day of each month during the term of this lease, without any set-offs, abatements, or deduction whatsoever.

Lessee agrees to pay such rentals to Lessor to the "Board of Regents of the University of Texas System, c/o Office of Investments, Trusts, and Lands", P. O. Box 7968, Austin, Texas, 78712, or at such other place as the Lessor shall designate from time to time in writing.

As further consideration for the lease of the said premises by Lessor, Lessee covenants and agrees to pay to Lessor, upon execution of this Lease Agreement, the sum of FORTY-EIGHT THOUSAND AND NO/100 DOLLARS (\$48,000.00).

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Article 3.

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TAXES

As additional rental and consideration for this lease and during said period of thirty-five (35) years, (including all of the years 1978 and 2013), Lessee hereby further agrees, binds and obligates itself, and promises to pay in full, all taxes, assessments, levies and governmental charges, if any, of every kind and character whatsoever, that may be lawfully assessed or charged against the demised premises, including all levies, assessments, and taxes for public improvements, paving, sidewalks, and the like, if any, whether the same shall be assessed, levied or charged by the United States Government, or any authority thereof, or by the State Government, or any authority thereof, or by any subdivision thereof, or by any municipality, or any county, or any subdivision thereof, together with all other carrying charges of every kind and description whatsoever; it being the intent and purpose of this Agreement that the amount of rental hereinabove required to be paid by the Lessee shall be absolutely net to the Lessor.

The State, County, City and School taxes, if any, accrued, for the calendar year 1977 and all prior calendar years, shall be borne by Lessee.

Lessee shall make the payments of all of said taxes, charges, levies and assessments in the name of the Lessor, and shall take receipts therefor, and shall pay the same before any penalties shall accrue under the law under which the same were levied, assessed or charged, and shall at any and all times, upon demand by Lessor, exhibit the receipts therefor, or furnish to Lessor copies thereof.

In addition to Lessee's covenant to pay ad valorem taxes assessed against the premises, Lessee covenants and agrees to pay ad valorem taxes, if any, assessed against Lessee's stock, equipment and fixtures owned or placed by Lessee in or on the leased premises; and to pay all doing-business and sales taxes.

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Should, however, any controversy arise between Lessee and any governmental authority as to the correctness of any taxes, levies, charges or assessments against the demised premises, it is agreed that in the event Lessee shall, in good faith, contest the payment thereof by proper suit in a court of competent jurisdiction, and so long as Lessee shall, in such good faith, so contest the same, Lessee shall not be in default on account of the nonpayment thereof, but if the same shall be finally adjudged to be a valid charge against the demised premises, Lessee shall thereupon immediately pay off and discharge the same, together with all penalties, costs and expenses incident thereto, provided further that Lessee shall, in the event of such contest, or contests, execute a bond, satisfactory to Lessor, immediately upon the filing of such contest, in double the amount of the taxes and charges in dispute, conditioned that the Lessee will pay upon the termination of such litigation, all such taxes, penalties, costs and expenses that may be adjudged to be a valid charge against the demised premises, or against the Lessor.

Should Lessor be joined as a party to any such suit, or should it be sued or joined as a party in any other suit in relation to the demised premises, save and except as the same would involve the fee to the demised premises, then Lessee shall, for and on behalf of Lessor and under Lessor's direction and control, prosecute or defend, through attorneys of Lessor's choice, such suit at Lessee's own cost, including all attorney's fees, necessarily incurred on account hereof.

Article 4.

INSURANCE

Lessee agrees to indemnify Lessor and to save Lessor harmless from any and all liability, damage, expense, causes of action, suits, claims or judgments arising from injury to person or property on the leased premises or on the adjoining streets and sidewalks, and from claims or judgments arising from injury to person or property in or on the building

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conveyed this date by separate instrument, except if caused by the willful or grossly negligent act of Lessor, Lessor's agents or employees.

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Lessee agrees to and shall, prior to execution of this lease, secure and maintain from a responsible and solvent company or companies which Lessee selects, during the entire term of this lease, the following coverage:

- (a) Fire and extended coverage insurance covering all improvements on the leased premises for their full insurable value;
- (b) Public liability insurance covering both bodily injury and property damage protecting Lessor and Lessee from all claims of whatsoever character that may arise out of Lessee's use of the leased premises or of the improvements thereon in any amount at least equal to \$1,000,000.00 covering bodily injury and \$50,000.00 covering property damage.

The insurer of each policy shall agree to give Lessor at least ten (10) days prior written notice before any cancellation or modification of such insurance coverage.

If the Lessor objects to any insurance company which is carrying any of said insurance on the ground that it is not reliable, or solvent, or standard, and notifies Lessee in writing, of such objection, then Lessee binds and obligates itself to promptly place said insurance with another company, or companies, provided it can obtain another company or companies, to carry said insurance that is satisfactory to Lessor.

The insurance policies shall be deposited with "The University of Texas Board of Regents, c/o Office of Investments, Trusts, and Lands", P. O. Box 7968, Austin, Texas, 78712.

All of said policies of insurance shall be written in the name of Lessor, with loss, if any, payable to or for the use and benefit of the Lessor, Lessee, or any mortgagee of Lessee or any mortgagee of its assigns, as their respective interests may appear or exist in accordance with Article 10, paragraphs (c) and (d).

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Upon Lessee's failure to do so, Lessor shall have the right, at all times, to take out the insurance provided for above, and pay all premiums thereon, all of which Lessee is herein obligated to pay, but Lessor shall be under no obligation so to do. In the event the Lessor does pay the same, or any part thereof, at any time, to the extent of the payment so made by it, it shall be entitled to collect the same from Lessee as additional rental due and payable on the 15th day of the month following the statement thereof.

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Article 5.

UTILITIES

Lessee covenants and agrees to pay for all water, gas, electricity, sewerage, garbage-removal, and other utility and municipal services supplied to the leased premises; and if Lessee fails or refuses to do so, Lessor may pay same and state the amount thereof to Lessee whereupon said amount shall be and become so much additional rent due and payable Lessor on the 15th day of the month following the statement thereof.

Article 6.

REPAIRS AND MAINTENANCE

Lessee covenants and agrees during the term hereof to keep the leased premises in good repair and in a tenantable condition and to order and pay for all repairs and replacements including, without limitation, the glass, plumbing and plumbing fixtures, elevators, lights and lighting fixtures and electrical system, heating and cooling or air-conditioning fixtures and equipment and system, and interior and exterior walls, roofs, floors, foundation, ceilings, stairs and parking areas, and appliances, including, but not limited to, dishwashing machines, refrigerators, disposal systems, ovens, ranges and other kitchen appliances. If Lessee fails or refuses to do so, Lessor may order and pay for same and state the amount thereof to Lessee whereupon said amount

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shall be and become so much additional rent due and payable Lessor on the 15th day of the month following the statement thereof.

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Article 7.

NET-NET-NET-LEASE

This lease is a net-net-net lease, and rent payable to Lessor shall be net of every charge or expense.

Article 8.

RIGHT TO ERECT MORE VALUABLE IMPROVEMENTS

Lessee shall, at all times, with Lessor's prior written consent which it may withhold with or without good reason therefor, have the right to raze, tear down and remove the improvements on said premises, for the purpose of permitting the erection and construction of larger and more valuable improvements, but before doing so it shall be required to execute and deliver to Lessor its bond, or deposit with Lessor collateral securities, either or both, in an amount at least equal to the costs of planning, building, and completing the more valuable improvements, to be approved by and satisfactory to Lessor, as security, and conditioned that Lessee shall, within six (6) months thereafter, begin and expeditiously complete, such other larger and more valuable building, and pay for all labor and material used therein, but during said time, in such event, Lessee shall not be entitled to any abatement of the rent provided for herein because thereof, but shall continue to pay to Lessor all rents and charges upon said demised premises, as hereinbefore stipulated.

Article 9.

TERMINATION

If Lessee fails or makes default in the punctual payment of said rent and additional rent, or any part thereof, or in the timely payment of installments due on the vendor's lien note hereinafter described, in Article _____, as the same shall become due and payable hereunder, or if it fails to

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perform the covenants and obligations imposed on it hereunder, 190 or if it fails to perform the covenants and obligations imposed on it by the deed or deed of trust hereinafter described in Article ____, and such default continues for ten (10) days after Lessor's notice thereof to Lessee as provided in Article 14, Lessor may, if Lessor so elects forthwith terminate this lease and Lessee's right to possession of the premises, declare the entire rent for the balance of the term of this lease to be due and payable as if it were all payable in advance, and enter upon and repossess the leased premises without further notice to Lessee and without prejudice to any remedy, at law or otherwise, to which Lessor may be entitled hereunder. Only upon Lessor's actual receipt of same shall any rental payment be deemed to have been made by Lessee.

If any involuntary or voluntary petition, whether for liquidation or reorganization or otherwise, or similar pleading under any section or sections of any Bankruptcy Act shall be filed by or against Lessee, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare Lessee insolvent or unable to pay Lessee's debts, then and in any such event, this lease shall ipso facto terminate, and, notwithstanding any other provisions of this lease, the entire rent for the balance of the term of this lease shall become due and payable as if it were all payable in advance and Lessor shall recover the same from Lessee as damages, without prejudice to any remedy, at law or otherwise, to which Lessor may otherwise be entitled hereunder.

If the leasehold interest of Lessee or the improvements thereon be levied upon under execution or be attached by process of law, or if Lessee makes an assignment for the benefit of creditors, or if a receiver is appointed for it or its estate, or if Lessee abandons the premises, this lease, and Lessee's right to possession, shall ipso facto

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terminate. and, notwithstanding any other provisions of this lease, the entire rent for the balance of the term of this lease shall become due and payable as if it were all payable in advance and Lessor shall recover the same from Lessee as damages, without prejudice to any remedy, at law or otherwise, to which Lessor may otherwise be entitled hereunder.

If the lease terminates for any of the reasons set forth above, and the rent for the balance of the term becomes due and payable, and Lessor is thereafter paid all or a portion of the balance of such rental, then, if the Lessor should thereafter lease, let or demise the leased premises above described, or any part thereof to a third party, Lessee herein shall be entitled to recover and Lessor shall reimburse Lessee solely out of the received proceeds of the new lease from the third party such amount as Lessor shall have theretofore received from Lessee on the balance of rent due for the entire term over and above the total amount of rent that would otherwise have been due under the terms of this lease up to the time the new lease to the third party became effective.

Upon any termination of this lease, whether by lapse of time or otherwise, or upon any termination of Lessee's right to possession without termination of the lease, Lessee shall surrender possession and vacate the premises immediately, and deliver possession thereof to Lessor, and hereby grants to Lessor full and free license to enter into and upon the premises in such event with or without process of law and to repossess the premises as of Lessor's former estate and to expel or remove Lessee and any others who may be occupying or within the premises and to remove any and all property therefrom, in accordance with Article 19 hereunder, using such force as may be necessary, without being deemed guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Lessor's rights to rent or additional rent or any other right given to Lessor hereunder or by

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operation of law. Except as particularly provided in Paragraph 192
1 of this Article, Lessee expressly waives the service of
any demand for the payment of rent or for possession and the
service of any notice of Lessor's election to terminate this
lease or to re-enter the premises, including any and every
form of demand and notice prescribed by any statute or other
law, and agrees that the simple breach of any provision of
this lease by Lessee shall, of itself, without the service
of any notice or demand whatsoever, constitute a forcible
detainer by Lessee of the premises within the meaning of the
statutes of the State of Texas.

Lessee shall pay upon demand all of Lessor's costs,
charges and expenses, including the fees of counsel, agents
and others retained by Lessor, incurred in enforcing Lessee's
obligations hereunder or incurred by Lessor in any litigation,
negotiation or transaction in which Lessee causes Lessor,
without Lessor's fault, to become involved or concerned.

Article 10.

TERMINATION FOR DESTRUCTION

In case the building on the premises, or any part
thereof, shall at any time during the term be damaged or
destroyed by fire or other unavoidable casualty so as to be
unfit for use and occupancy, Lessee shall notify Lessor
within five (5) days. The rights and obligations of Lessor
and Lessee in the event of such casualty shall be as follows:

- (a) If the building and improvements situated
on the leased premises should be totally
destroyed by fire, tornado, or other casualty, or
if they are damaged to such a degree that rebuilding
or repairs cannot be reasonably completed within
one hundred and eighty (180) calendar days after the date
of written notification by Lessee to Lessor of
the occurrence causing damage, and provided
that the damage or destruction does not result
from the negligent or willful act of Lessee or
its agents, employees or invitees, or those for
whom Lessee is legally responsible, this lease
shall terminate, and the rent shall be abated
for the unexpired portion of this lease, effective
on the last day of the month containing the
date such written notice was received;
- (b) If the building and improvements should be damaged by
fire, tornado or other casualty but not to such
an extent that rebuilding or repairs cannot be
reasonably completed within one hundred and

eighty (180) calendar days after the date of written notification by Lessee to Lessor of the occurrence causing damage, this lease shall not terminate, but Lessee at its sole risk and expense shall proceed with reasonable diligence to rebuild or repair such building and improvements to substantially the condition in which they existed prior to such damage unless this lease is terminated by mutual agreement of the parties. If the building and improvements are to be rebuilt or repaired and are untenable in whole following such damage, and provided that the damage or destruction does not result from the negligence or willful act of Lessee or its agents, employees or invitees, or those for whom Lessee is legally responsible, the rent payable hereunder during the term of which they are untenable shall be abated for a period not exceeding one hundred and eighty (180) days; in such event, however, amounts classified hereunder as "additional rents", including but not limited to taxes and insurance, shall not be abated, and Lessee shall be required to pay such taxes and insurance premiums contemplated hereunder as though no damage occurred. If the building and improvements are to be rebuilt or repaired and are untenable in part following such damage, regardless of whether or not such damage results from the negligent or willful act of Lessee or its agents, employees, or invitees, or those for whom Lessee is legally responsible, neither the rental nor additional rental hereunder shall be abated;

- (c) If the building and improvements are totally destroyed within the contemplation of Article 10(a) hereunder, all insurance recoveries under Article 4(a) shall be paid to Lessor and this lease shall terminate upon receipt of such insurance recoveries;
- (d) If the building and improvements are damaged within the contemplation of Article 10(b) hereunder, Lessee shall have the benefit of any insurance recoveries under Article 4(a), provided that such proceeds shall be applied by Lessee only to the expenses reasonably necessary for the timely repair of the building and improvements to a similar condition before such damage occurred;
- (e) In all other events, insurance recoveries shall inure to the benefit of Lessor and its assigns.

Article 11.

TERMINATION FOR CONDEMNATION

In case any part of the leased premises shall at any time during the term be taken by condemnation, either party hereto may, at its option, by written notice to the other within 60 days following a final judgment of condemnation, terminate this Lease without further liability to the other, in which event Lessee's obligations to pay the rent provided for herein shall terminate as of the date of such taking. Lessee shall not be entitled to any part of the award therein.

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Article 12.

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TITLE AND POSSESSION

Lessor covenants that it is vested with the legal title to the demised premises and has the authority to make this lease, and that it will put the Lessee in complete and exclusive possession of the demised premises and that the Lessee, paying the rent hereby reserved and performing the covenants on its part herein contained, shall peaceably hold and enjoy the demised premises without any interruption by the Lessor or any person claiming under it.

Article 13.

AUTHORITY TO LEASE

Lessor further covenants that it has the authority to make this lease by meeting and order of the University of Texas Board of Regents and that such meeting was held in compliance with the statutes of The State of Texas.

Article 14.

NOTICES

All notices required or permitted hereunder shall be made by certified or registered mail, with return receipt requested, to the parties at their following addresses or to such other addresses as may be described in a notice from one party to the other, to-wit:

Lessor: Board of Regents of The University of Texas
System
c/o Office of Investments, Trusts, and Lands
P.O. Box 7968
Austin, Texas 78712

Lessee: Texas State Hotel, Inc.
c/o Julian M. Moss, Jr.
3120 Southwest Freeway
Suite 617
Houston, Texas

Article 15.

ASSIGNMENT AND SUBLETTING

This Lease may be assigned by Lessee to Texas State Hotel, Inc., without approval by Lessor upon assignee's assumption and agreement to pay and perform all covenants imposed on Lessee herein. Thereafter, this Lease may be

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assigned or sublet, in whole or any part of the leased premises, only with the prior written consent of Lessor, which consent will not be withheld unreasonably, but the assignor or sublessor shall remain liable to Lessor for full performance of Lessee's obligations hereunder.

Article 16.

DISCLAIMER AND WAIVER OF IMPLIED WARRANTY OF HABITABILITY

NO WARRANTY OF HABITABILITY ARISES BY VIRTUE OF THIS DEED. AS PART OF THE CONSIDERATION FOR THIS LEASE AND THE SPECIFIED CONSIDERATION, LESSOR EXPRESSLY DISCLAIMS AND LESSEE EXPRESSLY WAIVES ANY IMPLIED WARRANTY OF HABITABILITY, INCLUDING PRESENT AND FUTURE CONDITIONS, WHETHER LATENT OR PATENT. LESSEE HEREBY ACKNOWLEDGES THAT LESSEE HAS EXAMINED THE LEASED PREMISES, AND ACCEPTS THEM IN THEIR EXISTING CONDITION. NO REPRESENTATIONS ARE MADE ON THE PART OF LESSOR OR ITS AGENTS AS TO THE PRESENT OR FUTURE CONDITION OF THE SAID PREMISES. LESSEE AGREES TO ORDER AND PAY FOR ALL REPAIRS AND REPLACEMENTS NECESSARY TO MAINTAIN THE PREMISES IN TENANTABLE CONDITION, AS PROVIDED FOR IN ARTICLE 6 hereof.

