

# OMISSION

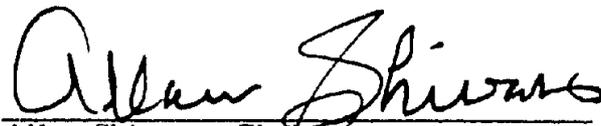
Pages 1235 - 1971

*A. Ruth Baker*

SIGNATURE OF OPERATOR

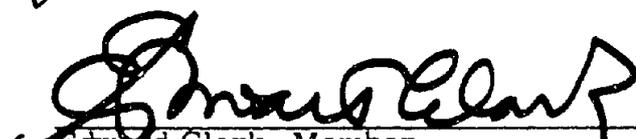
We, the undersigned members of the Board of Regents of The University of Texas System, hereby ratify and approve all actions taken at this meeting (December 10, 1976) to be reflected in the Minutes.

Signed this the 10th day of December, 1976, A.D.

  
Allan Shivers, Chairman

  
Dan Q. Williams, Vice-Chairman

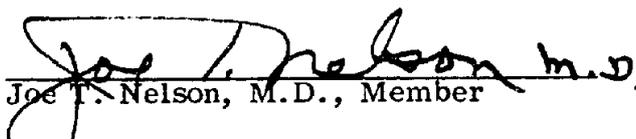
  
James E. Bauerle, D.D.S., Member

  
Edward Clark, Member

  
Mrs. Lyndon B. Johnson, Member

  
Thos. H. Law, Member

  
A. G. McNeese, Jr., Member

  
Joe T. Nelson, M.D., Member

  
Walter G. Sterling, Member

Meeting No. 743

THE MINUTES OF THE BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

PART ONE

Pages 1 - 161  
and  
Attachment No. 1 through  
U. T. Austin

December 10, 1976

Austin, Texas

## MEETING NO. 743

FRIDAY, DECEMBER 10, 1976. --The members of the Board of Regents of The University of Texas System convened in regular session at 9:00 a. m. on Friday, December 10, 1976, in Room 212 of the Main Building on the campus of The University of Texas at Austin, Austin, Texas.

## ATTENDANCE.--

Present

Chairman Shivers, presiding  
 Vice-Chairman Williams  
 Regent Bauerie  
 Regent Clark\*  
 Regent (Mrs.) Johnson  
 Regent Law  
 Regent McNeese  
 Regent Nelson  
 Regent Sterling

Absent

Secretary Thedford

Chancellor LeMaistre  
 Deputy Chancellor Walker

Chairman Shivers called the meeting to order.

BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING ON OCTOBER 1, 1976. --The Minutes of the meeting of the Board of Regents of The University of Texas System held on October 1, 1976, in Houston, were approved as circulated by Secretary Thedford upon motion of Regent Sterling, seconded by Vice-Chairman Williams. The official copy is recorded in the Permanent Minutes, Volume XXIV, beginning with Page 1.

PRESENTATION OF BRONZE PLAQUE TO THE BOARD OF REGENTS BY MRS. MALINE GILBERT (DUDLEY) McCALLA, CO-CHAIRMAN OF THE BICENTENNIAL COMMISSION IN AUSTIN. --Chairman Shivers recognized a very special guest, Mrs. Maline Gilbert (Dudley) McCalla, Co-Chairman of the Bicentennial Commission in Austin. Mrs. McCalla related that three years ago the Commission met to decide on the Bicentennial program for Austin. The group decided that two things made Austin unique: the geographic setting of the creeks and waterways and the influence of the three different types of people--state, city and U. T. Mrs. McCalla further mentioned the beautiful piece of property in Waller Creek which runs through the University campus.

On behalf of the Commission, Mrs. McCalla thanked the members of the Board of Regents for their efforts with special thanks to Regent (Mrs.) Johnson for her support throughout the development of the project and to Deputy Chancellor Walker for "finding" the money. She presented a bronze plaque representing an American Bicentennial Commendation from the Heritage Committee of the Austin Bicentennial Commission to the Board of Regents with the hope that it may be displayed in some wonderful place on the Creek.

Chairman Shivers accepted the plaque on behalf of the Board and assured her that it would occupy a very prominent position on Waller Creek.

\*Regent Clark was excused when the Regents convened to receive the Reports of the Standing Committees.

INTRODUCTION OF STUDENT REPRESENTATIVES AND OTHER GUESTS. --In response to Chairman Shivers' request, the following student representatives and other guests were introduced by the respective institutional heads:

U. T. Austin - President Rogers presented:

Paul Zimmerman, Special Assistant to the  
Vice President of the Student Body  
Susan Foster, Student Senator, College of  
Social and Behavioral Sciences  
David Haug, Student Senator, At-Large

U. T. Arlington - President Nedderman presented:

Penny Willrich, President of Student Congress

U. T. Dallas - President Jordan presented:

Stewart Swift "Sparky" Sparks III, President of  
Student Government  
Rick Littrell, Vice President of Student Government

Galveston Medical Branch - President Levin presented:

Duke McHugh, Chairman of the Student Government  
Association  
Lucy Love, Secretary of the Student Government  
Association

U. T. San Antonio - President Flawn presented:

Mike Tidwell, President of Student Representative Assembly  
Gloria Castillo, Vice President of Student Representative  
Assembly

U. T. Permian Basin - President Cardozier presented:

Dr. William Watts, newly appointed Chief Business Officer

U. T. El Paso - President Templeton presented:

Dr. Carl Hall, Chairman of the Faculty Council  
Jeff Barton, Editor of the Prospector \*

Houston Health Science Center - President Berry presented:

Eileen Kelly, Student Advisory Committee member,  
representing the Speech and Hearing Institute

University Cancer Center - President Clark presented:

Joe Painter, M.D., Vice President for Administration

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\*Mr. Barton arrived late and was introduced during the course of the meeting.

RECESS FOR COMMITTEE MEETINGS AND EXECUTIVE SESSION OF THE COMMITTEE OF THE WHOLE. --At 9:15 a.m. the Board of Regents recessed in order that the Committees could meet. Chairman Shivers announced that immediately following the Open Session of the Committee of the Whole the Board would convene in Room 209 as a Committee of the Whole in Executive Session pursuant to V. T. C. S., Article 6252-17, Sections 2 (e), (f) and (g) to consider:

1. Pending or Contemplated Litigation
2. Land Acquisition
3. Personnel Matters

RECONVENE. --Immediately after the meeting of the Executive Session of the Committee of the Whole (12:30 p.m.), the Board of Regents reconvened in Room 212.

#### REPORTS OF STANDING COMMITTEES

Chairman Shivers called for the reports of the Committees. With the exception of the Executive Session of the Committee of the Whole, all meetings had been conducted in open session in Room 212, Main Building.

REPORT OF SYSTEM ADMINISTRATION COMMITTEE (Pages 3 - 35). -- The following report of the System Administration Committee, submitted by its Chairman, Vice Chairman Williams, was adopted by unanimous vote. The recommendations and actions therein were ratified and in all things confirmed.