Article 17.

BREACH OF WARRANTY

In the event Lessor breaches its covenant of warranty as contained in Article 12 hereof, Lessee shall notify Lessor of the breach in writing within 30 days after the breach occurred; and Lessor shall have a reasonable time in which to cure any such breach of covenant or warranty hereunder. In the event same is not cured, Lessee may, as its sole and exclusive remedy, terminate this lease without further liability to the Lessor, in which event, Lessee's obligation to pay rent provided for herein shall terminate as of the date written notice is received. In no event may Lessee, upon default of payment of rentals under this lease, raise the defense of breach of warranty to excuse failure to pay rentals in a suit brought by Lessor to evict for nonpayment, except as provided above upon receipt of timely notice by Lessor.

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Article 18.

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WAIVER OF CONDITIONS OR TERMS

The failure of Lessor or Lessee to insist upon prompt and strict performance of any of the terms, conditions or undertakings of this lease, except as provided otherwise in Article 17, shall not be construed as a waiver of the same or any other term, condition or undertaking.

Article 19.

CONTRACTUAL LANDLORD'S LIEN:

LESSOR HEREBY RESERVES A CONTRACTUAL LANDLORD'S LIEN AND RESERVES THE RIGHT, PURSUANT TO ARTICLE 5236(d) AND ARTICLE 5222 OF VERNON'S ANNOTATED TEXAS CIVIL STATUTES, TO SEIZE SO MUCH OF SUCH NON-EXEMPT PROPERTY OF THE LESSEE UPON THE IMPROVEMENTS ON THE LEASED PREMISES AS MAY BE NECESSARY TO SECURE PAYMENT OF UNPAID RENT OR ADDITIONAL RENT.

Article 20.

REMEDIES CUMULATIVE:

No remedy herein conferred upon or reserved to Lessor or Lessee shall exclude any other remedy herein or by law provided, but each shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute, except to the extent that Articles 16 and 17 provide otherwise.

Article 21.

LESSOR'S SECURITY INTEREST

Lessee hereby grants to Lessor a security interest in and to all property of Lessee now or hereafter placed in or upon the leased premises or the improvements thereon to secure Lessor in the payment by Lessee of all rent and other sums herein agreed and provided to be paid by Lessee to Lessor. Lessee agrees to give Lessor, upon its request, a properly executed financing statement and such other documents as Lessor may deem necessary to perfect its security interest in such property. This security interest shall be in addition to and cumulative of the Landlord's lien provided herein and by the laws of the State of Texas.

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Article 22.

RIGHTS OF SUCCESSORS

All of the rights and obligations of the parties under this lease shall bind and inure to the benefit of their respective legal representatives, successors and assigns. This provision, however, shall not be deemed to imply Lessor's consent to Lessee's assignment or subletting, such actions by Lessee to be governed by Article 15 of this lease.

Article 23.

RIGHT TO SUPPORT:

Lessor hereby grants to Lessee during said 35 year term the right to have whatever improvements now existing or which may hereafter be erected upon the leased premises supported by the subsoil of and the minerals in and under the leased premises. The right to support herein granted shall terminate upon Lessee's failure to perform any covenant or obligation under this Lease Agreement, or upon any other termination within the contemplation of Articles 9, 10, or 11.

Article 24.

SEVERANCE OF IMPROVEMENTS

By deed of even date herewith, Lessor has conveyed to Lessee for a term and for the consideration as therein stated the building and improvements situated upon the premises herein leased. As part of the consideration for said conveyance, Lessee has executed and delivered to Lessor its promissory note in the original principal sum of \$4,559,700.00, payable as therein stated, said note being secured by vendor's lien reserved in said deed and by deed of trust of even date herewith to Linward Shivers, Trustee, to which reference is here made for all purposes. This lease shall be subject in all things to said conveyance and liens, and the remedies for default provided herein shall be cumulative of and additional to the rights of foreclosure provided in said deed and deed of trust. Lessee agrees, notwithstanding anything to the contrary

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herein, that there shall be no assignment of this lease or any interest in same, whether voluntary or involuntary, to any person, firm or entity other than the then current owner of the building and improvements, and in such case, Lessee shall comply with the provisions of this lease regarding Lessor's consent to such assignment.

IN WITNESS WHEREOF, the parties hereto have executed this instrument on this the _____ day of _____, 1978.

LESSORS:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

BY:

Executive Director of
Investments, Trusts and Lands

ATTEST:

APPROVED AS TO CONTENT:

Mortgage and Real Estate Officer

FORM APPROVED:

University Attorney

LESSEE:

David Askanase, Trustee in Bankruptcy

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared _____, Executive Director of Investments, Trusts and Lands of The University of Texas System, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of October, 1978.

Notary Public in and for
Harris County, Texas

My commission expires:

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared David Askanase, Trustee in Bankruptcy, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of October, 1978.

Notary Public in and for
Harris County, Texas

My commission expires:

2. U. T. Austin - Archer M. Huntington Museum Fund: Authorization to Join with Gulf Chemical & Metallurgical Company, Texas City Terminal Railroad Company and Terminal Industrial Land Company in Oil and Gas Leases to Superior Oil Company Covering Tracts in H. B. Littlefield Survey, Galveston County, Texas. -- The following resolution was adopted without objection:

RESOLVED, That the Executive Director of Investments, Trusts and Lands be authorized to execute joinders in three separate Oil and Gas Leases to Superior Oil Company covering tracts in the H. B. Littlefield Survey, Galveston County, Texas (Archer M. Huntington Museum Fund, The University of Texas at Austin), to-wit:

- a. Joinder with Gulf Chemical & Metallurgical Company in 3-year lease dated March 1, 1978, covering 89.996 acres and providing for a \$75 per acre bonus, \$10 per acre delay rental and 1/5 royalty
 - b. Joinder with Terminal Industrial Land Company in 2-year lease dated May 11, 1978, covering 6.92 acres and providing for \$100 per acre bonus, \$10 per acre delay rental and 1/4 royalty
 - c. Joinder with Texas City Terminal Railroad Company in 2-year lease dated May 11, 1978, covering 45.016 acres and providing for \$100 per acre bonus, \$10 per acre delay rental and 1/4 royalty
3. U. T. Austin - Thomas Shelton Maxey Professorship in Law: Proposed Oil and Gas Lease to Magnatex Corporation on Section 82, Block G, Gaines County, Texas - WITHDRAWN. -- This item was withdrawn from the agenda at the request of the Administration. Committee Chairman Clark indicated that the item would be presented at the next meeting following negotiations with respect to royalty.

III. OTHER MATTERS

Report on Securities Transactions for Permanent University Fund and Trust and Special Funds for Months of June and July 1978. -- The Report of Securities Transactions for the Permanent University Fund and Trust and Special Funds for the months of June and July 1978 submitted by the Office of Investments, Trusts and Lands, was mailed to each Regent by Secretary Thedford on September 20. No comments were received, and the report is attached (Attachment No. 2) following Page TC-6 of Attachment No. 1 and made a part of these Minutes.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Vice-Chairman Williams, also Vice-Chairman of the Board for Lease of University Lands, submitted the following report of the Board for Lease of University Lands:

Report

The 68th Sale of Oil and Gas Leases on University Lands was held on September 13, 1978, in Midland, Texas. A total of 253 tracts, comprised of 97,483 acres, were sold for \$9,719,000 for an average of \$99.70 per acre.

The big spenders were Exxon Corporation, \$2,577,000; Chevron, \$1,516,000; Saxon Oil Co., \$646,000; Hunt Energy Corp., \$625,000; and Allied Chemical Corp., \$433,000. There were 55 successful bidders.

Saxon Oil Co. purchased the largest number of acres when they paid an average of \$59.45 per acre for 10,867 acres.

The highest individual tract went to Exxon for \$800,000 for 640 acres, or \$1,250 per acre.

The deep gas trend carried the sale, where \$6,740,000 or 69 percent of the bonus money was collected from 43,440 acres. A total of 54,044 acres outside of the deep gas trend sold for \$2,979,000 and averaged \$55 per acre.

The bonus paid at the 68th Sale was considerably less than the \$17,869,500 collected at our last sale in December 1977; however, that sale set a new all time record. This sale of almost 10 million dollars was the fourth best in the last thirteen years.

COMMITTEE OF THE WHOLE
(Pages 202-228)

Chairman Shivers filed the following report of the meeting of the Committee of the Whole which was conducted in open session. The report was adopted without objection.

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS,
PART ONE: AMENDMENT TO CHAPTER III, SECTION 1.8
(ACADEMIC TITLES INCLUDING THAT OF REGENTS PROFESSOR).

---The Committee of the Whole initiated the title of Regents Professor to be bestowed as a distinctive title, upon recommendation of the institutional head and the Chancellor of the System, on any member of the faculty of a component institution who receives or has in the past received the Nobel Prize.

Accordingly, Section 1.8, Chapter III, Part One of the Regents' Rules and Regulations was amended as set out below:

1. Subsection 1.81 was revised to read as follows:

1.81 Except for the title Regents Professor, the only titles to be used henceforth in which faculty members may hold tenure are as follows:

- (a) Professor
- (b) Associate Professor
- (c) Assistant Professor

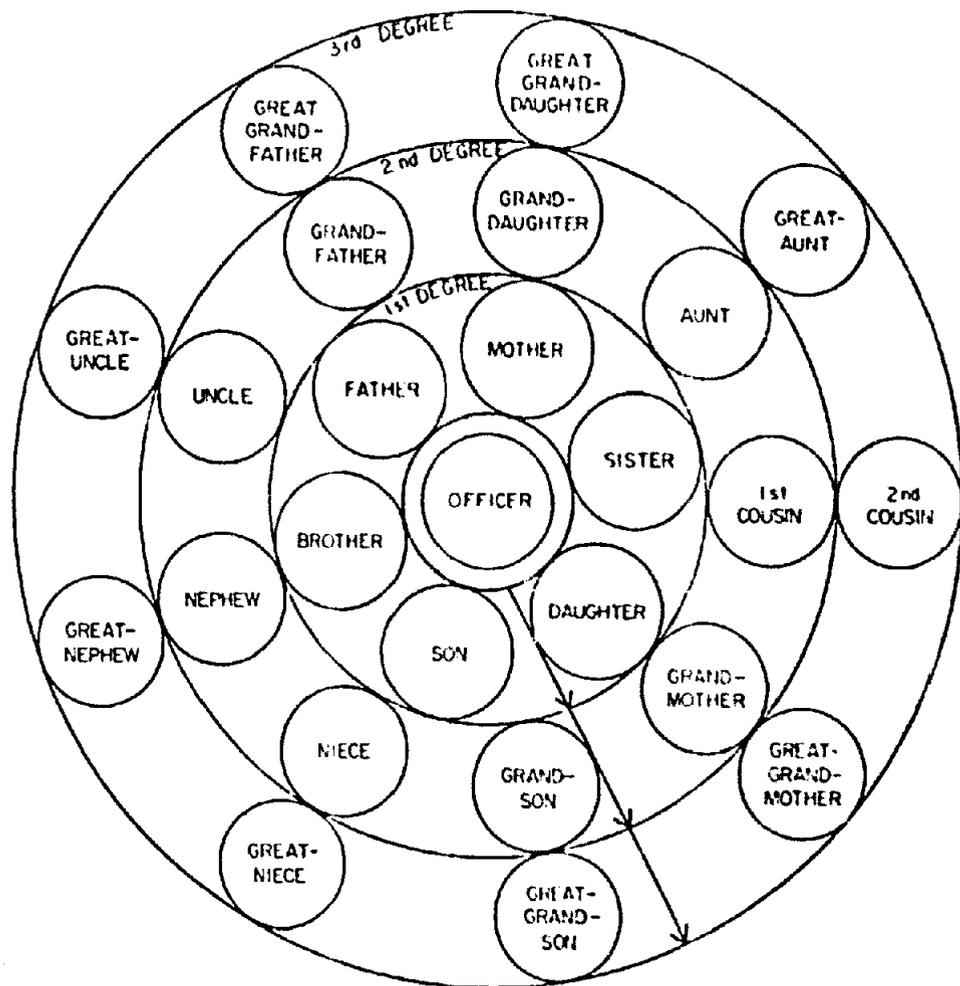
2. A new Subsection 1.86 was inserted to read as set out below, and the present Subsection 1.86 was renumbered Subsection 1.87:

1.86 Any faculty member who is awarded the Nobel Prize or who has in the past been awarded the Nobel Prize may, upon recommendation of the head of the component institution and the Chancellor of the System, be given the title Regents Professor. Because of the great honor associated with the award of a Nobel Prize, tenure is awarded to Regents Professors by virtue of the appointment to this rank.

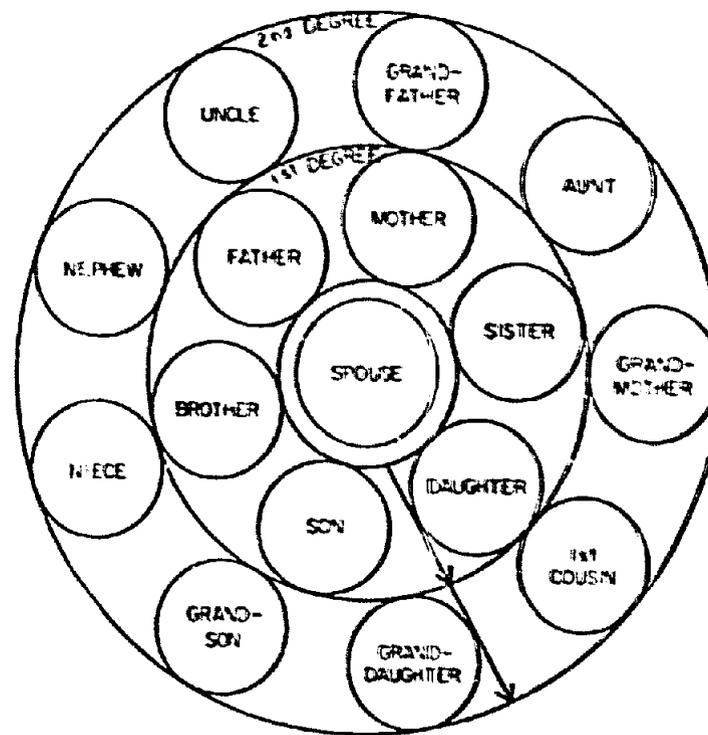
BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART ONE: AMENDMENT TO CHAPTER III, SECTION 5 (APPOINTMENT OF RELATIVES - NEPOTISM RULE). --Upon recommendation of System Administration, Section 5, Chapter III, Part One of the Regents' Rules and Regulations was amended by deleting Subsections 5.2, 5.3 and 5.4 and substituting the following therefor:

5.2 In accordance with the prohibition of Article 5996a, Vernon's Civil Statutes, no person related to any member of the Board of Regents within the second degree by affinity or within the third degree by consanguinity shall be eligible for appointment to any office, position, employment, or duty with The University of Texas System or any component institution thereof, when the salary, fee, or compensation of such appointee is to be paid, either directly or indirectly, out of public funds of any kind or character.

- 5.21 Article 5996a, Vernon's Civil Statutes, does not prohibit the reappointment or continued employment of any person who shall have been continuously employed in any such office, position, employment, or duty for a period of two (2) years prior to the appointment of the member of the Board of Regents related to such person within the prohibited degree, nor does it apply to prohibit honorary or nonremunerative positions.
- 5.22 Those persons related within the prohibited degrees are indicated on the charts displayed in this Section as Table I (Page 204).
- 5.23 The prohibition of Article 5996a, Vernon's Civil Statutes, applies to all programs administered under the Board of Regents and may not be waived.
- 5.3 Even though the appointment of a person would not be prohibited by Article 5996a, Vernon's Civil Statutes, no officer, official or employee of The University of Texas System may approve, recommend, or otherwise act with regard to the appointment, reappointment, promotion, or salary of any person related to such officer, official, or employee within the second degree by affinity or the third degree by consanguinity regardless of the source of funds for payment of salary.
- 5.31 If the appointment, reappointment, or promotion of a person places him or her under an administrative supervisor related within the above specified degree, all subsequent actions with regard to reappointment, promotion, or salary shall be the responsibility of the next highest administrative supervisor. It shall also be the responsibility of the next highest administrator to make a written review of the work performance of such employee at least annually and submit each review for approval or disapproval by the component institution's Personnel Director in the case of classified employees or the Chief Administrative Officer in the case of faculty or nonclassified employees.
- 5.32 The provisions of Section 5.31 shall apply to situations where two employees of the System marry and one spouse is the administrative supervisor of the other.
- 5.33 All situations covered by Section 5.31 shall be reported annually through the institution's docket.