#### Report

In open session this morning, the System Administration Committee approved the following recommendations of the Administration and submits them for formal approval by the Board of Regents:

1. U. T. Arlington, U. T. Austin, U. T. San Antonio, Dallas Health Science Center (Dallas Southwestern Medical School), Galveston Medical Branch and its Galveston Medical School, Houston Health Science Center and its Houston Medical School, Houston Dental Branch and Houston Nursing School, San Antonio Health Science Center (San Antonio Medical School), University Cancer Center and its M. D. Anderson: Proposed Amendments to 1975-1976 and 1976-1977 Budgets (1-B-77 and 2-B-77). --Upon recommendation of the appropriate chief administrative officer, concurred in by System Administration, it is requested that amendments to the Annual Budgets indicated (1975-1976 and 1976-1977) for the following institutions be approved: The University of Texas at Arlington, The University of Texas at Austin, The University of Texas at San Antonio, The University of Texas Health Science Center at Dallas (Dallas Southwestern Medical School), The University of Texas Medical Branch at Galveston and its Galveston Medical School, The University of Texas Health Science Center at Houston and its Houston Medical School, Houston Dental Branch and Houston Nursing School, The University of Texas Health Science Center at San Antonio (San Antonio Medical School) and The University of Texas System Cancer Center and its M. D. Anderson. See Pages 4 - 30.

THE UNIVERSITY OF TEXAS AT ARLINGTON  
 AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Warren Poole Student Health Center	Physician	Physician	
	Salary Rate	\$ 30,744 (1975-76)	\$ 32,840	
	1976-77 Budget	\$ 32,700		9/1/76
2.	Auxiliary Enterprises - Student Activities - Counseling, Testing, Career Placement			
	Transfer of Funds	From: Student Services Fees Unappropriated Balance	To: Student Activities - Counseling, Testing, Career Placement - Administrative and Professional Salaries \$ 20,000 Maintenance and Opera- tion 4,762 Travel 1,500 <u>\$ 26,262</u>	
	Amount of Transfer	\$ 26,262		---
3.	Auxiliary Enterprises - Student Activities Office			
	Transfer of Funds	From: Student Services Fees Unappropriated Balance	To: Student Activities Office - Classified Salaries \$ 6,580 Maintenance and Opera- tion 571 <u>\$ 7,151</u>	
	Amount of Transfer	\$ 7,151		---

- 4 -

DEC 10 1976

11/22

THE UNIVERSITY OF TEXAS AT ARLINGTON  
 AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
4.	Auxiliary Enterprises - Student Activities - General Transfer of Funds Amount of Transfer	From: Student Services Fees Unappropriated Balance \$ 3,587	To: Student Activities - General Maintenance and Operation \$ 3,587	---
5.	C. L. Beros (Non-tenure) Political Science Academic Rate Source of Funds: Unallocated Faculty Salaries	Visiting Professor \$ 13,500 (1975-76)	Visiting Professor \$ 16,000	9-1-76
6.	Nathan E. Brener (Non-tenure) Physics Academic Rate	Visiting Assistant Professor \$ 11,000	Visiting Assistant Professor \$ 13,500	9-1-76
7.	Mary C. Shannon (Non-tenure) Social Work Academic Rate Source of Funds: Unallocated Faculty Salaries	Assistant Professor \$ 15,300	Assistant Professor \$ 17,550	10-1-76

DEC 10 1976

1028

THE UNIVERSITY OF TEXAS AT ARLINGTON  
 AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
8.	Auxiliary Enterprises - Tennis Center			
	Transfer of Funds	From: Tennis Center Unappropriated Balance via Estimated Income	To: Tennis Center Operating Budget Salaries \$ 2,728 Wages 2,500 Other Operating Expenses 1,800 Unallocated 5,248	
	Amount of Transfer	\$ 12,276	<u>\$ 12,276</u>	---

DEC 10 1976

1079

THE UNIVERSITY OF TEXAS AT AUSTIN  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1975-76 BUDGET</u>				
48.	Auxiliary Enterprises - Intercollegiate Athletics for Men  Transfer of Funds	From: Intercollegiate Athletics for Men Unappropriated Balance	To: Intercollegiate Athletics for Men - Other Operating Expenses	
	Amount of Transfer	\$ 29,150	\$ 29,150	---
<u>1976-77 BUDGET</u>				
1.	Peggy A. Kruger Office of Vice President for Administrative Services	Equal Employment Opportunity Officer	Equal Employment Opportunity Officer	
	Salary Rate	\$ 17,600 (1975-76)	\$ 20,000	
	1976-77 Budget	\$ 18,800		9/1/76
	Source of Funds: Unallocated Salaries			
In recognition of her performance as Equal Employment Opportunity Officer. She effectively handles questions on women and minorities on U. T. Austin's campus. In addition, she is continually involved as liaison person with HEW and OEO and has proved herself very ably in dealing with these Federal agencies.				
2.	Nester A. Lugones (Non-tenure) Spanish and Portuguese	Instructor	Instructor	
	Academic Rate	\$ 10,000 (1975-76)	\$ 12,000	9/1/76
3.	Niles M. Hansen (Tenure) Economics	Professor	Professor	
	Academic Rate	(\$29,886) (1975-76 LWOP)	(\$32,000)	
	1976-77 Budget (LWOP)	(\$29,886)		9/1/76

- 7 -

DEC 10 1976

4000

THE UNIVERSITY OF TEXAS AT AUSTIN  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1976-77 BUDGET (Continued)</u>				
4.	Vincent J. Geraci (Non-tenure) Economics  Academic Rate 1976-77 Budget  Source of Funds: Dean's Reserve	Assistant Professor  \$ 16,905 (1975-76) \$ 17,900	Assistant Professor  \$ 19,000	9/1/76
5.	Peter J. Shelus Astronomy  Salary Rate  Source of Funds: NASA Grant	Research Scientist Associate V  \$ 19,440 (1975-76)	Research Scientist Associate V  \$ 21,492	9/1/76
6.	Oscar G. Mink Educational Administration  Salary Rate  Source of Funds: HEW Grant	Social Science Research Associate (Faculty)  \$ 29,040 (1975-76)	Social Science Research Associate (Faculty)  \$ 31,044	9/1-12/31
7.	Lucia A. Gilbert (Non-tenure) Educational Psychology  Academic Rate	Assistant Professor  \$ 12,000 (1975-76)	Assistant Professor  \$ 14,500	9/1/76
8.	Claire E. Weinstein (Non-tenure) Educational Psychology  Academic Rate	Assistant Professor  \$ 12,000 (1975-76)	Assistant Professor  \$ 15,000	9/1/76

DEC 10 1976

2081

THE UNIVERSITY OF TEXAS AT AUSTIN  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1976-77 BUDGET (Continued)</u>				
9.	Ann H. Bowden (Non-tenure) Graduate School of Library Science	Lecturer Academic Rate \$ 13,890 (1975-76)	Lecturer \$ 16,000	9/1-1/15
10.	David F. Brower Fusion Research Center	Assistant Director - Engineering and Technology Salary Rate \$ 43,384 (1975-76)	Assistant Director - Engineering and Technology \$ 46,334	9/1-9/30
	Source of Funds: ERDA Contract			
11.	David W. Ross Fusion Research Center	Assistant Director - Theoretical Programs Salary Rate \$ 32,801 (1975-76)	Assistant Director - Theoretical Programs \$ 35,031	9/1-9/30
	Source of Funds: ERDA Contract			
12.	Clif W. Drummond Fusion Research Center	Research Coordinator Salary Rate 1976-77 Budget \$ 28,840 (1975-76) \$ 30,000	Research Coordinator \$ 32,000	9/1-1/16
	Source of Funds: TAERF Grant			
13.	Alan A. Ware Fusion Research Center	Research Scientist Salary Rate \$ 40,716 (1975-76)	Research Scientist \$ 43,485	9/1-9/30
	Source of Funds: ERDA Contract			