CONSANGUINITY KINSHIP CHART



AFFINITY KINSHIP CHART

TABLE I

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON COMBINED FEE REVENUE BONDS, SERIES 1978: AMOUNT INCREASED TO \$5, 500, 000. --At the August 4, 1978 meeting, Board of Regents of The University of Texas System, The University of Texas at Arlington Combined Fee Revenue Bonds, Series 1978, were authorized to be issued in the amount of \$3, 600, 000. Upon the recommendation of President Nedderman and System Administration, the Committee of the Whole authorized the amount of this Bond issue increased to \$5, 500, 000.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT EL PASO COMBINED FEE REVENUE BONDS, SERIES 1978: AMOUNT INCREASED TO \$5, 000, 000. --At the August 4, 1978 meeting, Board of Regents of The University of Texas System, The University of Texas at El Paso Combined Fee Revenue Bonds, Series 1978, were authorized to be issued in the amount of \$3, 500, 000. Upon the recommendation of President Templeton and System Administration, the Committee of the Whole authorized the amount of this Bond issue increased to \$5, 000, 000.

U. T. SYSTEM: STATEMENT OF ADMISSIONS POLICY FOR THE HEALTH PROFESSIONAL SCHOOLS. --Upon the recommendation of Chancellor Walker and without objection, the Committee of the Whole approved the following policy statement for admission to the health professional schools of The University of Texas System. This statement replaces those statements approved at the January 11, 1958 and October 3, 1959 meetings of the Board of Regents:

Policy: Admission to a Health Professional School

Admission to a health professional school is not a right acquired by meeting the minimal entrance requirements but a privilege extended to those especially qualified applicants who give promise of becoming the best possible health professionals for the future. Selection of students is on a competitive basis, with the responsibility of selecting those best qualified delegated to an Admissions Committee which includes experienced faculty members. The Admissions Committees establish the criteria for the evaluation of applications and the selection of students to be admitted.

For those persons interested in applying for admission to a medical or dental school within The University of Texas System, the System Administration operates the Medical-Dental Application Center, located in Austin, Texas. It is the responsibility of this Center to provide administrative coordination of the application and admissions procedure for U. T. medical and dental schools. For all other health professional schools, applications must be submitted directly to the school. Each applicant is responsible for seeing that all required data, including application forms, transcripts, letters of recommendation, admission test scores and other pertinent information are received by the Medical-Dental Application Center or the specific school. Admission is offered on a provisional basis, pending satisfactory completion of all college work and any specific requirements of the admission committee.

Each of the health professional schools shall abide by any statutory requirements as to residence or other criteria. Furthermore, each health professional school shall be bound by general admission policies as detailed in Part Two, Chapter I of the Regents' Rules and Regulations. Specifically, the school shall abide by the Regents' policy against discrimination which reads as follows: "No person shall be excluded from participation in, denied the benefits of, or be subject to discrimination under any program or activity sponsored or conducted by the System or any of its component institutions, on any basis prohibited by applicable law, including, but not limited to, race, color, national origin, religion, sex or handicap."

U. T. ARLINGTON - LAND ACQUISITION: AUTHORIZATION TO (1) PURCHASE TWO TRACTS AND IMPROVEMENTS THEREON (PISCES AND CAPRICORN APARTMENTS); (2) RETIRE EXISTING 9-1/2% MORTGAGES ASSUMED UPON ACQUISITION OF COOPER SOUTH, WEST, AND BORDER WEST APARTMENTS; AND (3) APPROPRIATION THEREFOR. -- Upon the recommendation of President Nedderman and System Administration and without objection, the Committee appropriated \$1,500,000 bond proceeds (Apartment Revenue Bonds, Series 1978, Page 18) and \$214,000 from Unappropriated Plant Funds - Ad Valorem Tax proceeds for the following purposes previously authorized by this Board:

1. Purchase of two tracts of land and improvements thereon (Pisces Apartments and Capricorn Apartments) at a price not to exceed \$1,050,000
2. Retirement of existing 9-1/2% mortgages in the approximate amount of \$650,000, which mortgages were assumed by U. T. Arlington upon acquisition of three apartment complexes: Cooper South Apartments, West Apartments, and Border West Apartments (authorized June 10, 1977)
3. Payment of fees of the Bond Counsel, Bond Consultant, printing of bonds and other necessary miscellaneous costs estimated not to exceed \$14,000

Of the \$214,000 appropriated above from Unappropriated Plant Funds -- Ad Valorem Tax Funds, the amount of \$92,812 is a reappropriation from funds previously appropriated for land acquisition and which is now on deposit with the 67th District Court of Tarrant County in Condemnation proceedings for acquisition of the right-of-way portion of the two tracts of land mentioned above.

U. T. AUSTIN: RATIFICATION OF EXCEPTION TO REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 5.3 (NEPOTISM) TO ALLOW CONTINUED EMPLOYMENT OF MRS. BEVERLY J. STOELTJE (BAUMAN)-- Upon the recommendation of President Rogers and System Administration and without objection, the Committee of the Whole ratified an exception to the Regents' Rules and Regulations, Part One, Chapter III, Section 5.3 (Nepotism) to allow continued employment of Mrs. Beverly J. Stoeltje (Bauman) as a research associate on an 85% basis in the Center for Intercultural Studies in Folklore and Ethnomusicology at The University of Texas at Austin. Mrs. Stoeltje (Bauman) married the Director of this Center, Dr. Richard Bauman, in late 1977. The grant under which she worked was to expire on August 31, 1978, but was extended to October 31.

U. T. AUSTIN: EXCEPTION TO REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 5.3 (NEPOTISM) TO PERMIT ONE-HALF TIME EMPLOYMENT FOR 1978-79 ACADEMIC YEAR OF MRS. GERALDINE GAGLIANO ROSS. -- Upon the recommendation of President Rogers and System Administration and without objection, an exception was made to the Regents' Rules and Regulations, Part One, Chapter III, Section 5.3, to permit the employment of Mrs. Geraldine Gagliano Ross on a one-half time basis for the 1978-79 academic year in the position of Executive Assistant for the Mexico-United States Border Research Program at The University of Texas at Austin. Mrs. Ross is the wife of Professor Stanley R. Ross, the program coordinator. This program is supported by a grant, and any recommendations concerning the salary for Mrs. Ross will not be made by Professor Ross but will be made by Dr. Ross' supervisor.

U. T. AUSTIN: LEAVE OF ABSENCE WITHOUT PAY FOR MONTH OF NOVEMBER 1978 FOR PROFESSOR DAVID FILVAROFF, SCHOOL OF LAW, TO SERVE AS CHIEF OF UNITED STATES DELEGATION TO AN INTERNATIONAL CONFERENCE IN SWITZERLAND (REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 16). -- Without objection, the Committee of the Whole approved the request of President Rogers and System Administration to grant a leave of absence without pay to Professor David Filvaroff, School of Law, The University of Texas at Austin, for the month of November 1978 in order that he may serve as Chief of the United States Delegation to a 35-nation international conference in Montreux, Switzerland. This leave of absence is granted in accordance with the Regents' Rules and Regulations, Part One, Chapter III, Section 16.

U. T. AUSTIN - TEXAS OLYMPIC SWIMMING CENTER: NAME CHANGED TO TEXAS SWIMMING CENTER. -- Upon the recommendation of President Rogers and System Administration and by unanimous vote, the name of the Texas Olympic Swimming Center at The University of Texas at Austin was changed to Texas Swimming Center.

[The Office of General Counsel concurs with the legal counsel for the United States Olympic Committee that the swimming center at U. T. Austin cannot be designated the Texas Olympic Swimming Center.]

U. T. AUSTIN - WINEDALE STAGECOACH INN FUND: NAME OF WINEDALE STAGECOACH INN CHANGED TO WINEDALE HISTORICAL CENTER. -- President Rogers and System Administration submitted a proposal to change the name of the Winedale Stagecoach Inn to the Winedale Historical Center.

This recommendation was approved without objection.

U. T. AUSTIN - COLLEGE OF ENGINEERING FOUNDATION ADVISORY COUNCIL: NOMINEE TO UNFILLED TERM. -- A nominee for membership on the College of Engineering Foundation Advisory Council at The University of Texas at Austin for a term ending in 1981 was approved without objection as proposed by President Rogers and System Administration. The name of the nominee will be reported for the record when his acceptance is received.

SAN ANTONIO HEALTH SCIENCE CENTER (SAN ANTONIO MEDICAL SCHOOL): EXCEPTION TO REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 5.3 (NEPOTISM) TO CONTINUE EMPLOYMENT OF DR. HUBERT MALHERBE AND MISS MARGARET STRICKLAND-CHOLMLEY. --Upon the recommendation of President Harrison and System Administration and without objection, an exception was made to Part One, Chapter III, Section 5.3 of the Regents' Rules and Regulations in order to continue the employment of Dr. Huber Malherbe and Miss Margaret Strickland-Cholmley after their forthcoming marriage.

Dr. Malherbe is a Professor in the Department of Microbiology at the San Antonio Medical School of The University of Texas Health Science Center at San Antonio and Miss Strickland-Cholmley is an Assistant Instructor in the same department. Although Dr. Malherbe and Miss Strickland-Cholmley collaborate in research activities, this collaboration is on the basis of professional cooperation without supervision of one by the other. Dr. Alexis Shelokov, Chairman of the Department of Microbiology, will be responsible for all matters concerning appointment, salary and academic rank of each of the two faculty members.

TYLER HEALTH CENTER: EXCEPTION TO REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 31.2 FOR CONTINUED EMPLOYMENT (1978-79 ACADEMIC YEAR) OF WILLIAM LAYTON (PAST RETIREMENT AGE). --Upon the recommendation of Superintendent Hurst and System Administration and without objection, an exception was made to the Regents' Rules and Regulations, Part One, Chapter III, Section 31.2, in order to continue the employment of Mr. William Layton, who is past retirement age, in the position of Key punch Operator III at The University of Texas Health Center at Tyler for the 1978-79 academic year.

U. T. AUSTIN (MARINE SCIENCE INSTITUTE): ACCEPTANCE OF GIFT OF RESEARCH SHIP M/V FRED H. MOORE FROM MOBIL OIL CORPORATION. --Chairman Shivers announced that he had just received notification that Mobil Oil Corporation had donated the research ship M/V Fred H. Moore together with equipment to The University of Texas Marine Science Institute at Port Aransas. Governor Shivers commented that the gift of the vessel, valued at approximately \$3,000,000 with its equipment, was very generous and he asked the Board to give its approval (although the item was not received in time to be listed on the agenda) and that it would be ratified at the December Board meeting. Motion was made to this effect by Vice-Chairman Williams, seconded by Regent Clark and unanimously prevailed. This vessel was named for Fred H. Moore, a former General Counsel for Mobil. Mr. Moore now lives in Austin and is a member of the Coordinating Board, Texas College and University System.

President Rogers took the opportunity to say that this gift is in a large part due to the company's respect for Dr. Creighton Burk, Director of the Marine Science Institute until his recent illness.

REPORT OF DEGREE PROGRAMS AND ACADEMIC REQUESTS SUBMITTED TO COORDINATING BOARD: (1) DEGREE PROGRAMS APPROVED; (2) NAME CHANGES APPROVED; (3) REQUESTS WITHDRAWN BY SYSTEM ADMINISTRATION; AND (4) REQUESTS DISAPPROVED BY COORDINATING BOARD DURING 1977-78. -- In order that the permanent record will accurately reflect those degree programs and academic requests submitted to and acted on by the Coordinating Board, Texas College and University System since the last report on April 7, 1978, Secretary Thedford reported for 1977-78: (1) those degree programs approved by the Coordinating Board; (2) name changes approved by the Board of Regents and the Coordinating Board; (3) requests approved by the Board of Regents and sent to the Coordinating Board but withdrawn by System Administration; and (4) requests approved by the Board of Regents but disapproved by the Coordinating Board.

Implementation

1. <u>Approved by Coordinating Board for Implementation as Reflected in Letters from Coordinating Board</u>	
<u>U. T. Arlington</u>	
B. S. in Microbiology	1978
Master of Landscape Architecture	1978
B. S. in Computer Science and Engineering	1978
<u>U. T. Austin</u>	
M. A. in Middle Eastern Studies	1978
Simultaneous Award of Degrees of M.S. in Engineering and Master of Public Affairs*	1978
<u>U. T. San Antonio</u>	
Master of Music	1978
Master of Professional Accountancy Degree	1978
Additional Concentration under B. S. in Applied Science in Environmental Science	1978
<u>Dallas Health Science Center</u>	
M. S. in Forensic Sciences (w/stipulations)	1978

*Approved by Commissioner of Higher Education with statement "approval not necessary by Coordinating Board."

Houston Health Science Center

B. S. in Medical Technology (w/stipulations) 1978

School of Public Health

Off-Campus Course Work Leading to Master
of Public Health Degree in the San Antonio
Area 1978

San Antonio Health Science Center

Postdoctorate Certificate and Master of
Science Degree in the Specialty of
Prosthodontics 1978

Postdoctorate Certificate and Master of
Science Degree in the Specialty of
Periodontics 1978

2. Name Changes Approved by the Board of
Regents and the Coordinating Board

San Antonio Health Science Center

Department of Pedodontics Changed to
Department of Pediatric Dentistry 1978

Division of Ophthalmology Changed to
Department of Ophthalmology 1978

3. Requests Approved by the Board of Regents and
Sent to Coordinating Board but Withdrawn by
System Administration

U. T. Arlington

B. A. in History of Art

U. T. Permian Basin

M. S. in Earth Science

U. T. San Antonio

Division of Environmental Studies Changed
to Division of Public and Environmental
Management

M. S. in Urban Systems

Dallas Health Science Center

Request to Establish Department of
Gerontological Services Administration
and Department of Physician Assistants

4. Requests Approved by Board of Regents but
Disapproved by Coordinating Board

U. T. San Antonio

B. A. in Communication

M. A. in Economics

Additional Concentration under B. S. in
Applied Science in Engineering Science

U. T. SYSTEM - REPORT OF MEMBERSHIP OR STATUS OF ORGANIZATION FOR ALL COMPONENT DEVELOPMENT BOARDS AND ADVISORY COUNCILS EFFECTIVE SEPTEMBER 1, 1978:

- (1) U. T. Arlington: Development Board, Graduate School of Social Work, College of Business Administration and School of Nursing Advisory Councils; (Page 211)
- (2) U. T. Austin: Development Board, School of Architecture Foundation, Arts and Sciences Foundation (Humanities, Natural Sciences, Social and Behavioral Sciences, General and Comparative Studies), College of Business Administration Foundation, School of Communication Foundation, College of Education Foundation, College of Engineering Foundation, College of Fine Arts Foundation, Geology Foundation, Graduate School Foundation, Graduate School of Library Science Foundation, Pharmaceutical Foundation, School of Social Work Foundation, McDonald Observatory, School of Nursing and Marine Science Institute Advisory Councils; (Page 213)
- (3) U. T. Dallas: Development Board, School of Management and Administration, Callier Center for Communication Disorders, General Studies and Arts and Humanities Advisory Councils;
- (4) U. T. El Paso: Development Board; (Page 223)
- (5) U. T. Permian Basin: Development Board; (Page 224)
- (6) U. T. San Antonio: Development Board, College of Business Advisory Council; (Page 224)
- (7) Dallas Health Science Center: Development Board; (Page 225)
- (8) Galveston Medical Branch: Development Board; (Page 225)
- (9) Houston Health Science Center: Development Board, Houston Medical School, Houston Dental Branch, Graduate School of Biomedical Sciences and Speech and Hearing Institute, School of Allied Health Sciences and Public Health School Advisory Councils; (Page 226)
- (10) San Antonio Health Science Center: Development Board; (Page 227)
- (11) University Cancer Center: Board of Visitors of University Cancer Foundation; (Page 227)
- (12) Tyler Health Center: Development Board; (Page 228)
- (13) Institute of Texan Cultures: Advisory Council (Page 228). --

Unless otherwise indicated, membership was authorized for and nominees were designated by unanimous vote to the following development boards and advisory councils on June 9, 1978. The Administration notified the individuals nominated and reported that the following had accepted appointments. The full membership of each organization is set out below with the new appointments indicated by an asterisk and reappointments by double asterisks.

The Regents' Rules and Regulations, Part One, Chapter VII, Subsection 2.31 provides that each development board shall consist of not more than twenty-five appointed members. In those cases where the membership has been increased the necessary rules were waived.

1. The University of Texas at Arlington

Development Board.--Authorized Membership 25:

	<u>Term Expires</u>
**Mr. Robert Alpert, Dallas	1981
Mr. Lewis Bond, Fort Worth	1979
**Dr. Malcolm K. Brachman, Dallas	1981
Mr. James T. Brown, Grand Prairie	1979
Mr. Arthur W. Cruse, Dallas	1979
**Mr. Rawles Fulgham, Dallas	1981
**Mr. Jenkins Garrett, Fort Worth	1981
Mr. Richard Greene, Arlington	1980
Mr. A. R. Hixson, Arlington	1979
**Mr. Burl B. Hulsey, Jr., Dallas	1981

**Mr. Dee J. Kelly, Fort Worth	1981
Mr. H. R. Poynter, Arlington	1980
**T. L. Shields, M.D., Fort Worth	1981
**Mr. Lee Smith, Dallas	1981
**Mr. Marvin Stetler, Arlington	1981
Mr. John T. Stuart, Dallas	1980
Mr. Tom Taylor, Arlington	1980
Mr. Robert Thornton, Jr., Dallas	1980
Mr. Ernest J. Wilemon, Arlington	1979
Mr. Sam Woodson, Fort Worth	1980

5 Unfilled Terms (Terms to be determined as filled)

Graduate School of Social Work Advisory Council.