- 6 -

DEC 10 1976

4182

THE UNIVERSITY OF TEXAS AT AUSTIN  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1976-77 BUDGET (Continued)</u>				
14.	Paul Wildi Fusion Research Center Salary Rate Source of Funds: ERDA Contract	Research Engineer \$ 36,600 (1975-76)	Research Engineer \$ 39,089	9/1-9/30
15.	William F. Weldon Electrical Engineering Research Laboratory - Energy Storage Group Salary Rate Source of Funds: Government Contract Payroll Clearing Account	Research Engineer Associate V \$ 22,224	Research Engineer Associate V \$ 24,564	9/1/76
16.	Jeffrey D. Eritton Student Health Center Salary Rate	Physician, General Medicine \$ 20,000	Physician, General Medicine \$ 24,000	9/1/76
17.	Gerard H. Behague (Tenure) Music Academic Rate 1976-77 Budget	Professor \$ 23,966 (1975-76) \$ 25,366	Professor \$ 26,000	9/1/76
18.	Rodney W. Jones (Non-tenure) Government Academic Rate	Assistant Professor \$ 13,500 (1975-76)	Assistant Professor (1976-77 Only) \$ 18,000	9/1/76

PRO 10-1976  
 2083

THE UNIVERSITY OF TEXAS AT AUSTIN  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1976-77 BUDGET (Continued)</u>				
19.	Michael P. Thomas, Jr. (Tenure) Educational Administration	Professor	Professor	
	Academic Rate 1976-77 Budget	\$ 25,266 (1975-76) \$ 25,266	\$ 27,500	9/1/76
	Source of Funds: Unallocated Salaries			
20.	Joseph F. Malina, Jr. (Tenure) Civil Engineering	Professor	Professor	
	Academic Rate 1976-77 Budget	\$ 24,966 (1975-76) \$ 24,966	\$ 27,016	9/1/76
	Source of Funds: Unallocated Salaries			
21.	William P. Allison (Non-tenure) School of Law	Case Supervisor	Case Supervisor	
	Salary Rate	\$ 13,332 (1975-76)	\$ 15,791	9/1-5/31 (31%T) 6/1-8/31 (100%T)
	Academic Rate	Instructor \$ 10,000 (1975-76)	Instructor \$ 11,843	9/1-5/31 (69%T)
	Source of Funds: Ford Foundation Grant and Departmental Salaries			

THE UNIVERSITY OF TEXAS AT AUSTIN  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1976-77 BUDGET (Continued)</u>				
22.	Rare Plant Study Center Transfer of Funds	From: Available University Fund Unappropriated Balance (Allocation for Operation and Capital Improvements)	To: Rare Plant Study Center - Administrative and Professional Salaries \$ 12,000 Wages 6,000 Maintenance, Operation, and Equipment 3,500 Travel 3,500 <u>\$ 25,000</u>	---
	Amount of Transfer	\$ 25,000		
23.	School of Nursing Transfer of Funds	From: Available University Fund Unappropriated Balance (Allocation for Operation and Capital Improvements)	To: School of Nursing: Center for Health Care Research and Evaluation- Classified Personnel \$ 28,032 Maintenance, Operation, and Equipment 5,000 Travel 1,000 Sub-total <u>\$ 34,032</u> Continuing Education Program- Classified Personnel \$ 44,148 Maintenance, Operation, and Equipment 10,000 Travel 3,000 Sub-total <u>\$ 57,148</u> Total <u>\$ 91,180</u>	---
	Amount of Transfer	\$ 91,180		

DEC 10 1976 1085

THE UNIVERSITY OF TEXAS AT AUSTIN  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
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1976-77 BUDGET (Continued)

As a result of the redistribution of The University of Texas System School of Nursing, Dean Billye Brown has requested that The University of Texas at Austin provide continuing support for the Center for Health Care Research and Evaluation and the expansion of the School of Nursing Continuing Education Program. In addition the Austin campus will now be hosting the National Conference on Continuing Education in October, 1976.

I, therefore, recommend that \$34,032 be allocated for the Center for Health Care Research and Evaluation and \$57,148 be allocated for the School of Nursing - Continuing Education Program.

Center for Health Care Research and Evaluation

Classified Personnel	\$ 28,032
Maintenance, Operation, and Equipment	5,000
Travel	<u>1,000</u>
Total	<u>\$ 34,032</u>

School of Nursing - Continuing Education Program

Classified Personnel	\$ 44,148
Maintenance, Operation, and Equipment	10,000
Travel	<u>3,000</u>
Total	<u>\$ 57,148</u>

- 13 -

24. Library  
 Transfer of Funds

From: Available University Fund  
 Unappropriated Balance  
 (Allocation for Operation  
 and Capital Improvements)

To: Library -  
 Administrative and Professional  
 Salaries \$ 75,300  
 Wages 352,400  
 Maintenance, Operation, and  
 Equipment 34,300  
 Total \$ 462,000

Amount of Transfer \$ 462,100

Since 1972, three special appropriations for processing of library materials have been used by the General Libraries for special cataloging projects. During 1974-75 and 1975-76, all of each special appropriation along with substantial funding from the General Libraries' regular budget has been spent on the processing of Humanities Research Center materials. Funds for 1975-76 have resulted in the reduction of the backlog by 103,305 volumes.

DEC 10 1976

1086

~~THE UNIVERSITY OF TEXAS AT AUSTIN~~  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1976-77 BUDGET (Continued)</u>				
<p>It is my recommendation that a special appropriation of \$462,000 be made to allow us to continue the cataloging effort of approximately 100,000 volumes per year. With this appropriation it will be possible to continue to rapidly decrease the backlog. In addition, continuity in employment enables us to retain an experienced and skilled cataloging work force. It is my intent to make these materials available as early as possible to the University and world scholars who will use them.</p>				
Budget for 1976-77:				
	Administrative and Professional Salaries		\$ 75,300	
	Wages		352,400	
	Maintenance, Operation, and Equipment		<u>34,300</u>	
	Total		<u>\$ 462,000</u>	
25.	Larry A. Bugen (Non-tenure) Health, Physical Education, and Recreation Academic Rate	Assistant Professor \$ 12,500 (1975-76)	Assistant Professor \$ 15,500	9-1-76
26.	Gene E. Hall Research and Development Center for Teacher Education Salary Rate	Project Director (Faculty) \$ 25,564 (1975-76)	Project Director (Faculty) \$ 28,171	9/1 - 9/30
	Source of Funds: National Institute of Education Grant			