--Authorized Membership 26:

	<u>Term Expires</u>
Doris Adam, M.D., Dallas	1979
R. G. Alexander, D.D.S., Arlington	1979
*Mr. Ron Burrus, Irving	1981
Mr. Roy Dulak, Dallas	1979
Mr. Larry Eason, Fort Worth	1980
Mr. Pete Hinojosa, Fort Worth	1980
Mrs. Tommy G. Mercer, Fort Worth	1979
Rabbi Robert Schur, Fort Worth	1979
**Mr. Ralph M. Shannon, Dallas	1981
Mrs. Richard Snider, Arlington	1979
*Mr. Robert Standifer, Fort Worth	1981
*Mr. Al Stillman, Dallas	1981
*Mr. Harry Tanner, Dallas	1981
Mr. Glenn Wilkins, Fort Worth	1979
Unfilled Term	1980

College of Business Administration Advisory Council.

--Authorized Membership 30:

	<u>Term Expires</u>
*Mr. Richard L. Buerkle, Grand Prairie	1981
Mr. Albert H. Cloud, Jr., Dallas	1980
Mr. Charles Ferguson, Dallas	1980
*Mr. John Ford, Dallas	1981
Mr. Joseph Grant, Fort Worth	1980
Mr. Don Guth, Garland	1980
*Mr. J. M. Hill, Cleburne	1981
Mr. Burvin Hines, Arlington	1979
Mr. Leonard Huber, Dallas	1980
Mr. Charles A. James, Dallas	1980
Mr. John Justin, Fort Worth	1980
Mr. Herb Leitz, Arlington	1980
Mr. A. Patrick McEvoy, Dallas	1980
**Mr. W. N. McKinney, Dallas	1981
**Mr. Mike A. Myers, Dallas	1981
Mr. Bill Nugent, Fort Worth	1979

**Mr. Harold Patterson, Arlington	1980
**Mr. George B. Phillips, Fort Worth	1981
Mr. E. M. Rosenthal, Fort Worth	1980
*Mr. Ed Schollmaier, Fort Worth	1981
Mr. Carl Sewell, Dallas	1980
*Mr. Charles Simmons, Fort Worth	1981
Mr. Doyle Smith, Arlington	1980
Mr. Stephen F. Smith, Dallas	1979
Mr. Liener Temerlin, Dallas	1980
Mr. J. B. Thomas, Fort Worth	1980
Mr. Merle Volding, Dallas	1979
Mr. Tom L. Walker, Dallas	1979
*Mr. Paul E. Yarbrough, Arlington	1981

Unfilled Term 1981

School of Nursing Advisory Council.
--Authorized Membership 16:

	<u>Term Expires</u>
Mrs. Gordon Appleman, Fort Worth	1979
**Frank C. Council, M.D., Arlington	1981
Mr. R. E. Cox, III, Fort Worth	1979
*Mr. Dan Dipert, Arlington	1980
Mr. Robert W. Gerrard, Fort Worth	1980
Mr. Arthur I. Ginsburg, Fort Worth	1979
Reverend R. W. Jablonowski, Jr., Fort Worth	1980
Mrs. Kay Buck McDermott, Fort Worth	1980
Mr. Rex C. McRae, Arlington	1979
Mr. Harry A. Noah, Arlington	1979
**Mrs. J. Clark Nowlin, Fort Worth	1981
**Fred Rehfeldt, M.D., Millsap	1981
Mrs. Byron Searcy, Fort Worth	1980
Mr. Sterling Steves, Fort Worth	1979
**Mr. Bill Wagner, Bedford	1981
Unfilled Term	1980

2. The University of Texas at Austin

Development Board.--Authorized Membership 26:

	<u>Term Expires</u>
Mr. Rex G. Baker, Jr., Sugar Land	1980
Mrs. Perry R. Bass, Fort Worth	1979
Captain Alan L. Bean, Houston	1980
Senator Lloyd M. Bentsen, Jr., Washington, D.C.	1980
Mr. L. L. Colbert, Birmingham, Michigan	1980
Mr. Marvin K. Collie, Houston	1979
Mr. C. W. Cook, Austin	1980
Mr. B. W. Crain, Jr., Longview	1980
Mr. Franklin W. Denius, Austin	1979
Mr. Bob R. Dorsey, Houston	1979
Mr. A. Baker Duncan, San Antonio	1980
Mr. Hayden W. Head, Corpus Christi	1980
Mr. Elton M. Hyder, Jr., Fort Worth	1979
Mr. Dan M. Krausse, Dallas	1979
Mr. Thos. H. Law, Fort Worth	Regent Representative
Mr. Ben F. Love, Houston	1979
Mr. Wales H. Madden, Jr., Amarillo	1980
**Mrs. Eugene McDermott, Dallas	1981
**Mr. J. Mark McLaughlin, San Angelo	1981
Mr. V. F. Neuhaus, Mission	1980
**Mr. B. D. Orgain, Beaumont	1981

Mr. Preston Shirley, Galveston	1979
Mr. Ralph Spence, Tyler	1979
Mr. Jack G. Taylor, Austin	1979
*Mrs. Jack C. Vaughn, Dallas	1981
Mr. J. D. Wrather, Jr., Beverly Hills, California	1979

School of Architecture Foundation Advisory Council.
--Authorized Membership 25:

	<u>Term Expires</u>
*Mr. Howard Barr, Austin	1980
Mr. Joseph E. Blanton, Albany	1980
Mr. Bill C. Booziotis, Dallas	1979
Mr. David R. Braden, Dallas	1979
*Mr. James A. Clutts, Dallas	1979
*Mr. Robert W. Cutler, Salado	1980
*Mr. Fred W. Day, Jr., Austin	1981
*Mr. Crawford Dunn, Dallas	1981
Mr. J. Herschel Fisher, Dallas	1979
**Mr. Joe Edward Guthrie, Dallas	1981
Mr. Norcell Haywood, San Antonio	1980
Mr. Karl Kamrath, Houston	1980
**Mr. Alwyn S. Koehler, Houston	1981
Mr. Theodore S. Maffitt, Jr., Palestine	1979
Mr. George P. Mitchell, Houston	1979
Mr. A. William Modrall, Jr., Houston	1980
Mr. Edward Mok, San Antonio	1980
**Mr. Raymond D. Nasher, Dallas	1981
**Mr. J. V. Neuhaus III, Houston	1981
Mr. George Pearl, Albuquerque, New Mexico	1980
Mrs. Catherine H. Powell, San Antonio	1979
**Mr. A. T. Seymour III, Fort Worth	1981
*Mr. Frank H. Sherwood, Fort Worth	1981
Mr. Charles Terry, Dallas	1979
Unfilled Term	1981

Arts and Sciences Foundation Advisory Councils (Humanities,
Natural Sciences, Social and Behavioral Sciences, General
and Comparative Studies).--Authorized Membership 56:

	<u>Term Expires</u>
<u>Humanities</u>	
*Mrs. Amon Carter, Jr., Fort Worth	1980
Dr. Clarence Cline, Austin	1980
**Mr. Ralph T. Hull, Houston	1981
Mr. Lenoir Moody Josey II, Houston	1979
Mrs. Wales Madden, Amarillo	1980
Mrs. Theodore Strauss, Dallas	1980
*Mrs. Larry E. Temple, Austin	1980
Mr. Sam P. Woodson, Jr., Fort Worth	1980
Unfilled Term	1981
<u>Natural Sciences</u>	
**Mr. Donald Baeder, Houston	1981
Dr. Roland K. Blumberg, Seguin	1979
**Mrs. Ford Boulware, San Angelo	1981
Mrs. John Cargile, San Angelo	1980
Mr. James D. Dannenbaum, Houston	1980
Mr. Richard Lucas, Berclair	1979
Mrs. Alice K. Reynolds Meyer, San Antonio	1980

**Dr. Gordon K. Teal, Dallas 1981
Unfilled Term 1979

Social and Behavioral Sciences

*Mrs. Robert B. Brinkerhoff, Houston 1981
Mr. Kenneth D. Carr, Austin 1980
Mrs. Pauline Gill Clements, Dallas 1979
**Mrs. Trammell Crow, Dallas 1981
**Mr. Harry Lee Hudspeth, El Paso 1981
**Mrs. Radcliffe Killam, Laredo 1981
Miss Nancy E. Lake, Tyler 1980
Mrs. James C. Wynne, Jr., Tyler 1980
**Mr. James H. Young, Corpus Christi 1981

General and Comparative Studies

Mr. Thomas D. Anderson, Houston 1980
Mr. R. Gordon Appleman, Fort Worth 1980
*Mr. Hall Hammond, San Antonio 1981
Mr. Lowell Lebermann, Austin 1979
Mrs. Clyde Parker, Kerrville 1979
**Mrs. William D. Seybold, Houston 1981
Mrs. William H. Snyder III, Dallas 1979
Mr. Marshall T. Steves, San Antonio 1979
Mr. Sterling W. Steves, Fort Worth 1980

College of Business Administration Foundation Advisory Council.--Authorized Membership 35:

	<u>Term Expires</u>
Mr. Sam Barshop, San Antonio	1980
**Mr. James L. Bayless, Dallas	1981
Mr. A. C. (Ace) Black, Dallas	1979
Mr. Jack Blanton, Houston	1979
Mr. Karl Butz, Fort Worth	1979
Mr. Edwin Gale, Beaumont	1980
Mr. Robert W. Goodman, Jr., Houston	1980
**Mr. James B. Goodson, Dallas	1981
Mr. H. B. (Hank) Harkins, Alice	1980
*Mr. William D. Hawkins, Houston	1981
*Mr. Clyde Johnson, Jr., San Antonio	1981
Mr. William J. Kaplan, Houston	1979
Mr. William D. Kennedy, Midland	1980
Mr. Fred H. Moore, Austin	1979
**Mr. Sheldon I. Oster, Houston	1981
Mr. Robert Parker, Houston	1980
*Mrs. Anne Phillips, Frisco	1981
*Mr. James H. Polk III, El Paso	1979
*Mr. Richard Seaver, Los Angeles, California	1981
**Mr. Rex Sebastian, Dallas	1981
*Mr. Ralph Spence, Tyler	1981
**Mr. Theodore Strauss, Dallas	1981
Mr. Daniel B. Stuart, Dallas	1980
Mr. C. C. "Pete" Sublett, Houston	1980
Mr. Sam Susser, Jr., Corpus Christi	1979
Mr. Jack G. Taylor, Austin	1980
Mr. Jere W. Thompson, Dallas	1980
Mr. John Trotter, Houston	1980
*Mr. Ralph Velasco, San Antonio	1981
**Mr. C. S. Wallace, Jr., Houston	1981
**Mr. W. Duke Walser, Houston	1981
**Mr. George S. Watson, Dallas	1981
Mr. James Whitcomb, Houston	1979
Mr. Michael Wisenbaker, Midland	1980
**Mrs. Bonita Granville Wrather, Los Angeles, California	1981

School of Communication Foundation Advisory Council.
 --Authorized Membership 23:

	<u>Term Expires</u>
Mr. Pat M. Baskin, Midland	1980
Mr. William E. Berger, Austin	1980
Paul Burns, M.D., Austin	1980
Mr. Norman Campbell, Dallas	1979
**Dr. Elizabeth Carrow-Woolfolk, Houston	1981
Mr. George Christian, Austin	1980
Mr. Jackson Douglas, Fort Worth	1979
Mr. Lee Dubow, Cleveland, Ohio	1979
**Mr. Rush K. Evans, Jr., Austin	1981
**Mr. Jim Fain, Austin	1981
Mr. Richard J. V. Johnson, Houston	1979
**Mr. Bill R. Jones, Dallas	1981
*Mr. John T. Jones, Jr., Houston	1981
Mr. Roderick K. Keitz, Dallas	1980
Mr. Robert Marbut, San Antonio	1980
Mr. Wendell Mayes, Jr., Austin	1979
*Mr. Tom McCarten, Dallas	1979
Mr. A. M. Natkin, Houston	1980
*Mr. Sam W. Papert, Jr., Dallas	1981
**Mr. Wayne C. Sellers, Palestine	1981
Mr. Mike Shapiro, Dallas	1979
**Mr. Tom J. Simmons, Dallas	1981
Unfilled Term	1981

College of Education Foundation Advisory Council.
 --Authorized Membership 14:

	<u>Term Expires</u>
**Mr. Ralph Anderson, Houston	1981
**Dr. C. C. Colvert, Austin	1981
**Mr. Richard A. Haberman, Austin	1981
**Mr. M. K. Hage, Jr., Austin	1981
**Mrs. Ralph Hanna, Austin	1981
**Mr. Raymond A. Lee, Austin	1981
Mr. Richard Logan, Austin	1980
**Mrs. Hazel Jane Clements Monday, Huntsville	1981
**Mrs. Sybil Seidel, Dallas	1981
**Dr. Gordon K. Teal, Dallas	1981
**Mrs. Robert Wilkes, Austin	1981
Unfilled Term	1980
Unfilled Term	1981
Unfilled Term	1981

College of Engineering Foundation Advisory Council.
 --Authorized Membership 35:

	<u>Term Expires</u>
Mr. Fred P. Bergeron, Rockdale	1980
Mr. Z. D. Bonner, Houston	1979
Mr. Perry G. Brittain, Dallas	1979
Mr. Horace T. Chilton, Jr., Atlanta, Georgia	1980
Mr. Ernest H. Cockrell, Houston	1979
*Mr. A. R. Dudley, Houston	1981
**Mr. John H. Duncan, Houston	1981
*Mr. John T. Files, Houston	1981
Mr. Everett Jacob, Houston	1980
Mr. John V. James, Dallas	1979
**Mr. Curtis M. Klaerner, New York, New York	1981

Mr. B. J. Lancaster, Dallas	1980
Mr. James R. Lesch, Houston	1980
Mr. James P. Malott, Houston	1979
**Mr. William F. Martin, Bartlesville, Oklahoma	1981
*Dr. Edward A. Mason, Chicago, Illinois	1981
**Mr. R. W. McKinney, Nacogdoches	1981
Mr. Paul D. Meek, Dallas	1979
Mr. Robert L. Mitchell, New York, New York	1980
Mr. R. J. O'Brien, Houston	1980
Mr. E. L. Paramore, Dallas	1980
Mr. F. E. Reese, St. Louis, Missouri	1980
**Mr. C. A. Rundell, Jr., Dallas	1981
Mr. W. T. Slick, Jr., Houston	1980
Dr. Judson S. Swearingen, Los Angeles, California	1979
Mr. J. C. Vander Woude, Longview	1979
Mr. J. C. Walter, Jr., Houston	1980
Mr. T. Wayne Warren, Houston	1979
**Dr. T. S. Webb, Fort Worth	1981
*Mr. Robert L. White, Arcadia, California	1981
**Mr. D. L. Wiley, New York, New York	1981
*Mr. M. A. Wright, Houston	1981
Mr. R. Earle Wright, Houston	1980
Mr. Everett B. Yelton, Jr., Wilmington, Delaware	1980

Unfilled Term 1981

College of Fine Arts Foundation Advisory Council.
--Authorized Membership 30:

	<u>Term Expires</u>
Mrs. Thomas D. Anderson, Houston	1979
**Mrs. Elizabeth B. Blake, Dallas	1981
Mrs. Phil Bolin, Wichita Falls	1979
Mrs. Marietta Moody Brooks, Austin	1980
**Miss Laura Carpenter, Dallas	1981
**Mr. Charles D. Clark, McAllen	1981
Mrs. Fred Thomson Couper, Jr., Houston	1980
Mrs. B. W. Crain, Jr., Longview	1980
Mrs. Trammell Crow, Dallas	1980
Miss Nina Cullinan, Houston	1980
*Mr. Bob R. Dorsey, Houston	1981
**Mrs. Walter Foxworth, Dallas	1981
**Mrs. W. St. John Garwood, Austin	1981
**Dr. George S. Heyer, Jr., Austin	1981
**Miss Ann H. Holmes, Houston	1981
Mr. Edward R. Hudson, Jr., Fort Worth	1979
Mrs. Janet Jessen, Austin	1979
Mrs. Amy Freeman Lee, San Antonio	1980
Mrs. Eugene McDermott, Dallas	1980
**Mrs. Alexander J. Oppenheimer, San Antonio	1981
**Mr. Francis Prinz, Fort Worth	1981
Mrs. D. J. Sibley, Jr., Austin	1979
Mr. Robert D. Straus, Houston	1979
Mr. Robert L. Tobin, San Antonio	1979
Mr. Marshall F. Wells, Houston	1979
**Mrs. Wallace S. Wilson, Houston	1981
Unfilled Term	1981

Geology Foundation Advisory Council.
 --Authorized Membership 35:

	<u>Term Expires</u>
Mr. Charles W. Alcorn, Jr., Victoria	1979
Mr. Eugene L. Ames, Jr., San Antonio	1980
Mr. J. W. Barbisch, Houston	1979
*Mr. Thomas D. Barrow, New York, New York	1981
*Mr. John F. Cookout, Houston	1981
Mr. Don R. Boyd, Corpus Christi	1979
Mr. W. Henry Cardwell, Houston	1979
**Mr. J. Ben Carsey, Houston	1981
Mr. W. Kenley Clark, Houston	1979
Mr. L. Decker Dawson, Midland	1980
Mr. Rodger E. Denison, Dallas	1979
Mr. George A. Donnelly, Jr., Midland	1979
Mr. Robert W. Eaton, Tyler	1979
**Mr. James H. Frasher, Houston	1981
Dr. George R. Gibson, Midland	1980
**Mr. William E. Gipson, Houston	1981
Mr. R. W. Heggland, Denver, Colorado	1979
Mr. John A. Jackson, Dallas	1980
**Mr. Jack K. Larsen, Amarillo	1981
Mr. John L. Loftis, Jr., Houston	1979
Mr. Ken G. Martin, Metairie, Louisiana	1980
Mr. Holland C. McCarver, Houston	1980
**Mr. James R. Moffett, Metairie, Louisiana	1981
Mr. Joseph F. Moss, Lafayette, Louisiana	1980
Mr. Fred L. Oliver, Dallas	1980
**Mr. Scott Petty, Jr., San Antonio	1981
Mr. M. Allen Reagan, Jr., Houston	1979
Mr. W. F. Reynolds, Wichita Falls	1979
*Mr. William T. Stokes, Dallas	1981
Mr. Edd R. Turner, Houston	1980
Mr. Edwin Van den Bark, Bartlesville, Oklahoma	1980
**Mr. Jack D. Wallner, Houston	1981
**Mr. Joseph C. Walter, Jr., Houston	1981
Mr. Phillip E. Wyche, Houston	1979
Unfilled Term	1980

Graduate School Foundation Advisory Council.