DEC 10 1976 4087

THE UNIVERSITY OF TEXAS AT SAN ANTONIO  
 AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status <u>1975-76 Academic Rate</u>	Proposed Status <u>1976-77 Academic Rate</u>	Effective Dates <u>Fall Semester</u>
<u>Part-time Lecturers (Non-tenure)</u>				
College of Business: Division of Accounting				
1.	William P. Kearns	\$ 8,478	\$ 11,304	9/1/76
Division of Economics and Finance				
2.	Richard Zock	\$ 8,700	\$ 11,600	9/1/76
3.	Robert D. Dallin	6,000	8,000	9/1/76
4.	Jon M. Knight	7,200	10,400	9/1/76
College of Multidisciplinary Studies: Division of Environmental Studies				
5.	Jose N. Uranga, Jr.	\$ 9,000	\$ 12,800	9/1/76
6.	Robert O. Clark	10,200	13,600	9/1/76
7.	Robert R. Ashcroft	8,400	12,000	9/1/76
8.	C. Thomas Koch	9,000	12,800	9/1/76
9.	Adolph Eisenmenger	9,000	12,800	9/1/76
10.	Gary L. Turnock	7,800	11,200	9/1/76

- 15 -

DEC 10 1976 1188

AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76 Budget			1976-77 Budget			
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Dallas Southwestern Medical School</u>								
1.	Charles R. Hackenbrock (Tenure) Cell Biology Professor 1976-77 Original Budget	\$ 42,287	---	\$ 42,287	\$ 46,500	---	\$ 46,500	9/1/76
	Source of Funds: Unallocated Faculty Salaries and NSF Grant				\$ 43,500	---	\$ 43,500	
2.	Richard M. Adams (Non-tenure) Pediatrics Assistant Professor 1976-77 Original Budget	\$ 30,309	---	\$ 30,309	\$ 34,677	---	\$ 34,677	9/1/76
	Source of Funds: Dallas Independent School District				\$ 31,676	---	\$ 31,676	
3.	Michele DiGiacomo Pediatrics Psychological Associate I Source of Funds: NIH Grant	\$ 12,168	---	\$ 12,168	\$ 14,376	---	\$ 14,376	9/1/76
4.	Guido Currarino (Tenure) Radiology Professor 1976-77 Original Budget Source of Funds: MSRDP	\$ 37,125	---	\$ 37,125	\$ 38,700 \$ 38,700	\$ 16,700 ---	\$ 55,400 \$ 38,700	9/1/76

~~THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS~~  
 AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76	Budget	Total	1976-77	Budget	Total	
		Salary Rate	Augmentation	Compensation	Salary Rate	Augmentation	Compensation	
<u>Dallas Southwestern Medical School</u>								
5.	Harold W. C. Ward (Non-tenure) Radiology Professor 1976-77 Original Budget	\$ 45,000	\$ 5,000	\$ 50,000	\$ 45,000 \$ 45,000	\$ 11,500 \$ 6,000	\$ 56,500 \$ 51,000	9/1/76
	Source of Funds: MSRDP							
6.	James W. Aston, Jr. (Non-tenure) Surgery Assistant Professor of Orthopedic Surgery 1976-77 Original Budget	\$ 30,540	---	\$ 30,540	\$ 35,000 \$ 32,700	\$ 8,000 ---	\$ 43,000 \$ 32,700	9/1/76
	Source of Funds: Scottish Rite Hospital and MSRDP							
7.	Geral W. Dietz (Non-tenure) Radiology Associate Professor							
	Source of Funds: Parkland Hospital and MSRDP							
			<u>1976-77 Original Budget</u>					
		\$ 32,013	\$ 7,787	\$ 39,800	\$ 33,982	\$ 8,018	\$ 42,000	10/1/76
8.	Franklin R. Goodman (Non-tenure) Pharmacology Assistant Professor	\$ 21,400	---	\$ 21,400	\$ 23,800	---	\$ 23,800	11/1/76
	Source of Funds: NIH Grant							

- 17 -

DEC 10 1976

2090

AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

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>								
9.	Gordon H. Templeton (Non-tenure) Physiology, Health Care Sciences Associate Professor of Physiology; Assistant Professor of Health Care Sciences	\$ 28,000	---	\$ 28,000	\$ 30,000	---	\$ 30,000	10/1/76
	Source of Funds: Unallocated Faculty Salaries							
10.	Thomas S. Curry, III (Tenure) Radiology Professor	\$ 35,785	\$ 13,215	\$ 49,000	\$ 39,785	\$ 13,215	\$ 53,000	10/1/76
	Source of Funds: Departmental Trust Fund							
11.	Hugo E. Jasin (Tenure) Internal Medicine Associate Professor	\$ 38,900	---	\$ 38,900	\$ 38,900	\$ 3,100	\$ 42,000	10/1/76
	Source of Funds: MSRDP							
12.	Peter E. Lipsky (Non-tenure) Internal Medicine Assistant Professor	\$ 25,000	---	\$ 25,000	\$ 30,000	---	\$ 30,000	10/1/76
	Source of Funds: NIH Grant							
13.	James Forman (Tenure) Microbiology Associate Professor	\$ 26,000	---	\$ 26,000	\$ 30,000	---	\$ 30,000	10/1/76
	Source of Funds: NIH Grant							

- 18 -

DEC 1 1976

41091

~~THE UNIVERSITY OF TEXAS MEDICAL BRANCH~~  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
	<u>1975-76 BUDGET</u>			
12.	Plant Funds Transfer of Funds	From: Unappropriated Balance via Estimated Income	To: Capital Improvements, Including Equipment -	
			1. Project Allocation (3-41880-880460) To be appropriated for specific projects as required.	\$ 500,000.00
			2. Hospital Equipment Fund (7-41880-880610) To supplement Legislative Appropriations.	750,000.00
			3. Hospital Area Renovations (1-41880-880635) To provide minor alterations to existing facilities.	498,468.37
			4. Waterproof Exterior of Buildings (9-41880-880950) Preventive maintenance program for Moody School, Administration Annex and Hendrix Building	35,000.00
			5. New Sidewalk and Street Repairs (8-41880-880535)	10,000.00
			6. Landscaping (7-41880-880543)	25,000.00
			7. Installation of Fire Alarm System, Phase II (1-41880-880845) To continue placing all buildings on a central fire alarm system.	30,000.00
			8. Replace Air Conditioning Mixing Boxes for Randall Building, Phase II (4-41880-880290)	15,000.00
			9. Repairs to Incinerator, Waterproof Floor Cage Washer, Animal Care Center	40,000.00
			10. Parking Lots (0-41880-880455)	100,000.00

THE UNIVERSITY OF TEXAS  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1975-76 BUDGET (Continued)</u>				
12.	Plant Funds (Continued)	From: Unappropriated Balance via Estimated Income	To: Capital Improvements, Including Equipment -	
			11. Physical Fitness Center - Project No. 601-204 (0-41881-988100)	68,181.63
			To fund expenses incurred with this project; this project has been terminated.	
			12. Ashbel Smith Building - Project No. 601-284 (5-41881-915160)	14,350.00
			To fund expenses incurred with this project.	
			13. Learning Center Equipment (3-41880-880670)	464,000.00
			14. Reserves for Utility Cost Escalation (0-41880-880990)	350,000.00
	Amount of Transfer	\$2,900,000.00		<u>\$2,900,000.00</u> ---

Income realized for 1975-76 in excess of the original budget estimate is appropriated to the above-listed categories. Details, as appropriate, will be presented to the Board at a later date through the Buildings and Grounds Committee for individual project consideration and recommendation for approval.

DEC 16 1975

AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76	Budget	Total	1976-77	Budget	Total	
		Salary Rate	Augmentation	Compensation	Salary Rate	Augmentation	Compensation	
<u>1976-77 BUDGET</u>								
<u>Galveston Medical School</u>								
1.	Leonard A. Charpentier (Non-tenure) Obstetrics and Gynecology Associate Professor	\$ 35,000	\$ 17,000	\$ 52,000	\$ 36,000	\$ 18,000	\$ 54,000	9/1/76
	Source of Funds: Unallocated Salaries and MSRDP							
2.	Walter J. Decker (Non-tenure) Pharmacology, Pediatrics, Graduate School Associate Professor	\$ 26,000	---	\$ 26,000	\$ 28,000	---	\$ 28,000	9/1/76
3.	Harvey S. Levin (Non-tenure) Surgery Assistant Professor 1976-77 Original Budget	\$ 21,800	---	\$ 21,800	\$ 23,300 \$ 23,300	\$ 5,825 ---	\$ 29,125 \$ 23,300	9/1/76
	Source of Funds: MSRDP							
4.	John M. Wallace (Tenure) Internal Medicine Professor	\$ 34,000	\$ 7,000	\$ 41,000	\$ 38,000	\$ 10,000	\$ 48,000	10-1-76
	Source of Funds: Unallocated Salaries and MSRDP							

THE UNIVERSITY OF HOUSTON HEALTH SCIENCE CENTER - HOUSTON  
 AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1975-76 BUDGET</u>				
16.	Plant Funds Transfer of Funds	From: Unappropriated Balance - General Funds	To: Unexpended Plant Funds - Special Project Allocation Fund	
	Amount of Transfer	\$ 500,000	\$ 500,000	---

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1 9 7 5 - 7 6	B u d g e t		1 9 7 6 - 7 7	B u d g e t		
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Compensation	
<u>Houston Medical School</u>								
1.	Gerald P. Wantz (Non-tenure) Anesthesiology Assistant Professor 1976-77 Original Budget	\$ 31,000	\$ 15,000	\$ 46,000	\$ 35,000	\$ 17,000	\$ 52,000	9/1/76
	Source of Funds: MSRDP Clinical Program Funds and Augmentation				\$ 32,000	\$ 15,800	\$ 47,800	
<u>Houston Dental Branch</u>								
2.	James L. Sanders (Non-tenure) General Practice Assistant Professor	\$ 16,000	---	\$ 16,000	\$ 20,000	---	\$ 20,000	9/1/76
	Source of Funds: Capitation Grant							
<u>Houston Nursing School</u>								
3.	Dorothy A. Otto (Non-tenure) Office of the Dean Acting Dean and Assistant Professor	\$ 24,000	---	\$ 24,000	\$ 30,000	---	\$ 30,000	9/1/76

DEC 10 1976 2:49 PM

AMENDMENTS TO THE 1975-76 AND 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>1976-77 BUDGET</u>								
<u>Houston Medical School</u>								
4.	James C. Thomas (Non-tenure) Internal Medicine - General Assistant Professor	\$ 30,000	\$ 9,500	\$ 39,500	\$ 33,000	\$ 9,500	\$ 42,500	10-1-76
5.	Carlos W. Bedrossian (Non-tenure) Pathology Assistant Professor	\$ 30,000	\$ 11,000	\$ 41,000	\$ 30,000	\$ 14,500	\$ 44,500	11-1-76
Source of Funds: MSRDP								

DEC 10 1976

2196

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO  
 AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76 Salary Rate	Budget Augmentation	Total Compensation	1976-77 Salary Rate	Budget Augmentation	Total Compensation	
<u>San Antonio Medical School</u>								
1.	Jay H. Stein (Tenure) Medicine Professor 1976-77 Original Budget	\$ 39,000	\$ 8,500	\$ 47,500	\$ 40,300 \$ 39,500	\$ 9,700 \$ 8,500	\$ 50,000 \$ 48,000	9/1/76
	Source of Funds: Unallocated Salaries and MSRDP							
2.	Richard Zakheim (Tenure) Pediatrics Associate Professor	\$ 34,000	\$ 6,000	\$ 40,000	\$ 40,000	\$ 2,000	\$ 42,000	9/1/76
	Source of Funds: Departmental Salaries, Unallocated Salaries, and MSRDP							
3.	Joaquin G. Mira (Non-tenure) Radiology Assistant Professor	\$ 35,500	\$ 11,500	\$ 47,000	\$ 35,500	\$ 13,900	\$ 49,400	9/1/76
	Source of Funds: VA Contract and MSRDP							

# CORRECTION

THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY

<u>Item</u>	<u>Station</u>	<u>Budget</u>	<u>Total Compensation</u>	<u>Effective Dates</u>
1.	1,700	50,000		9/1/76
	500	48,000		
2.	2,000	42,000		9/1/76
3.	13,900	49,400		9/1/76

<u>Item No.</u>	<u>Explanation</u>
1.	San Antonio Medical School Jay H. Stein (Tenure) Medicine Professor 1976-77 Original Budget Source of Funds: Unallocated Salaries and MSRDP
2.	Richard Zakheim (Tenure) Pediatrics Associate Professor Source of Funds: Department Salaries, Unallocated Salaries and MSRDP
3.	Joaquin G. Mira (Non-tenured) Radiology Assistant Professor Source of Funds: VA Contract and MSRDP

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO  
 AMENDMENTS TO THE 1976-77 OPERATING BUDGET

Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76	Budget	Total	1976-77	Budget	Total	
		Salary Rate	Augmentation	Compensation	Salary Rate	Augmentation	Compensation	
<u>San Antonio Medical School</u>								
1.	Jay H. Stein (Tenure) Medicine Professor 1976-77 Original Budget	\$ 39,000	\$ 8,500	\$ 47,500	\$ 40,300 \$ 39,500	\$ 9,700 \$ 8,500	\$ 50,000 \$ 48,000	9/1/76
	Source of Funds: Unallocated Salaries and MSRDP							
2.	Richard Zakheim (Tenure) Pediatrics Associate Professor	\$ 34,000	\$ 6,000	\$ 40,000	\$ 40,000	\$ 2,000	\$ 42,000	9/1/76
	Source of Funds: Departmental Salaries, Unallocated Salaries, and MSRDP							
3.	Joaquin G. Mira (Non-tenure) Radiology Assistant Professor	\$ 35,500	\$ 11,500	\$ 47,000	\$ 35,500	\$ 13,900	\$ 49,400	9/1/76
	Source of Funds: VA Contract and MSRDP							

DEC 10 1976

2197

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76	Budget		1976-77	Budget		
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	<u>San Antonio Medical School</u>							
4.	Guy E. Henning (Non-tenure) Family Practice Residency Training Program Assistant Professor	\$ 32,650	\$ 3,000	\$ 35,650	\$ 39,000	---	\$ 39,000	9/1/76
	Source of Funds: Departmental Salaries and Unallocated Salaries							

On 1 September, 1976, Dr. Henning will move to McAllen, Texas, where he will assume the full-time responsibility of Deputy Director of the McAllen-University of Texas Health Science Center at San Antonio Family Practice Residency Program. Pursuant to our previous discussions where it was agreed that some increase above usual and customary salaries was appropriate for assuming such additional independent responsibilities and consistent with the changes for both him and his family necessitated by moving to a small rural community, it is requested that the maximum base salary allowable for the Assistant Professor level be waived and thus his total salary be paid from State monies. These monies are available in the Valley Program budget, programmed currently through 1976 and the next biennium. It is necessary that this waiver be for the year 1976 and possibly 1977. This is necessitated because of the fact that the non-profit Medical Education Foundation, established in McAllen as a means for collection of patient care revenue generated by the training program, will require that length of time to be in a fiscal position to assume responsibility for his salary augmentation and fringe benefits.