--This advisory council was approved by the Board of Regents on March 26, 1976 and nominees to membership have not yet been submitted for regental approval.

Graduate School of Library Science Foundation Advisory Council.--Authorized Membership 9:

	<u>Term Expires</u>
Mrs. Phyllis Burson, Corpus Christi	1980
**Dr. Robert R. Douglass, Austin	1981
Mr. David Henington, Houston	1980
Mr. Ray Janeway, Lubbock	1979
Mr. Harry J. Middleton, Austin	1979
Mr. Dechard Turner, Dallas	1979
Dr. Dorman Winfrey, Austin	1980
Unfilled Term	1981
Unfilled Term	1981

Pharmaceutical Foundation Advisory Council.
 --Authorized Membership 25:

	<u>Term Expires</u>
Mr. Harlus F. Barber, Laredo	1980
Mr. W. C. Conner, Fort Worth	1979
Mr. John L. Davidson, Jr., Dallas	1979
Mr. Joe R. DeLeon, Jr., Corpus Christi	1979
*Mr. Almer Engle, Jr., Houston	1981
**Mr. Ben Mike Ethridge, San Antonio	1981
Mr. Ron Gieser, Burleson	1979
Mr. Robert A. Gude, Fort Worth	1980
Mr. Tom Gunning, El Paso	1979
Mr. Al Herrera, San Antonio	1979
Mr. Lonnie F. Hollingsworth, Lubbock	1980
**Mr. William Arlyn Kloesel, Austin	1981
**Mrs. William L. Pipkin, Bryan	1981
Mr. Glenn Smith, Waco	1979
Mr. C. R. Sublett, Dallas	1980
*Mr. Durwood Swanger, Texarkana	1981
*Mr. Daniel Bert Thomas, Irving	1981
Mr. Paul F. Trantham, Sr., Fort Worth	1980
Mr. J. Adan Trevino, Houston	1979
Mr. Tim L. Vordenbaumen, Sr., San Antonio	1979
Mr. Eugene L. Vykukal, Dallas	1979
Mr. Neill B. Walsdorf, San Antonio	1979
Mr. William R. Whitten, Port Aransas	1980
Mr. Lonnie J. Yarbrough, Denton	1980
*Mr. Michael Zagorac, Jr., Clearwater, Florida	1981

School of Social Work Foundation Advisory Council.
 --Authorized Membership 20:

	<u>Term Expires</u>
Mr. Tom Backus, Austin	1980
Mr. Ernest M. Briones, Corpus Christi	1980
Mr. John L. Cardenas, San Antonio	1979
Mrs. Jim Fain, Austin	1979
*Mrs. Bitty Gladstone, El Paso	1981
Dr. Wayne Holtzman, Austin	1980
*Mr. Glendon Johnson, Galveston	1979
**Mr. Jacob H. Kravitz, Dallas	1981
Mrs. Margaret Magness, Austin	1979
Mr. James J. Miller, Austin	1979
Mrs. Carole Pinkett, Baton Rouge, Louisiana	1980
*Mr. Leon Rabin, Dallas	1981
Mr. Victor Ravel, Austin	1980
Mr. Henry X. Salzberger, Dallas	1979
*Mr. Phil Dowell Strickland, Dallas	1981
Mr. A. Fred Swearingen, Corpus Christi	1979
**Mrs. Jack Rice Turner, Corpus Christi	1981
*Dr. Carolyn Dixon Wells, Houston	1981
*Mr. Larry Farish York, Houston	1981

Unfilled Term 1980

McDonald Observatory Advisory Council.--Authorized
 Membership 29:

	<u>Term Expires</u>
*Mr. Morris Atlas, McAllen	1981
Mr. Rex G. Baker, Jr., Sugar Land	1979
Dr. Roland K. Blumberg, Seguin	1980
H. F. Connally, Jr., M.D., Waco	1980

**Mr. John W. Cox, La Jolla, California	1981
Mr. Louis T. Getterman, Jr., Waco	1979
Mr. S. T. Harris, Dallas	1980
**Mr. Houston Harte, San Antonio	1981
**Mr. Leroy Jeffers, Houston	1981
Mr. Jack Josey, Houston	1979
Mr. James Kaster, El Paso	1979
Mr. Marion T. Key, Lubbock	1980
Mr. Joe J. King, Houston	1980
**Mr. Chris Lacy, Alpine	1981
Mr. Wales H. Madden, Jr., Amarillo	1980
Mr. R. W. McKinney, Nacogdoches	1980
**Mr. Robert W. Olson, Dallas	1981
Mr. Peter J. Rempe, El Paso	1980
**Mr. Thomas E. Rodman, Odessa	1981
Mr. W. E. Snelson, Midland	1980
**Mr. Walter G. Sterling, Houston	1981
Mr. Chester Higbee Taylor, Jr., Houston	1979
Mr. Curtis T. Vaughan, San Antonio	1979
Mr. Josiah Wheat, Woodville	1980
Mr. John Wildenthal, Houston	1980
*Mr. Sam Yanagisawa, Garland	1981
Unfilled Term	1981
Unfilled Term	1981
Unfilled Term	1981

School of Nursing Advisory Council.--Authorized
Membership 15:

	<u>Term Expires</u>
Mr. Cleve Bachman, Beaumont	1979
*Mrs. Lola Bell, Austin	1981
*James C. Cain, M.D., Rochester, Minnesota	1981
Mrs. Joe Christie, Austin	1979
Mrs. J. E. Connally, Abilene	1979
*Armando Cuellar, M.D., Weslaco	1981
*Mr. David Davenport, Austin	1980
Max E. Johnson, M.D., San Antonio	1980
**Mrs. Patrick J. Nugent, Austin	1981
Mrs. John R. Rainey, Jr., Austin	1979
*Mr. Thomas M. Reavley, Austin	1980
*Mr. Louis F. Shanks, Austin	1981
*Mr. Earl E. Walker, Shrewsbury, Missouri	1980
Unfilled Term	1979
Unfilled Term	1980

Marine Science Institute Advisory Council.
--Authorized Membership 35:

	<u>Term Expires</u>
Mrs. John B. Armstrong, Kingsville	1980
Mr. Perry R. Bass, Fort Worth	1980
**Mr. William H. Bauer, La Ward	1981
Mr. Albert M. Biedenharn, Jr., San Antonio	1979
Mr. Cecil E. Burney, Corpus Christi	1979
*Mr. Charles C. Butt, Corpus Christi	1981
Mr. Louis Castelli, Dallas	1980
**Mr. James H. Clement, Kingsville	1981
Mr. Leroy G. Denman, San Antonio	1980
Mr. Robert M. Duffey, Jr., Brownsville	1979
*Dr. Enio Feliciotti, Englewood Cliffs, New Jersey	1979
**Mrs. Jane Flato, Corpus Christi	1981

Mr. Hugh Halff, Jr., San Antonio	1979
Mr. Edward H. Harte, Corpus Christi	1980
Mr. Hayden W. Head, Corpus Christi	1979
Mr. Paul K. Herder, San Antonio	1979
*Mr. George C. Hixon, San Antonio	1980
Mr. John C. Holmgreen, San Antonio	1980
Mr. D. Michael Hughes, Houston	1979
Mrs. Lyndon B. Johnson, Stonewall	1979
*Mr. Richard P. Keeton, Houston	1980
**Mr. Harris L. Kempner, Jr., Galveston	1981
Mrs. Mary Lewis Kleberg, Kingsville	1979
Mrs. Walter W. McAllister, Jr., San Antonio	1980
Mr. Frank W. McBee, Austin	1980
**Mr. William Negley, San Antonio	1981
**Mr. V. F. Neuhaus, Mission	1981
**Mr. A. Chauncey Newlin, New York, New York	1981
**Mr. James C. Storm, Corpus Christi	1981
*Mr. Ben F. Vaughan, Jr., Corpus Christi	1981
Mr. Don E. Weber, Corpus Christi	1980
Mr. M. Harvey Weil, Corpus Christi	1979
**Mr. Gale White, Weimar	1981
Mr. Charles Worthen, Galveston	1979
Unfilled Term	1980

3. The University of Texas at Dallas

Development Board.--Authorized Membership 25:

	<u>Term Expires</u>
**Mr. J. Fred Bucy, Dallas	1981
Mr. Clifton W. Cassidy, Jr., Richardson	1979
Mr. A. Earl Cullum, Jr., Dallas	1980
Mr. Robert W. Decherd, Dallas	1979
Mr. Sol Goodell, Dallas	1979
**Mr. James B. Goodson, Dallas	1981
**Mr. Morris Hite, Dallas	1981
Mr. Robert E. Hollingsworth, Dallas	1979
Mr. Jack B. Jackson, Richardson	1980
Mr. George W. Jalonick IV, Dallas	1980
Mr. Gifford K. Johnson, Dallas	1979
**Mr. Philip R. Jonsson, Dallas	1981
Mr. Jack B. Krueger, Dallas	1980
**Mrs. William W. Lynch, Dallas	1981
Mr. Richard K. Marks, Dallas	1979
**Mr. Mark Martin, Dallas	1981
Mr. Avery Mays, Dallas	1979
Mr. Mike A. Myers, Dallas	1980
Mr. W. Lee Sinclair, Dallas	1980
Mr. James M. Spellings, Dallas	1980
Mrs. Theodore H. Strauss, Dallas	1980
**Mr. Thomas M. Sullivan, Dallas	1981
Mr. Jere W. Thompson, Dallas	1980
Mr. C. J. Thomsen, Dallas	1979
Unfilled Term	1981

Advisory Council for the School of Management and Administration.--Authorized Membership 25:

	<u>Term Expires</u>
**Mr. Ernest T. Baughman, Dallas	1981
Mr. James G. Blanchette, Jr., Dallas	1980
Mr. William E. Cooper, Dallas	1979
**Mr. Joe M. Dealey, Jr., Dallas	1981

Mr. John F. Eulich, Dallas	1980
Mr. Jerry Farrington, Dallas	1979
Mr. Richard L. Galland, Dallas	1979
Mr. Thomas C. Hayman, Dallas	1979
**Mr. Norman B. Keider, Lake Forest, Illinois	1981
**Mr. James B. Lendrum, Dallas	1981
Dr. Kal A. Lifson, Dallas	1980
Mr. Raymond D. Nasher, Dallas	1979
Mr. Jack O'Callaghan, Dallas	1979
Mr. W. Dewey Presley, Dallas	1980
**Mr. Jay R. Reese, Dallas	1981
**Mr. William H. Seay, Dallas	1981
**Mr. Rex A. Sebastian, Dallas	1981
Mr. George W. Sullivan, Dallas	1980
**Mr. James R. Voisinet, Dallas	1981
**Mr. C. Lee Walton, Dallas	1981

Unfilled Term	1979
Unfilled Term	1979
Unfilled Term	1980
Unfilled Term	1980
Unfilled Term	1980

Advisory Council for the Callier Center for Communication Disorders.--Authorized Membership 26:

	<u>Term Expires</u>
Dr. Willis Adcock, Dallas	1980
Mrs. George V. Charlton, Dallas	1979
**Mrs. A. Earl Cullum, Jr., Dallas	1981
**Mr. Robert B. Cullum, Dallas	1981
Dr. Milton K. Curry, Jr., Dallas	1980
Mr. A. I. Davies, Dallas	1979
**Mr. Joe M. Dealey, Dallas	1981
**Mrs. Robert E. Dennard, Dallas	1981
**Mr. Lee Fikes, Dallas	1981
**Mr. Gerald Fronterhouse, Dallas	1981
Mr. Jay Goltz, Dallas	1979
Miss Nelle Johnston, Dallas	1979
Mr. Erik Jonsson, Dallas	1980
**Mr. Ben A. Lipshy, Dallas	1981
Dr. Aris A. Mallas, Jr., Austin	1980
Dr. Walter Rosenblith, Cambridge, Massachusetts	1979
Mr. Herbert G. Schiff, Dallas	1979
**Dr. Frederick Seitz, New York, New York	1981
Mr. Harry A. Shuford, Dallas	1979
Mr. Pat Y. Spillman, Dallas	1980
**Mr. C. A. Tatum, Jr., Dallas	1981
Mr. Carl J. Thomsen, Dallas	1979
**Mr. R. L. Thornton, Jr., Dallas	1981
**Mrs. Jack C. Vaughn, Dallas	1981
Unfilled Term	1981
Unfilled Term	1979

Advisory Council for General Studies.--Authorized Membership 25:

	<u>Term Expires</u>
Ms. Anne Blocker, Dallas	1980
Mr. Sam Bloom, Dallas	1979
**Mr. Carlyle H. Chapman, Jr., Dallas	1981
Mr. Clyde Clark, Dallas	1980
Mr. Roy E. Dulak, Dallas	1980
Ronald F. Garvey, M.D., Dallas	1979

Mr. Kenneth P. Johnson, Dallas	1980
Mr. David Kaplan, Richardson	1980
Reverend W.B.J. Martin, Dallas	1980
Mrs. Mamie McKnight, Dallas	1979
**Mr. Edward J. Pfister, Dallas	1981
Mr. Ernest H. Randall, Jr., Richardson	1980
Mrs. Martha Ritter, Richardson	1979
**Mrs. Hortense Sanger, Dallas	1981
Reverend Louis Saunders, Dallas	1980
**Mr. Al Stillman, Dallas	1981
**Miss Rhobia Taylor, Dallas	1981
Mrs. Julius Wolfram, Dallas	1980
**Mr. Hector Zamorano, Dallas	1981

Unfilled Term	1979
Unfilled Term	1981
Unfilled Term	1981

Advisory Council for Arts and Humanities.--Authorized Membership 25:

	<u>Term Expires</u>
Mr. Jac Alder, Dallas	1980
**Mrs. Alfred Bromberg, Dallas	1981
**Mr. Vincent A. Carrozza, Dallas	1981
**Mrs. James B. Francis, Dallas	1981
**Mrs. Robert Glazer, Dallas	1981
Mr. A. C. Greene, Dallas	1980
**Mr. Lloyd H. Haldeman, Dallas	1981
Mr. Jerry Lee Holmes, Dallas	1979
Mr. S. Roger Horchow, Dallas	1980
**Mrs. William Jagoda, Dallas	1981
**Mrs. Bartram Kelley, Dallas	1981
Mr. Milton P. Levy, Jr., Irving	1979
**Mrs. Edward Marcus, Dallas	1981
Mr. Harry S. Parker III, Dallas	1979
Ms. Janet Spencer, Dallas	1980
Mrs. Theodore H. Strauss, Dallas	1979
Mr. Henry Taylor, Dallas	1980
Mr. Liener Temerlin, Dallas	1979
Mr. Lon Tinkle, Dallas	1980
Mr. Jerrold M. Trim, Dallas	1979
Mr. J. T. Whatley, Dallas	1979
Mr. Addison Wilson III, Dallas	1980
**Mr. Robert A. Wilson, Dallas	1981
Unfilled Term	1979
Unfilled Term	1980

4. The University of Texas at El Paso

Development Board.--Authorized Membership 25:

	<u>Term Expires</u>
Eugenio A. Aguilar, D.D.S., El Paso	1980
Mr. Richard N. Azar, El Paso	1979
Mr. Marion S. Bell, El Paso	1979
**Mr. Julian Bernat, El Paso	1981
Gordon L. Black, M.D., El Paso	1979
Mr. Jack V. Curlin, El Paso	1979
**Mr. H. M. Daugherty, Jr., El Paso	1981
Mr. Charles H. Foster, El Paso	1980

**Mr. Hugh K. Frederick, Jr., El Paso	1981
*Mr. Arthur L. Gonzales, El Paso	1981
Mr. Robert E. Goodman, El Paso	1979
Mrs. Robert F. Haynsworth, El Paso	1979
Mr. Robert C. Hensley, El Paso	1979
Mr. Fred Hervey, El Paso	1979
**Mr. Ted Karam, El Paso	1981
Mr. Dennis H. Lane, El Paso	1980
Mr. C. H. Leavell, El Paso	1980
Mr. George G. Matkin, El Paso	1980
Mr. Louis B. McKee, El Paso	1979
Mr. L. A. Miller, El Paso	1979
Mr. W. H. Orme-Johnson, Jr., El Paso	1980
Mr. Jose G. Santos, El Paso	1980
Mr. Edward F. Schwartz, El Paso	1980
Mr. Tad R. Smith, El Paso	1979
**Mr. Sam D. Young, Jr., El Paso	1981

5. The University of Texas of the Permian BasinDevelopment Board.--Authorized Membership 25:

	<u>Term Expires</u>
Mr. Claude W. Brown, McCamey	1979
*Mr. John A. Currie, Big Spring	1981
Mr. J. Conrad Dunagan, Monahans	1980
**Mr. Mel Z. Gilbert, Snyder	1981
Mr. Norvell W. Harris, Odessa	1979
Mr. Ray F. Herndon, Jr., Midland	1979
Mr. Stanley C. Moore, Midland	1979
**Mr. W. D. Noel, Odessa	1981
Mr. Charles R. Perry, Odessa	1979
**Mr. Joe Pickle, Big Spring	1981
**Mr. James Roberts, Andrews	1981
Mr. Louis Rochester, Odessa	1980
Mr. W. F. Roden, Midland	1979
Mr. E. M. Schur, Odessa	1980
Mrs. Richard C. Slack, Pecos	1980
Unfilled Term	1980
Unfilled Term	1981

8 Unfilled Terms (Terms to be determined as filled)

6. The University of Texas at San AntonioDevelopment Board.--Authorized Membership 25:

	<u>Term Expires</u>
Mr. Glenn Biggs, San Antonio	1979
Dr. Roland K. Blumberg, Seguin	1979
Mrs. Lutch Brown, San Antonio	1980
Mr. Richard W. Calvert, San Antonio	1979
Mr. Hugh K. Foster, San Antonio	1980
Mr. Gordon N. George, San Antonio	1979
Mr. Houston H. Harte, San Antonio	1980
**Mr. James H. Helland, San Antonio	1981
Mrs. B. K. Johnson, San Antonio and La Pryor	1980
Mr. Charles A. Kuper, Sr., San Antonio	1979
Mr. Quincy Lee, San Antonio	1979
Mr. Bernard L. Lifshutz, San Antonio	1980
Gen. Robert F. McDermott, San Antonio	1980
Mr. Lewis J. Moorman, Jr., San Antonio	1979
**Mr. Harold E. O'Kelley, San Antonio	1981

**Mr. Jesse H. Oppenheimer, San Antonio	1981
Mr. Scott Petty, Jr., San Antonio	1979
Mr. C. Linden Sledge, San Antonio	1980
**Mr. John T. Steen, San Antonio	1981
**Mr. Curtis Vaughan, Jr., San Antonio	1981
Unfilled Term	1980
Unfilled Term	1981

College of Business Advisory Council.
Authorized Membership 25:

Term Expires

*Mr. Stevenson Atherton, San Antonio	1981
Mr. Jesse A. Baker, San Antonio	1979
*Mr. Fred W. Burtner, San Antonio	1981
*Mr. John L. Cardenas, San Antonio	1981
*Mr. William G. Conway, San Antonio	1981
Col. Victor J. Ferrari, San Antonio	1979
Dr. Lyman R. Fink, San Antonio	1979
Mrs. Katherine N. Folbre, San Antonio	1980
Mr. Gordon N. George, San Antonio	1979
*Mr. George F. Golder, San Antonio	1980
**Mr. Alex H. Halff, San Antonio	1979
*Mr. James L. Hayne, San Antonio	1981
Mr. Marvin M. Kline, San Antonio	1980
Mr. Quincy Lee, San Antonio	1980
Mr. Steven Q. Lee, San Antonio	1979
Mr. Byron L. LeFlore, San Antonio	1980
Mr. Harold E. O'Kelley, San Antonio	1980
*Mr. Juan J. Patlan, San Antonio	1981
Mr. James C. Phelps, San Antonio	1979
**Gen. John W. Roberts, San Antonio	1980
Miss M. Sue Schoolfield, San Antonio	1979
Mr. Robert H. Seal, San Antonio	1979
Mr. C. Linden Sledge, San Antonio	1980

2 Unfilled Terms (Terms to be determined as filled)

7. The University of Texas
Health Science Center at Dallas

Development Board.--The Southwestern Medical Foundation serves in this capacity. The nominees are not subject to regental approval.

8. The University of Texas
Medical Branch at Galveston

Development Board.--Authorized Membership 40:

Term Expires

*George P. Bachman, M.D., Seguin	1980
Mrs. William H. Bauer, La Ward	1980
***Mrs. Dolores Bolin, Wichita Falls	1980
George Valter Brindley, Jr., M.D., Temple	1979
**H. Frank Connally, Jr., M.D., Waco	1981
***Kleberg Eckhardt, M.D., Corpus Christi	1980
***O. Edward Egbert, Jr., M.D., El Paso	1980
***Mr. Lawrence E. Ethridge, Jr., Corpus Christi	1980
**McIver Furman, M.D., Corpus Christi	1981
Carlos D. Godinez, M.D., McAllen	1980

**Miss Marie Hall, Big Spring	1981
Walter F. Hasskarl, M.D., Brenham	1980
Jesse B. Heath, M.D., Madisonville	1979
**Mr. Sealy Hutchings, Jr., Galveston	1981
Mr. Harris Kempner, Galveston	1980
**Thomas D. Kirksey, M.D., Austin	1981
T. C. Lewis, Jr., M.D., Sherman	1979
David McMahon, Jr., M.D., San Antonio	1979
***Thomas M. McMillan, M.D., Honolulu, Hawaii	1980
***Mr. A. G. McNeese, Jr., Houston	1980
David C. Miesch, M.D., Paris	1980
***Mr. Ballinger Mills, Galveston	1980
Mr. W. L. Moody V, Galveston	1980
Sam Nixon, Jr., M.D., Houston	1979
C. M. Phillips, M.D., Levelland	1979
**Mario E. Ramirez, M.D., Roma	1981
**Mrs. Edward Randall, Jr., Galveston	1981
**Harvey Renger, M.D., Hallettsville	1981
***Raleigh R. Ross, M.D., Austin	1980
William Seybold, M.D., Houston	1980
Mr. Preston Shirley, Galveston	1979
***Mr. James C. Storm, Corpus Christi	1980
L. S. Thompson, Jr., M.D., Dallas	1979
Courtney M. Townsend, M.D., Paris	1979
**Jim M. Vaughn, M.D., Tyler	1981
*Mr. Carmage Walls, Houston	1980
Mr. John M. Winterbotham, Houston	1979
Mr. Sam P. Woodson, Jr., Fort Worth	1980
Unfilled Term	1980
Unfilled Term	1980

(Triple asterisks: On August 4, 1978 nominations of those individuals indicated by triple asterisks were approved by the Board of Regents)

9. The University of Texas
Health Science Center at Houston

Development Board.--Authorized Membership 53:

	<u>Term Expires</u>
Mr. Leslie L. Appelt, Houston	1980
Mr. Evans Attwell, Houston	1981
Mr. Harry G. Austin, Houston	1981
Mr. James A. Baker III, Houston	1979
Mr. William K. Bruce, Houston	1979
Mr. Hugh Q. Buck, Houston	1979
Mr. John Cater, Houston	1980
Mrs. John S. Chase, Houston	1979
Mr. Joseph S. Cullinan II, Houston	1979
Mr. Jack Currie, Houston	1980
Mr. Harold Decker, Houston	1979
Mr. Robert P. Doherty, Jr., Houston	1979
Mr. John H. Duncan, Houston	1981
Mr. Kraft W. Eidman, Houston	1981
Mr. Kenneth Fellows, Houston	1981
Mr. W. N. Finnegan III, Houston	1981
Mr. Joe F. Flack, Houston	1981
Mr. A. J. Gallerano, Houston	1980
Mr. Robert G. Greer, Houston	1981
Mr. William C. Harvin, Houston	1979
Mr. Wayne Hightower, Houston	1981
Mr. Collins Hill, Jr., Houston	1980
Mr. John B. Holmes, Jr., Houston	1981
Mr. Frank P. Horlock, Houston	1980

Mr. John T. Jones, Jr., Houston	1980
Mr. Jack S. Josey, Houston	1981
Mrs. Mavis Kelsey, Houston	1981
Mr. Allan C. King, Houston	1980
Mr. George F. Kirby, Houston	1979
Mr. Earl B. Loggins, Houston	1981
Mr. Ben Love, Houston	1980
Mr. John L. McConn, Jr., Houston	1981
Mrs. A. G. McNeese, Jr., Houston	1980
Mr. Robert Parker, Houston	1979
Mr. Ed Randall III, Houston	1981
Mr. Theodore C. Rogers, Houston	1979
Mr. Pat R. Rutherford, Jr., Houston	1981
Mr. Robert A. Shepherd, Jr., Houston	1979
Mrs. W. R. (Randy) Smith, Houston	1980
Mr. Weldon H. Smith, Houston	1980
Mr. Robert Stewart, Jr., Houston	1980
Mr. Raybourne Thompson, Sr., Houston	1979
Mrs. Felix Tijerina, Houston	1979
Mrs. Jack T. Trotter, Houston	1979
Mr. Neal O. Wade, Jr., Houston	1979
Mr. Jack Weingarten, Houston	1979
Mrs. Bernice Weingarten Welch, Houston	1980
Mr. William M. Wheless III, Houston	1980
Mr. Gail Whitcomb, Houston	1981
Mr. Gene M. Woodfin, Houston	1980
Mrs. Gus S. Wortham, Houston	1980

Acting President Truman G. Blocker, Jr., Houston No Fixed Term
 Vice President for Business Affairs Mr. G. Charles Franklin, Houston No Fixed Term

The foregoing members have been previously approved by the Board of Regents at the following meetings:

- (a) September 12, 1975
- (b) November 11, 1977
- (c) February 10, 1978
- (d) June 9, 1978

* [Houston Medical School, Houston Dental Branch, Graduate School of Biomedical Sciences and Speech and Hearing Institute, School of Allied Health Sciences, and Public Health School Advisory Councils.]

These advisory councils are in the process of initial organization; nominees are not being presented at this time.]

10. The University of Texas Health Science Center at San Antonio

Development Board.--This development board is in the process of initial organization; nominees are not being presented at this time.

11. The University of Texas System Cancer Center

Board of Visitors of University Cancer Foundation.
 --Authorized Membership 25:

	<u>Term Expires</u>
Mr. Max E. Banks, Amarillo	1980
**Mrs. Camilla Blaffer, Houston	1981
Mr. Lester Clark, Breckenridge	1979
**Mr. Ernest H. Cockrell, Houston	1981

*The Bylaws of the Houston Health Science Center Development Board adopted in December 1977 eliminated the provision for these councils. The members appointed to these councils have been transferred to the Houston Health Science Center Development Board.

Mr. Roy H. Cullen, Houston	1980
Mr. Ernest Deal, Houston	1980
Mr. Leroy G. Denman, Jr., San Antonio	1980
Mrs. Charles K. Devall, Kilgore	1979
Mr. Paul R. Haas, Corpus Christi	1979
Mr. Hub Hill, Dallas	1979
*Mr. Thad T. Hutcheson, Jr., Houston	1981
**Mr. J. K. Jamieson, Houston	1981
Mr. Belton K. Johnson, San Antonio	1979
Mr. Lenoir Josey, Houston	1980
Mr. Charles H. Leavell, El Paso	1980
Mr. Ben F. Love, Houston	1979
*Mr. Lewis F. Lyne, Dallas	1981
Mr. Richard Merrill, Houston	1980
Mr. Robert Mosbacher, Houston	1979
*Mr. W. D. Noel, Odessa	1981
Mr. P. H. Robinson, Houston	1980
Mr. Nat S. Rogers, Houston	1980
*Mrs. William D. Seybold, Houston	1981
*Mr. Robert R. Shelton, Kerrville	1981
*Mrs. Wallace S. Wilson, Houston	1981

12. The University of Texas
Health Center at Tyler

Development Board.--The Texas Chest Foundation serves in this capacity. The nominees are not subject to regental approval.

13. The University of Texas
Institute of Texan Cultures at San Antonio

Advisory Council.--Authorized Membership 25:

	<u>Term Expires</u>
**Mrs. Raye Virginia Allen, Temple	1981
Mr. Joe Belden, Dallas	1980
Mr. Bob Brinkerhoff, Houston	1979
Mrs. Bob Brinkerhoff, Houston	1979
**Mrs. Dolph Briscoe, Uvalde	1981
**Frank Connally, M.D., Waco	1981
Governor John B. Connally, Floresville and Houston	1979
Mr. Bob R. Dorsey, Houston	1980
Mr. Leonel Garza, Sr., Brownsville	1979
Mrs. John Henderson, Lufkin	1980
Mrs. Don Kaspar, Shiner	1980
Mr. Harris L. Kempner, Galveston	1979
Mrs. Harris L. Kempner, Galveston	1979
**Dr. John T. King, Austin	1981
Mr. Tom Lea, El Paso	1979
**Mr. Max Mendel, Laredo	1981
Mrs. Nancy Negley, San Antonio	1979
Mr. Vernon F. Neuhaus, Sr., Mission	1980
**Mr. Herbert C. Petry, Carrizo Springs	1981
Mr. John Ben Shepperd, Odessa	1979
**Mrs. Josephine Sparks, Corpus Christi	1981
Mr. H. B. (Pat) Zachry, San Antonio	1980

3 Unfilled Terms (Terms to be determined when filled)

Ex Officio Members

Regent Edward Clark
Regent Walter G. Sterling

COMMITTEE OF THE WHOLE - EXECUTIVE SESSION
(Pages 229-247)

The Committee of the Whole reconvened in Executive Session at 11 a. m. on Friday, October 20, at the same place and with the same membership as on Thursday, October 19, for the purpose of discussing items listed on the agenda pursuant to Article 6252-17, Sections 2(c), (f) and (g), V. T. C. S.

Chairman Shivers reported that the Regents discussed (1) the general policy for leases on University Lands; (2) acquisition of a residence for the President of the Houston Health Science Center; (3) a proposed Shuttle Bus Contract for U. T. Austin; (4) negotiations relating to the mortgage of Punta Gorda Isles, Inc.; and (5) proposed delegation of authority regarding litigation and legal affairs.

In response to Chairman Shivers' inquiry if any member of the Board wished to comment on these items, the following actions were taken:

HOUSTON HEALTH SCIENCE CENTER: ACQUISITION OF LOT 18, BLOCK 4, COUNTRY SQUIRE ESTATES, PINEY POINT VILLAGE, HARRIS COUNTY, TEXAS (PRESIDENT'S RESIDENCE). -- Upon motion of Regent Clark, seconded by Vice-Chairman Williams, and by unanimous vote, authorization was given to purchase Lot 18, Block 4, Country Squire Estates, Piney Point Village, Harris County, Texas, together with improvements, for a total cost of \$430,000 with \$200,000 to be paid from funds of the Houston Health Science Center and \$230,000 from Account Number 64-1934. This property is to be used as the official residence for the President of The University of Texas Health Science Center at Houston.

U. T. AUSTIN: SHUTTLE BUS CONTRACT AWARDED TO TRANSPORTATION ENTERPRISES, INC. -- Upon motion of Vice-Chairman Williams, seconded by Regent Bauerle, and by unanimous vote, the following contract to provide shuttle bus service at The University of Texas at Austin was awarded to Transportation Enterprises, Inc., for a five-year period effective September 1, 1979, with a Rate/Hour charge of \$18.65:

SHUTTLE BUS
SERVICE CONTRACT

THE STATE OF TEXAS I
 I
COUNTY OF TRAVIS I

This contract and agreement entered into this 23rd day of October, 1978 between THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, acting herein by and through its duly authorized Chairman, Allan Shivers, for the use and benefit of The University of Texas at Austin, hereinafter referred to as "UNIVERSITY," and Transpor-

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tion Enterprises, Inc., having its office and principal place of business in Austin, Travis County, Texas, hereinafter referred to as "CONTRACTOR," WITNESSETH:

I.