This salary is consistent with his degree of new responsibility in McAllen, and with the hardships placed upon him and his family caused by leaving their home and schools in San Antonio and moving to a smaller rural community. Dr. Henning has a great degree of potential for success in the development of this, our first satellite Family Practice Residency Program, and I feel quite secure in recommending this position and salary, although we are dealing in an area for which there is little precedent.

DEC 10 1976

41988

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO  
 AMENDMENTS TO THE 1976-77 OPERATING BUDGET  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

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>								
5.	William L. McGuire (Tenure) Medicine Professor	\$ 32,000	\$ 11,800	\$ 43,800	\$ 33,000	\$ 12,800	\$ 45,800	10-1-76
	Source of Funds: Unallocated Salaries and MSRDP							
6.	Helen A. Bertrand (Non-tenure) Physiology Assistant Professor	\$ 20,700	---	\$ 20,700	\$ 25,700	---	\$ 25,700	10-1-76
	Source of Funds: Unallocated Salaries and HEW Grant							

DEC 10 1976

1099

AMENDMENTS TO THE 1975-76 and 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>1975-76 BUDGET</u>				
10.	Plant Funds			
	Transfer of Funds	From: Unappropriated Balance - General Funds \$ 2,975,000	To: The University of Texas M. D. Anderson Hospital and Tumor Institute Endowment and Hospital Revenue Bonds, Series 1972 & 1976 - Interest and Sinking Fund \$ 1,500,000	
		Unappropriated Balance - Unexpended Plant Funds <u>1,025,000</u>	Construction Project Number 703-78 - Expansion of M. D. Anderson Hospital - Allotment Account 500,000	
			Construction Project Number 703-291 - Remodeling of Existing Building - Allotment Account <u>2,000,000</u>	
	Amount of Transfer	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>	---

To assure continuing compliance with the provisions of the bond indenture for The University of Texas M. D. Anderson Hospital and Tumor Institute, Endowment and Hospital Revenue Bonds, Series 1972 it is necessary that the amount of \$1,500,000 be transferred to the Interest and Sinking Fund to meet the interest requirements of the 1976-77 fiscal year.

THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER  
 AMENDMENTS TO THE 1975-76 and 1976-77 OPERATING BUDGETS  
 Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76	Budget	Total	1976-77	Budget	Total	
		Salary Rate	Augmentation	Compensation	Salary Rate	Augmentation	Compensation	
<u>1976-77 BUDGET</u>								
1.	Murray M. Copeland (Non-tenure) Office of the President; Surgery Vice President, University Cancer Foundation, Surgeon, Professor of Surgery 1976-77 Original Budget	\$ 30,987	\$ 3,333	\$ 34,320	\$ 33,000 \$ 30,987	\$ 3,500 \$ 3,333	\$ 36,500 \$ 34,320	9/1/76
	Source of Funds: NIH Contract and PRS							
<u>M. D. Anderson</u>								
2.	Victor J. Lanzotti (Non-tenure) Medicine Assistant Internist and Assistant Professor of Medicine 1976-77 Original Budget	\$ 21,000	\$ 10,000	\$ 31,000	\$ 27,000 \$ 25,000	\$ 11,000 \$ 11,000	\$ 38,000 \$ 36,000	9/1/76
	Source of Funds: Unallocated Salaries							
3.	Barry Green (Non-tenure) Diagnostic Radiology Assistant Radiologist and Assistant Professor of Radiology 1976-77 Original Budget	\$ 30,000	\$ 10,000	\$ 40,000	\$ 32,500 \$ 32,000	\$ 12,500 \$ 12,000	\$ 45,000 \$ 44,000	9/1/76
	Source of Funds: Departmental Salaries and PRS							

THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER  
 AMENDMENTS TO THE 1975-76 and 1976-77 OPERATING BUDGETS

Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76	Budget	Total	1976-77	Budget	Total	
		Salary Rate	Augmentation	Compensation	Salary Rate	Augmentation	Compensation	
	M. D. Anderson (Continued)							
4.	Carlos H. Fernandez (Non-tenure) Radiotherapy Assistant Radiotherapist and Assistant Professor of Radio- therapy and Pediatrics 1976-77 Original Budget	\$ 32,500	\$ 7,500	\$ 40,000	\$ 33,000 \$ 33,000	\$ 12,000 \$ 11,000	\$ 45,000 \$ 44,000	9/1/76
	Source of Funds: PRS							
5.	Edgar C. White (Term Appointment) Surgery Surgeon and Professor of Surgery 1976-77 Original Budget	\$ 38,888	\$ 19,200	\$ 58,088	\$ 42,500 \$ 38,888	\$ 20,588 \$ 19,200	\$ 63,088 \$ 58,088	9/1/76
	Source of Funds: Unallocated Salaries and PRS							
6.	Thomas G. Day, Jr. (Non-tenure) Gynecology Assistant Surgeon and Assistant Professor of Gynecology 1976-77 Original Budget	\$ 28,000	\$ 10,000	\$ 38,000	\$ 32,500 \$ 31,000	\$ 12,500 \$ 11,000	\$ 45,000 \$ 42,000	9/1/76
	Source of Funds: Departmental Salaries and PRS							
7.	Ariyadasa Udagama (Non-tenure) Dental Oncology Assistant Surgeon, Dental Service	\$ 23,750	---	\$ 23,750	\$ 26,000	---	\$ 26,000	9/1/76

**THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER  
 STATEMENTS TO THE 1975-76 and 1976-77 OPERATING BUDGETS**

Source of Funds - Departmental Appropriations  
 (Unless Otherwise Specified)  
 (Continued)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		1975-76	Budget		1976-77	Budget		
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	M. D. Anderson (Continued)							
8.	Manuel Valdivieso (Non-tenure) Developmental Therapeutics Assistant Internist and Assistant Professor of Medicine 1976-77 Original Budget	\$ 27,000	\$ 5,000	\$ 32,000	\$ 28,900	\$ 9,000	\$ 37,900	9/1/76
	Source of Funds: NIH Grant				\$ 27,000	\$ 9,000	\$ 36,000	
9.	Stephen C. Stuyck Information Office Information Coordinator 1976-77 Original Budget	\$ 16,250	---	\$ 16,250	\$ 20,250	---	\$ 20,250	9/1/76
	Source of Funds: Unallocated Salaries				\$ 18,000	---	\$ 18,000	
10.	Carlos H. Fernandez (Non-tenure) Radiotherapy Assistant Radiotherapist, Assistant Professor of Radio- therapy and Pediatrics	\$ 33,000	\$ 12,000	\$ 45,000	\$ 35,400	\$ 13,000	\$ 48,400	10-1-76
	Source of Funds: Physicians' Referral Service							

- 30 -

DEC 10 1976 4:03

2. U. T. Arlington: Request for Prior Approval of Patent Provisions in Agreement with Electric Power Research Institute, Inc. (Compliance with Regents' Rules and Regulations, Part Two, Chapter V, Section 2.4) (4-CW-77). --It is recommended by the U. T. Arlington Patent Committee (R&R, Part Two, Chapter V, Section 2.431) and President Nedderman, concurred in by System Administration, that prior approval be given to the patent provisions of a proposed agreement between The University of Texas at Arlington and the Electric Power Research Institute, Inc. (EPRI) whereby all patentable rights and discoveries that result from this agreement will be vested in EPRI for the benefit of the public at large.

The Office of General Counsel has reviewed the patent provisions of the proposed agreement and finds that these provisions are consistent with the Regents' Rules and Regulations, Part Two, Chapter V, Section 2.4. A copy of this agreement if executed will be reported in a subsequent docket.

3. U. T. Austin: Request to Establish Border Research Program (2-CW-77). --It is recommended by President Rogers, concurred in by System Administration, that a Border Research Program be established at The University of Texas at Austin for the purpose of undertaking research projects on policy questions relating to border problems affecting the United States' relations with Mexico.

President Rogers' proposal provides that the funding for the program will not exceed \$5,000 for the two-year period in addition to commitments already made to Dr. Stanley Ross, the coordinator, for the same period. The coordinator of the program will seek external funding from foundations.

As a forerunner of the establishment of this program, System Administration reported that Mexican government officials, the National Council for Science and Technology in Mexico, the U. S. Department of State, the National Science Foundation and several national foundations in the United States had met jointly and discussed proposals to establish a program of this type.

4. U. T. Austin (Marine Science Institute): Request to Name Geophysics Laboratory at Galveston (Waiver of Regents' Rules and Regulations, Part One, Chapter VIII, Section 1) (3-CW-77). --President Rogers has requested that the Geophysics Laboratory of the Marine Science Institute at Galveston be named the Maurice Ewing Hall in honor of the late Dr. W. Maurice Ewing who passed away in 1974. The Geophysics Laboratory was founded by Professor Ewing, Chief of the Division of Earth and Planetary Sciences in the Marine Biomedical Institute.

Dr. Ewing was a distinguished scientist whose entire career was devoted to education and research. He served as a consultant to the U. S. Government and industry. His outstanding contributions to geophysics were recognized by the conferring of eleven honorary degrees by universities in the United States and four foreign countries.

System Administration concurs in the request to change the name of the Galveston Geophysics Laboratory to the Maurice Ewing Hall which requires a waiver of the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1.

5. U. T. Dallas: Establishment of Advisory Council for Arts and Humanities and Proposed Nominees Thereof (5-CW-77). --

It is recommended that the request of President Jordan to establish an Advisory Council for Arts and Humanities at The University of Texas at Dallas be approved. This Advisory Council is to consist of not more than 25 members. The purpose of the council would be to advise and assist the President, the Vice President for Academic Affairs and the Dean of Arts and Humanities in the interaction of the program in Arts and Humanities with the needs of the Dallas community.

It is further recommended that the following be nominated to membership on this Advisory Council:

Mrs. Alfred Bromberg, Dallas  
 Vincent A. Carrozza, Dallas  
 Mrs. James B. Francis, Dallas  
 Mrs. Robert Glazer, Dallas  
 A. C. Greene, Dallas  
 Lloyd H. Haldeman, Dallas  
 Jerry Lee Holmes, Dallas  
 S. Roger Horchow, Dallas  
 Mrs. William Jagoda, Dallas  
 Mrs. Bartram Kelley, Dallas  
 Mrs. Dan Krausse, Dallas  
 Irvin L. Levy, Dallas  
 Mrs. Edward Marcus, Dallas  
 Richard Marcus, Dallas  
 Harry Parker, Dallas  
 Janet Spencer, Dallas  
 Mrs. Theodore H. Strauss, Dallas  
 Henry Taylor, Dallas  
 Liener Temerlin, Dallas  
 Lon Tinkle, Dallas  
 Jerrold M. Trim, Dallas  
 W. T. Whatley, Dallas  
 Addison Wilson III, Dallas  
 Robert A. Wilson, Dallas  
 Peter Wolf, Dallas

When replies have been received from the nominees, those accepting will be reported. (See Page 156 )

6. U. T. Permian Basin - Development Board: (1) Proposed Bylaws and (2) Nominees (1-CW-77). --Chancellor LeMaistre recommends that (1) the Bylaws of The University of Texas of the Permian Basin Development Board be approved in the form submitted by President Cardozier and as set out on Pages 33 - 34 . By the adoption of these bylaws, it will be understood that The University of Texas of the Permian Basin Development Board is established with an authorized membership of 25.

BYLAWS OF  
THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN  
DEVELOPMENT BOARD

Article I

*Name and Purpose*

Section 1. The name of the Board shall be The University of Texas of the Permian Basin Development Board.

Section 2. In accordance with resolutions adopted by the Board of Regents of The University of Texas System, The University of Texas of the Permian Basin Development Board is an agency of The University of Texas of the Permian Basin responsible to the President of The University of Texas of the Permian Basin and through him to the Chancellor and the Board of Regents for University relations and private fund development for The University of Texas of the Permian Basin.

Article II

*Responsibilities and Duties*

The responsibilities and duties of the Board shall be those set forth in the *Rules and Regulations of the Board of Regents of The University of Texas System*.

Article III

*Membership and Term of Office*

Section 1. *Membership.* The University of Texas of the Permian Basin Development Board shall consist of not more than twenty-five appointed members, recommended and appointed by the President of The University of Texas of the Permian Basin with prior specific written approval of the Chancellor and the Board of Regents. The President of The University of Texas of the Permian Basin and the Chancellor shall be ex-officio members with voting privileges.

Section 2. *Term of Office.* All appointees shall serve for three-year terms, except the original Board whose terms shall be determined by a draw of lots. Terms are staggered and begin on September 1 of the appropriate year.

Article IV

*Officers and Staff*

Section 1. The officers of the Board shall be a Chairman and a Vice-Chairman, who shall be members of the Board.

Section 2. The Development Board shall elect a representative from its membership to The University of Texas System Advisory Committee for a three-year term officially beginning September 1. This representative may serve on The University of Texas System Advisory Committee only so long as he is a member of The University of Texas of the Permian Basin Development Board.

Section 3. Each officer of the Board shall be elected by a majority of the voting members of the Board and shall hold office for one year, or until his successor shall have been chosen. Neither the Chairman nor the Vice-Chairman shall serve more than three consecutive terms.

Section 4. Officers shall be elected annually at the regular fall meeting of the Board.

Section 5. The Chairman shall preside at all meetings of the Board. He shall be responsible for the general direction of the affairs of the Board and shall be the official representative of the Board. In the absence or disability of the Chairman, the Vice-Chairman shall preside and serve in his place. The Chairman shall cause accurate minutes of the Board's proceedings to be kept, and shall file copies of all minutes with the Secretary of the Board of Regents. The staff shall perform such other services as directed by the Chairman and as are normally required.