SUBJECT OF CONTRACT

UNIVERSITY hereby awards a contract to CONTRACTOR to render and perform a shuttle bus service for The University of Texas at Austin, Texas, at such locations and times, and upon such terms, conditions, and provisions as are hereinafter provided. CONTRACTOR represents that it has the requisite experience, skill and personnel to properly perform a shuttle bus service and UNIVERSITY in reliance on such assurance is willing to enter into this agreement.

II.

TERM OF THE CONTRACT

The term of the contract shall be for all semesters intervening between the commencement and termination date hereof, beginning on September 1, 1979 and terminating August 31, 1984.

III.

EQUIPMENT, ETC., FURNISHED BY CONTRACTOR

(a) CONTRACTOR shall furnish and make available for use in such shuttle bus service buses seating not less than forty-four (44) adult passengers per bus with both front and rear loading doors. It is specifically understood that the buses are not required to be air conditioned. All buses operated in the performance of this contract shall have been manufactured during or after the 1976 model year. No bus shall be operated in the performance of this contract after five years from date of manufacture, or after it has been driven a total of 100,000 miles, unless it has been inspected and approved by an authorized representative of The University of Texas at Austin. All buses shall conform to all city,

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state and federal noise emission standards, both interior and exterior, that pertain to each piece of equipment. All buses used by CONTRACTOR during the term of this agreement shall have the following minimum requirements:

CHASSIS AND POWER TRAIN

Model	International Harvester 1850
Wheelbase	275 inches
Engine	190 horsepower, V-8 or 6 cylinder diesel
Alternator	130 amperes
Battery	Dual 6 volt 208 amperes
Transmission	Allison automatic Model MT 640, 4 speed
Fuel Tanks	100 gallons
Front Axle	9000 pounds
Rear Axle	19000 pounds
Front Brakes	15 x 4 inches
Rear Brakes	16 1/2 x 7 inches
Emergency Brake	Piggy Back MGM (manufactured by Indian Head)
Wheels	10 Stud Budd
Tires	1000 x 20 x 12

BODY

Model	Wayne 3306L
Length	33.5 feet minimum
Loading Doors	Front and rear (right side)
Windows	Tinted or smoked glass
Color Scheme	White with orange trim
Seating	44 standard seats (galvanized steel or aluminum backs) arranged in two rows with a center aisle at least 18 inches wide. Allow 18 inches rump room per passenger. Seats to be mounted on 30 inch centers.
Driver Fan	Manufacturer's standard equipment
Stop Bell	Manufacturer's standard equipment
Rear Heater	Manufacturer's standard equipment
Hanger Rails	Both sides centered over seats

RADIO

10 Watt output - VHF

All buses shall be painted white and trimmed in orange and shall display route designation signs on both the front and right rear side of the vehicle. None of the buses shall display advertising material, either on the inside or outside. All buses operated by the CONTRACTOR in the performance of this contract shall be equipped with two-way radios for reporting to the bus dispatcher all failures of equipment, necessary re-routing of buses to meet requirements and to determine the location of a bus when deemed necessary. Provision will be made for adequate check points at locations to be agreed upon.

(b) CONTRACTOR agrees to furnish a minimum of sixty (60) buses that meet all of the terms of this contract to perform the services herein contracted to be performed. Of these sixty buses, a reserve of five (5) buses shall be allocated and maintained for use in case of a breakdown or failure of any of the buses used daily on the routes. Should any bus be placed out of service for any reason, CONTRACTOR shall replace that bus immediately with another bus.

(c) CONTRACTOR agrees to properly and adequately service such buses and to perform normal and usual preventive and actual maintenance on such buses to minimize mechanical breakdown and failure. CONTRACTOR further agrees to keep such buses clean and neat appearing, inside and out. It is further understood and agreed by the parties that all drivers of buses are to keep daily records reflecting any known defects which may exist and such records from time to time shall be subject to inspection by the duly constituted representative of UNIVERSITY.

(d) CONTRACTOR shall supply all driver personnel necessary to operate the buses, shall pay their wages, withhold for income tax and social security, and pay all operating expenses, including, but not limited to, fuel, tires, batteries, ad valorem taxes on the buses, licenses, fees, if any, and other expenses connected with furnishing such shuttle bus service.

(e) Each driver shall hold a valid State of Texas chauffeur's license, and shall meet all requirements under the law for drivers of buses. All drivers shall operate CONTRACTOR'S buses in a careful and prudent manner and in strict compliance with the traffic and safety laws of the City of Austin and State of Texas.

(f) CONTRACTOR will provide a minimum of one (1) on duty field supervisor for every 20 buses in service prior to 6:00 PM on all days of operation. A minimum of one (1) on call supervisor shall be available during all hours of operation after 6:00 PM.

(g) CONTRACTOR shall carry and maintain throughout the life of this contract public liability and property damage insurance in limits of not less than \$100,000 for personal injury to any one person, \$300,000 for each occurrence, and \$150,000 property damage. Proper certificates of insurance reflecting insurance coverage in limits of not less than that stated above shall be furnished to UNIVERSITY, and UNIVERSITY shall be named as an additional insured in such policy or policies.

(h) CONTRACTOR agrees to furnish the Vice President for Business Affairs of the UNIVERSITY time sheets for each day's operation, showing bus numbers, routes served and total time of route operation.

(i) CONTRACTOR agrees to furnish copies of all invoices and monthly billing statements from supplier for fuel purchased during the billing month, showing actual cost and any fuel rate adjustments from supplier. These statements will accompany the monthly billing statement. CONTRACTOR also agrees to furnish UNIVERSITY, upon demand, bids from at least two known fuel suppliers, other than the supplier from whom the fuel was purchased.

IV.

ROUTES, SCHEDULES AND AREA OF SERVICE

(a) The area to be served by the shuttle bus system shall be within the University campus and within such other areas of the City of Austin as may be designated by the Vice President for Business Affairs of the UNIVERSITY or his designated representative and agreed upon by CONTRACTOR.

(b) Such routes and schedules shall be operated Monday through Friday on all regularly scheduled registration, class and final examination days, provided that during registration and examination periods Saturday service may be required.

(c) Service to be rendered by CONTRACTOR shall be on an hourly basis and CONTRACTOR hereby agrees to operate buses on University routes approximately 245 hours per day during registration periods, approximately 560 hours per day during Fall and Spring

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classes, approximately 345 hours per day during final examinations and approximately 395 hours per day during the summer session, unless otherwise expressly agreed upon.

V.

CONSIDERATION

(a) For and in consideration of CONTRACTOR furnishing such buses, drivers, and expenses as set out above, and operating the designated routes provided for herein, UNIVERSITY, subject to the conditions as set forth in (b), (c), (d), (e), and (f) below, agrees to pay CONTRACTOR, on order at Austin, Travis County, Texas, in currency of the United States of America, a total contract sum computed upon the number of hours operated by all such buses multiplied by the appropriate hourly rate computed in the manner and paid at the intervals as hereinafter provided.

(b) A charge shall be made by the hour for each bus, which includes the provision of a driver and all other items CONTRACTOR is to furnish pursuant to the terms of this agreement. The basic charge shall be at the rate of Eighteen and 65/100 (\$18.65) dollars per operating hour for all service actually rendered. There shall be an additional Excess Fuel Cost charge computed as follows:

- (1) The base fuel price of 50 cents/gallon will be subtracted from the average weighted fuel price per gallon for the month. That remaining excess fuel price will then be multiplied by the conversion rate of 2.5 gallons per hour to obtain the Excess Fuel Cost per hour of service.
- (2) To obtain the average weighted fuel price for the billing month, the inventory (gallons of diesel (fuel) on hand at the end of the previous month will be multiplied by the last purchase price for that month. This beginning inventory cost will be added to the total cost for all fuel purchases made during the billing month. From this total, this diesel fuel inventory at the end of the billing month multiplied by the last purchase price for the

billing month, will be subtracted. The resulting net cost of fuel used during the billing month will be divided by the total gallons used to obtain the weighted fuel price per gallon.

(c) There shall be separate statements and payments for the basic charge, at \$18.65 per hour, and the Excess Fuel Cost charge as computed above. Payments shall be made within ten (10) working days of presentation of a properly itemized statement of charges for the services rendered during the completed billing period. Billing periods will be regular and a minimum of one half a month in length.

(d) Should the average weighted fuel price for any month drop below the Base Fuel Price, there will be no payment for excess fuel costs, and total charges will include only the basic hourly rate of \$18.65 per hour.

(e) In the event the monthly billing statement is not provided prior to payment by UNIVERSITY for the billing month, UNIVERSITY will adjust payment for the next succeeding month's operation to account for any differences between fuel prices billed and those actually paid by CONTRACTOR.

(f) The parties agree that payments to the CONTRACTOR as provided in the above sections will be made subject to the availability of funds and, in the event the UNIVERSITY is required, by either state or federal law, to provide transportation service to students utilizing equipment not specified in this contract, the parties agree to renegotiate the terms and conditions of this contract.

In the event the parties are unable to arrive at a satisfactory renegotiation price for such services, the UNIVERSITY reserves the right to terminate the contract on reasonable notice to the CONTRACTOR.

In the event of termination of this contract by the UNIVERSITY as provided above, the UNIVERSITY agrees, insofar as authorized by law, to reimburse the CONTRACTOR for any actual, direct costs sustained by the CONTRACTOR in purchasing new equipment following execution of this contract specifically to carry out the terms of this contract, provided that such costs shall not exceed

the fair market value of the equipment on the date of termination, and provided further that, in the event of reimbursement, the CONTRACTOR shall convey to the UNIVERSITY the full and clear title to the new equipment for which such costs and reimbursements are attributable

VI.

CLASSIFICATION OF PASSENGERS

Such service, as herein provided, shall be furnished for the students, faculty members, and employees of UNIVERSITY.

VII.

MAINTENANCE OF RECORDS

CONTRACTOR agrees to maintain a set of books that shall reflect, among other information, not less than the following: the number of buses operated on any given day, the number of routes or schedules operated, the number of hours operated by each bus on each route or schedule, together with any other additional information the CONTRACTOR may elect to include in such records. It is expressly provided that UNIVERSITY shall have complete access to such books and records at any and all reasonable times during the business day for purposes of examination, and may, at its own expense, cause an audit to be made of CONTRACTOR'S books and records, as the same pertains to this operation. CONTRACTOR agrees to cooperate with properly designated UNIVERSITY official or employee charged with inspecting and auditing said books and records. The reporting forms heretofore agreed upon by the parties and now in operation shall be utilized in this connection.

VIII.

LEGALITY OF CONTRACT

It is expressly provided that operation by CONTRACTOR under this contract shall be performed in compliance with all applicable ordinances of the City of Austin and laws of the State of Texas.

IX.

HOLD HARMLESS

CONTRACTOR hereby agrees to indemnify and save harmless the

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UNIVERSITY from any damage, claim, or cost and expense incurred by UNIVERSITY resulting from or connected with CONTRACTOR'S operation of the shuttle bus service contemplated by this contract, and CONTRACTOR agrees to furnish to UNIVERSITY a liability insurance policy acceptable to UNIVERSITY covering the contractual obligation undertaken by CONTRACTOR in this paragraph.

X.

PROVISION FOR BUS STOPS

CONTRACTOR agrees to cause the buses to be operated in such shuttle bus service to stop for the purpose of picking up and discharging passengers only at bus stops at specified locations that have been mutually agreed upon by CONTRACTOR, UNIVERSITY, and the City of Austin.

XI.

CANCELLATION

If CONTRACTOR defaults in the performance of any of the terms and conditions of this agreement UNIVERSITY may give CONTRACTOR notice of such default and if the default is not corrected within ten (10) days then UNIVERSITY may cancel this contract.

XII.

Anything in this contract to the contrary notwithstanding, UNIVERSITY agrees that if CONTRACTOR is unable to perform this contract, in whole or in part, at any time during the term hereof attributable to acts of God, any such occurrence shall not be considered as a default by CONTRACTOR in its performance hereunder, and CONTRACTOR shall be relieved of any liability for any interruption of service to be furnished pursuant to the terms of this contract as a result of any such occurrences.

XIII.

CONTRACT BINDING ON PARTIES

Subject to the provisions of paragraph VIII above, this contract shall be binding on the parties hereto, their successors, and assigns, and shall be subject to specific enforcement. CONTRACTOR may not assign this contract without the written consent

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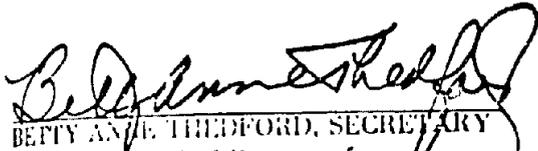
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of UNIVERSITY.

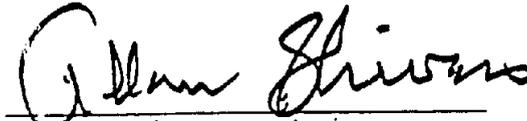
EXECUTED in several counterparts, each having the force and effect of an original, on the date and year first above written.

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM



BETTY ANNE THEDFORD, SECRETARY
Board of Regents of
The University of Texas System

BY: 

Allan Shivers, Chairman
Board of Regents of The
University of Texas System

By: _____

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:



University Attorney



Attorney for Contractor

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UNIVERSITY CANCER CENTER - REPORT OF COMMITTEE TO RENEGOTIATE REAL ESTATE NOTE WITH PUNTA GORDA ISLES, INC.: AUTHORIZATION FOR QUIT CLAIM DEED FOR ACCESS EASEMENT AND PARTIAL RELEASE OF MORTGAGE. --Committee Chairman Clark presented the following report:

REPORT OF THE SPECIAL PUNTA GORDA AD HOC COMMITTEE TO THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

October 20, 1978

RE: Status of Punta Gorda Isles, Inc. - Florida Land Sale: Quit Claim Deed for Access Easement and Partial Release of Mortgage

At its April 6, 1978, meeting, the Board of Regents, acting in that capacity and in the capacity of Trustees of The University Cancer Foundation, approved certain System Administration recommendations (with express Special Committee approval) with respect to rearrangement of the Punta Gorda Isles, Inc. note, mortgage, and other corollary matters.

Included in the rearrangement transaction was PGI's right to sell tracts of 500 acres of land, or more, and to receive partial releases of liens as to such tracts, provided that the System received from PGI a principal payment in an amount which will be the greater of: (a) \$350.00 per acre of the released tract, or (b) the gross selling price of such tract, less reasonable closing costs, sales expenses and commissions (the aggregate of which may not exceed 25% of the gross price) for such tract. In addition, at the time of such principal payment, PGI will pay all interest accrued and unpaid on that portion of the principal.

On May 19, 1978, PGI sold six sections of the Florida land to Charles S. Payson and received a Partial Release of Mortgage which had the following results:

1. The Board, representing its bondholders, is now the first lien holder on the remaining approximated 49,000 acres. As part of the consideration for System's giving the Partial Release of Mortgage and to give clear title to Mr. Payson, PGI paid off the first mortgage to the Connecticut Mutual Life Insurance Company in the amount of \$230,569.52. The original amount of that mortgage was \$900,000.00.
2. The System received \$350.00 per acre as a principal prepayment plus interest that had accrued on the prepayment since April 10, 1978. The cashier's check was in the amount of \$1,405,157.50 and was deposited to the appropriate account at City National Bank.
3. System personnel delivered a Partial Release of Mortgage on sections 13, 14, 15, 22, 23, and 24 Township 40 South, Range 27 East, all situated in Charlotte County, Florida, containing 3,975.97 acres, more or less.

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PGI has informed System Administration that it now desires to sell 23,000 to 24,000 acres of the Florida land and anticipates closing the transaction before the next Board of Regents' meeting. In connection with the proposed sale, PGI requests the Board, in the capacity indicated above, to quit claim to PGI a tract of land 60 feet wide by 8,000 feet long, which connects and gives access to the PGI land from Florida State Road 74.

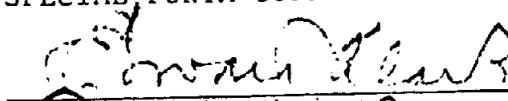
It should be noted that the access easement was acquired by the M. S. and Lillie A. Johnson Foundation on February 7, 1966. On March 25, 1969, the Foundation gave the 53,051 acres of Florida land to the Board, "together with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining", which land was later conveyed to PGI, on June 20, 1972, with the same above quoted language. However, on January 26, 1977, the Foundation, by specific gift deed, conveyed the access easement to the Board. It is the opinion of counsel that the access easement could be included in the 1969 and 1972 conveyances as "appurtenances" to the 53,051 acres, but, due to the timing and specificity of the 1977 gift deed, the best way to convey the access easement is by quit claim deed to PGI.

In anticipation of the proposed 23,000 to 24,000 acre sale and the satisfaction of all release requirements by PGI, a Partial Release of Mortgage has been prepared.

Accordingly, System Administration and your Ad Hoc Committee ask the Board, in the capacity indicated above, to consider the foregoing, as well as other matters about which they care to inquire.

If the Board determines that the Quit Claim and Release of Mortgage attached hereto are in order, then it is recommended that the Board of Regents, in each indicated capacity, approve the enclosed documents and authorize the execution of such documents and other documents necessary to effectuate and close the proposed sale, by the Chairman of each of the said Boards (or by any other member of said Boards in case of the Chairman's absence or unavailability) for delivery subject to the approval of the closing transaction and documents of the proposed sale by the General Counsel.

SPECIAL PUNTA GORDA AD HOC COMMITTEE


Edward Clark, Chairman


Milan Shivers


James E. Bauerle

This report was adopted by unanimous vote upon motion of Regent Sterling, seconded by Regent Bauerle.

The Quit Claim Deed and Partial Release of Mortgage referred to in the above report are set out on Pages 241-245.)

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QUIT CLAIM DEED

THE STATE OF FLORIDA)
)
THE COUNTY OF CHARLOTTE)

KNOW ALL MEN BY THESE PRESENTS:

That we, ALLAN SHIVERS, DAN C. WILLIAMS, JAMES E. BAUERLE, D.D.S., JANE WEINERT BLUMBERG, EDWARD CLARK, STERLING H. FLY, JR., M.D., JESS HAY, THOS. H. LAW and WALTER G. STERLING, constituting the Board of Regents of The University of Texas System and as Trustees of the University Cancer Foundation as created by Trust Agreement dated November 7, 1957, as amended by instrument dated October 30, 1970, hereinafter called GRANTOR, for and in consideration of the sum of Ten Dollars (\$10.00) cash to us in hand paid by PUNTA GORDA ISLES, INC., a Florida corporation, hereinafter called GRANTEE, the receipt of which is hereby acknowledged and confessed, have DEMISED, RELEASED, and QUIT CLAIMED and by these presents do DEMISE, RELEASE and QUIT CLAIM unto said GRANTEE all the right, title, interest, claim and demand which GRANTOR has in and to the following described lot, piece or parcel of land, situated, lying and being in the County of Charlotte, State of Florida, to-wit:

A strip of land 60 feet wide from West to East, running parallel to the West boundary line of Sections 31 and 30, in Township 40 South, Range 27 East, in Charlotte County, Florida, beginning at the intersection of the West boundary line of Section 31 with State Road 74 and ending at the intersection of the West boundary line of Section 30, at the Southwest Corner of Section 19, in said Township and Range.

TO HAVE AND TO HOLD the above described premises together with all and singular the appurtenances thereunto belonging or in anywise appertaining and all of the estate, right, title, interest, lien, equity and claim whatsoever of the GRANTOR, either in law or equity, to the only proper use, benefit and behoof of the said GRANTEE forever.

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IN WITNESS WHEREOF, we have caused the same to be signed and the seal of The University of Texas System to be placed hereon this _____ day of _____, 1978.

ATTEST:

Secretary _____ Allan Shivers _____

WITNESS: _____ Dan C. Williams _____

_____ James E. Bauerle, D.D.S. _____

_____ Jane Weinhart Blumberg _____

_____ Edward Clark _____

_____ Sterling H. Fly, Jr., M.D. _____

_____ Jess Hay _____

_____ Thos. H. Law _____

_____ Walter G. Sterling _____

AS CONSTITUTING THE BOARD OF
REGENTS OF THE UNIVERSITY OF
TEXAS SYSTEM AND AS TRUSTEES OF
THE UNIVERSITY CANCER FOUNDATION

PARTIAL RELEASE OF MORTGAGE

THE STATE OF FLORIDA
 COUNTY OF _____

§
 §
 §

WHEREAS, PUNTA GORDA ISLES, INC., a Florida corporation ("PGI"), by Indenture of Mortgage dated June 20, 1972, recorded in O.R. Book 392, Page 143, Records of Charlotte County, Florida; O.R. Book 83, Page 541, Records of DeSoto County, Florida; and O.R. Book 408, Page 388, Records of Highlands County, Florida, (which Indenture of Mortgage, together with all amendments thereto is hereinafter referred to as the "Mortgage") granted and conveyed unto John Peace, Frank N. Ikard, Frank C. Irwin, Jr., Jenkins Garrett, Claudia Taylor Johnson, Joe M. Kilgore, A. G. McNeese, Jr., Joe T. Nelson, M.D., and Dan C. Williams, and their successors in office, as constituting the Board of Regents of the University of Texas System and as Trustees of the University Cancer Foundation as created by Trust Agreement dated November 7, 1957, as amended by instrument dated October 30, 1970 (the "Boards");

WHEREAS, the Mortgage has been amended by agreements by and between PGI and the Boards dated July 16, 1976 and as of April 10, 1978, recorded in the Official Records of Charlotte, DeSoto and Highlands Counties, Florida;

WHEREAS, the Mortgage, now secures the payment of that certain promissory note dated as of April 10, 1978, executed by PGI, payable to the order of the Boards in the original principal amount of \$16,340,575.44, which indebtedness is more particularly described in the above referenced Mortgage amendment dated as of April 10, 1978;

WHEREAS, the Note is additionally secured by a vendor's lien (the "Vendor's Lien") retained in Deed from the

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Boards to PGI dated June 20, 1972, recorded in O.R. Book 392, Page 132, Records of Charlotte County, Florida; O.R. Book 83, Page 206, Records of DeSoto County, Florida, and O.R. Book 406, Page 929, Records of Highlands County, Florida; and

WHEREAS, PGI is entitled to partial releases of the liens of the Mortgage and the Vendor's Lien as more fully provided in the Mortgage and PGI has satisfied the requirements of the Mortgage so as to entitle PGI to a partial release of liens of the Mortgage, and the Vendor's Lien as to the lands described in Exhibit A hereto.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

THAT the Boards, for and in consideration of the premises and the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, cash in hand paid by PGI to the Boards at the execution hereof, the receipt and sufficiency of which consideration are acknowledged and confessed, do REMISE, RELEASE, QUITCLAIM, EXONERATE, AND DISCHARGE from the lien and operation of the Mortgage and the Vendor's Lien unto PGI, its successors and assigns, all that certain piece, parcel and tract of land, being a part of the premises conveyed by the Mortgage, more particularly described in Exhibit A attached hereto and made a part hereof for all purposes.

TO HAVE AND TO HOLD the property described in Exhibit A hereto, with the appurtenances, unto PGI, its successors and assigns, FOREVER FREED, EXONERATED AND DISCHARGED of and from the liens of the Mortgage and Vendor's Lien and every part thereof.

This instrument constitutes a partial release only, and the execution and delivery hereof shall not in any way affect, diminish or impair any liens, mortgages, encumbrances or security interests created under or by virtue of the Mortgage or the Vendor's Lien except to the extent that the same

cover and relate to the lands described in Exhibit A attached hereto. To the extent that the Mortgage and the Vendor's Lien cover and affect any properties other than the lands described in Exhibit A hereto or lands heretofore partially released by instrument executed by the Boards and of record in the county or counties where such lands are situated, the Mortgage and the Vendor's Lien are continued in full force and effect as fully and for all purposes as if this instrument were not executed and delivered.

EXECUTED this the _____ day of _____, 19 ____.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, AND TRUSTEES OF THE UNIVERSITY CANCER FOUNDATION

By _____
Its Duly Authorized Officer or Representative

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

I HEREBY CERTIFY that on this _____ day of _____, 19____, before me personally appeared _____ as Duly Authorized Officer or Representative of the Board of Regents of The University of Texas System, and Trustees of the University Cancer Foundation as created by The Agreement dated November 7, 1957, of Houston, Texas, as amended instrument dated October 30, 1970, to me known to be the person described in and who executed the foregoing instrument and he acknowledged the execution thereof to be his free act and deed as such officer for the uses and purposes therein mentioned.

WITNESS my signature and official seal at _____ Texas, said County and State, the date and year last aforesaid.

Notary Public in and for
County,
T E X A S

My Commission Expires:

U. T. SYSTEM: EXPRESS DELEGATION OF AUTHORITY REGARDING LITIGATION AND LEGAL AFFAIRS WITH ALL ACTION PURSUANT THERETO TO BE REPORTED TO BOARD FOR INFORMATION AND ANY NECESSARY RATIFICATION AND RATIFICATION OF ALL AGREEMENTS FOR SERVICES HERETOFORE ENTERED INTO WITH: BUTLER, BINION, RICE, COOK & KNAPP, HOUSTON, TEXAS; STRASBURGER & PRICE, DALLAS, TEXAS; FULBRIGHT & JAWORSKI, HOUSTON, TEXAS; BAKER & BOTTS, HOUSTON, TEXAS; GROCE, LOCKE & HEBDON, SAN ANTONIO, TEXAS; MILLS, SHIRLEY, McMICKEN & ECKEL, GALVESTON, TEXAS; STUBBEMAN, McRAE, SEALY, LAUGHLIN & BROWDER, AUSTIN, TEXAS; ARNOLD, WHITE & DURKEE, AUSTIN, TEXAS; JAMES G. CLOWER, TROY, ALABAMA; AND SMITH, HULSEY, SCHWALBE & NICHOLS, JACKSONVILLE, FLORIDA. --Upon the recommendation of System Administration, and upon motion of Vice-Chairman Williams, seconded by Regent Sterling, the Board of Regents without objection:

1. Delegated to the Chancellor of the System the authority to enter into and execute agreements for the performance of legal, investigative and advisory services by outside firms or individuals, for the usual and customary rates and fees for such services, but upon condition that such rates and fees shall be subject to approval by him or his delegate; provided, however, that such authority shall not be exercised without the concurrence of the Chairman of the Board of Regents where the estimated or known fee for a particular item of service exceeds the amount of \$50,000, exclusive of expenses, or concurrence of the Board where said fee exceeds \$100,000, exclusive of expenses.
2. Delegated to the Chancellor of the System the authority to make decisions with respect to settlement of claims, including decision with respect to appeals from adverse judgment and to commencement of litigation or administrative proceedings; provided, however, that such authority shall not be exercised without concurrence of the Chairman of the Board of Regents in those cases where the amount of the claim or settlement exceeds \$50,000, and concurrence of the Board of Regents where such amount exceeds \$100,000.
3. Delegated to the Chancellor of the System authority to exercise without limitation the authorities hereinabove delegated to him, if immediate action is reasonably believed by him to be necessary to protect or rectify a situation dangerous to health or life, to prevent unwarranted delay in protecting or advancing System interests, or to provide for any other unforeseen situation to protect or advance the interests of the System.
4. Authorized the Chancellor of the System to redelegate, in his discretion, the authorities delegated to him hereinabove to the Vice President and General Counsel up to their full extent, and authorize the redelegation of such authorities by the Vice President and General Counsel as, in his discretion, are necessary for operations of the Office of General Counsel, but not to exceed 50% of the quantified authority.

All actions taken pursuant to the foregoing delegations of authority shall be reported to the Board for information and any necessary ratification action.

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By this same motion, the Board also:

Ratified all agreements for services heretofore entered into with the following firms:

Butler, Blinn, Rice, Cook & Knapp, Houston, Texas
Strasburger & Price, Dallas, Texas
Fulbright & Jaworski, Houston, Texas
Baker & Botts, Houston, Texas
Groce, Locke & Heddon, San Antonio, Texas
Mills, Shirley, McMicken & Eckel, Galveston, Texas
Stubbeman, McRae, Sealy, Laughlin & Browder
Austin, Texas
Arnold, White & Durkee, Austin, Texas
James G. Clower, Troy Alabama
Smith, Hulsey, Schwalbe & Nichols, Jacksonville, Florida

Each of these agreements involve estimated fees for services of less than \$50,000, with such fees to be based on usual and customary rates and fees, and each had been approved by the General Counsel acting upon delegation of authority from the Chancellor of the System.

OTHER MATTERS

RESOLUTION TO FRANK HARPER WARDLAW. --The following Resolution to Frank Harper Wardlaw, former Director of the U. T. Press at The University of Texas at Austin was presented by Chairman Shivers and adopted by unanimous vote. The Secretary was instructed to prepare this Resolution for the signature of all members of the Board of Regents:

WHEREAS, Frank Harper Wardlaw came to Texas from South Carolina in 1950;

WHEREAS, He founded two of the Southwest's leading scholarly presses -- The University of Texas Press and Texas A&M University Press;

WHEREAS, Mr. Wardlaw served as president of the Association of American University Presses and as president of the Texas Institute of Letters;

WHEREAS, He was elected a Fellow by the Texas Institute of Letters and the Texas State Historical Association;

WHEREAS, He has earned distinction as an author and editor, as well as a publisher, and

WHEREAS, His legacy to the cultural life of Texas will remain long after his well-earned retirement; now, therefore be it

RESOLVED, That the Board of Regents of The University of Texas System express to Frank Harper Wardlaw their deep appreciation for his twenty-eight year contribution to Texas letters and wish him well as he begins a new chapter in his life.

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RESOLUTION TO GRAVES WESLEY LANDRUM. --Regent Clark read the following Resolution and moved its adoption. The motion was duly seconded and all the other members asked to join in this Resolution:

A RESOLUTION OF
THE BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM

WHEREAS, Mr. GRAVES WESLEY LANDRUM, has been associated with The University of Texas and The University of Texas System for over thirty-four years, having served as Business Manager of the Main University, Assistant to the Chancellor, Assistant to the Chancellor and Director of Administrative Services, Vice Chancellor for Staff Operations, Assistant Deputy Chancellor for Operations, Associate Deputy Chancellor for Operations, and Vice President for Operations; and,

WHEREAS, during this long association, the dedication, integrity, high loyalty, achievement and wise counsel of Mr. Landrum won the fullest respect of each of the several Boards of Regents under whom he served; and,

WHEREAS, Mr. Landrum retired from full time service with The University of Texas System effective August 31, 1978;

NOW THEREFORE, the members of the Board of Regents of The University of Texas System record their grateful appreciation for his long, faithful and valued service by adopting the following:

BE IT RESOLVED that we, the Board of Regents of The University of Texas System, attest to the long, faithful, and valued service of Mr. Graves Wesley Landrum to The University of Texas System, and to the support and wise counsel which he has brought to the deliberations of the Board of Regents; and,

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BE IT FURTHER RESOLVED, that the Board's highest regards and best wishes be and are hereby extended and conveyed to Mr. Landrum on his retirement, together with the Board's sincere hope that he will maintain his good health and good spirit for many years to come.

Adopted by the unanimous vote of the Board of Regents of The University of Texas System the 20th day of October, 1978.

In WITNESS WHEREOF, each member of the Board of Regents of The University of Texas System has subscribed his or her name to this document.

ATTEST:

Betty Anne Thedford
Betty Anne Thedford,
Secretary

Allan Shivers
Allan Shivers, Chairman

Dan C. Williams
Dan C. Williams, Vice-Chairman

James E. Bauerle, D.D.S.
James E. Bauerle, D.D.S.

Jane Weinert Blumberg
Jane Weinert Blumberg

Edward Clark
Edward Clark

Sterling H. Fly, Jr., M.D.
Sterling H. Fly, Jr., M.D.

Jess Hay
Jess Hay

Thos. H. Law
Thos. H. Law

Walter G. Sterling
Walter G. Sterling

U. T. AUSTIN: APPOINTMENT OF ADVISORY COMMITTEE FOR THE SELECTION OF CHIEF ADMINISTRATIVE OFFICER (PRESIDENT). -- The membership of the Advisory Committee for the Selection of a Chief Administrative Officer (President) at The University of Texas at Austin is reported for the record. This committee had been appointed pursuant to the Regents' Rules and Regulations, Part One, Chapter II, Section 4.1:

Advisory Committee for Selection of Chief Administrative Officer
for
The University of Texas at Austin

Chancellor of The System (was President*)

Dr. E. D. Walker (Chairman)

Vice President for Academic Affairs*

Dr. Ernest T. Smerdon

Chief Administrative Officers*

Dr. Wendell H. Nedderman, President, The University of Texas at Arlington

Dr. Bryce Jordan, President, The University of Texas at Dallas

William C. Levin, M. D., President, The University of Texas Medical Branch at Galveston

Board of Regents

Regent Edward Clark
Regent Allan Shivers
Regent Walter G. Sterling

Faculty Members - U. T. Austin

Dr. Roger D. Abrahams, Department of English
Dr. Ira Iscoe, Department of Psychology
Dr. Harlan Smith, Department of Astronomy
Dr. Eugene Wissler, Department of Chemical Engineering
Professor Charles Alan Wright, School of Law

Dean's Council Representative - U. T. Austin

Dean George Kozmetsky, College of Business Administration

Student Representatives - U. T. Austin

Mr. Kenneth A. Allen
Mr. John Walton Craddock, Jr.

Ex-Students' Association - U. T. Austin

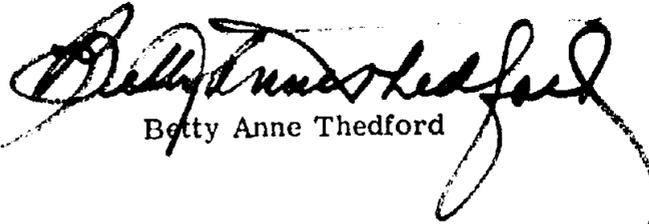
Mr. John Ben Shepperd, President

*Named August 4, 1978 (Permanent Minutes, Volume XXV, Page 3726).

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SCHEDULED MEETINGS. --In addition to the meeting previously set for November 30 - December 1, 1978, in Austin, another meeting was scheduled for February 8-9, 1979, in Austin.


Betty Anne Thedford

October 25, 1978