*Section 6. Development Board Executive Office.*

(a) Within the office of the President of The University of Texas of the Permian Basin there may be appointed by the President, with the approval of the Chancellor, a Director of the Development Board. He is charged with the University relations and fund-development activity, and subject to supervision, evaluation, and termination of employment by the President.

(b) The Director of the Development Board shall have such staff and such operating fund as shall be determined from time to time by budgets recommended by the President, endorsed by the Chancellor, and adopted by the Board of Regents. Duties of staff members shall be established by the Director.

Section 7. *Finances.* Financial support of The University of Texas of the Permian Basin Development Board and the Director shall be provided exclusively by the budget of The University of Texas of the Permian Basin. Such budgets will be made through established budgetary procedures. Gifts for private fund developments which have been accepted by the Board of Regents may be made available for expenditure by the Development Board.

**Article V**

*Meetings*

Section 1. The Board shall hold at least two regular meetings each year, one in the spring and the other in the fall; the fall meeting shall be considered the annual meeting.

Section 2. Special meetings of the Board shall be held as determined by the Board itself or upon call of the chairman or upon request in writing signed by at least three members. There shall be at least three days' prior written notice of such special meetings to all members of the Development Board.

Section 3. The exact date and place of holding meetings shall be as fixed by the Board, or in the call issued for the meetings.

Section 4. Decisions will be made by a majority vote of those members present in person at the meeting.

**Article VI**

*Quorum*

Eight voting members shall constitute a quorum at a meeting; however, if a quorum is not present at any regular or special meeting, the action of a majority vote of those present must be ratified by a majority vote of the entire Board by mail ballot.

**Article VII**

*Committees*

The Chairman is authorized to establish such committees as he may deem appropriate.

**Article VIII**

*Amendments*

These bylaws may be amended at any regular meeting by vote of a majority of the members of the Board; provided the notice of such meetings states that amendment of the bylaws is to be considered, and that the amendment will not be effective until approved by the Board of Regents of The University of Texas System.

(2) It is further recommended that the following nominees proposed by President Cardozier and processed through appropriate channels be approved for membership on The University of Texas of the Permian Basin Development Board:

James N. Allison, Jr., Midland  
 Claude W. Brown, McCamey  
 J. Conrad Dunagan, Monahans  
 Mel Z. Gilbert, Snyder  
 Norvell W. Harris, Odessa  
 Ray F. Herndon, Jr., Midland  
 Stanley C. Moore, Midland  
 W.D. Noel, Odessa  
 Charles R. Perry, Odessa  
 Joe Pickle, Big Spring  
 Charles H. Priddy, Midland  
 James Roberts, Andrews  
 Louis Rochester, Odessa  
 W. F. Roden, Midland  
 E. M. Schur, Odessa  
 Mrs. Richard C. Slack, Pecos

The names of the nominees who accept this appointment will be reported. (Page 157 )

7. Galveston Medical Branch (Galveston Allied Health Sciences School): Proposed Affiliation Agreement with Texas Research Institute of Mental Sciences, Houston, Texas (Clinical Training of Allied Health Sciences Students) (I-M-77). -- It is recommended by System Administration and President Levin that the affiliation agreement between the Board of Regents of The University of Texas System for and on behalf of the Galveston Allied Health Sciences School at The University of Texas Medical Branch at Galveston and the Texas Research Institute of Mental Sciences of Houston, Texas, be approved. This agreement is based on the model affiliation agreement and will provide an opportunity for the clinical experiences necessary for the depth and variety of education and training of Medical Record Administration students. The agreement is for a term of one year, beginning with the 1976-77 academic year, and shall continue thereafter from year to year unless terminated by either party.

It is recommended that the Chairman of the Board of Regents be authorized to execute this agreement when it has been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (Pages 36 - 44). -- Committee Chairman (Mrs.) Johnson submitted the following Report of the Academic and Developmental Affairs Committee. This report, upon motion duly made and seconded, was unanimously adopted:

### Report

The Academic and Developmental Affairs Committee in open meeting this morning (December 10, 1976) approved the following items and submits them to the full Board for ratification:

1. U. T. System: Deputy Chancellor's Docket No. 9 (Attachment No. 1) (Catalog Change). -- Committee Chairman (Mrs.) Johnson reported that no exception had been received to Deputy Chancellor's Docket No. 9. In consideration of this Docket no objections were offered at the meeting, and the Docket was unanimously approved in the form distributed by the Secretary. It is attached (Attachment No. 1) following Page 161 and made a part of these Minutes.

It was ordered that any item included in this Docket that is normally published in the catalogs of the various institutions be reflected in the first catalog published thereafter by the respective institution.

2. U. T. Arlington: Policy Statement Authorizing Sale of Beer and Wine in Student Union Building. -- Upon recommendation of President Nedderman, concurred in by System Administration, the following policy statement was adopted thereby authorizing the administration at The University of Texas at Arlington to take the necessary steps to secure permits required by law to sell beer and wine in the Student Union Building of U. T. Arlington. Vice Chairman Williams voted "No."

"The University of Texas at Arlington is authorized to sell beer and wine in the Coffeehouse-Pub of the Student Union Building and at such other locations in the Student Union Building as deemed appropriate by the President. It is understood that this permissive authority is contingent upon full compliance with all appropriate laws, ordinances, and administrative rules and regulations."

3. U. T. Arlington, U. T. Dallas, Dallas Health Science Center (G.S.B.S.): Authorization to Rename the Tri-institutional Master of Science and Doctor of Philosophy Degree Programs from Chemistry to Applied Chemistry and to Resubmit to Coordinating Board (Catalog Change). -- The University of Texas at Arlington, The University of Texas at Dallas and the Graduate School of Biomedical Sciences at The University of Texas Health Science Center at Dallas were authorized on December 13, 1974, to seek permission from the Coordinating Board, Texas College and University System to establish tri-institutional Master of Science and Doctor of Philosophy degree programs in Chemistry. However, the request was subsequently withdrawn without prejudice prior to being considered by the Coordinating Board.

As President of the Council of Presidents of the component institutions in north Texas, President Nedderman, on behalf of Presidents Jordan and Sprague, recommended, and System Administration concurred, that the tri-institutional Master of Science and Doctor of Philosophy degree programs be changed from Chemistry to Applied Chemistry and requested the Board of Regents' reconfirmation with authorization to seek permission from the Coordinating Board to establish these programs. This recommendation was approved by unanimous vote.

If these programs are approved by the Coordinating Board, it was ordered that the first catalogs published by the respective institutions be amended to conform.

4. U. T. Austin: Updated Version of the Ex-Students' Association Alumni/Donor Records Policy and Procedures Received. --The Academic and Developmental Affairs Committee received the following updated version of the Ex-Students' Association Alumni/Donor Records Policy and Procedures for The University of Texas at Austin. This policy and these procedures, approved April 19, 1968, were updated by Mr. Roy Vaughan, Executive Director of the Ex-Students' Association:

EXHIBIT I

U. T. Austin: Alumni/Donor Records. --In order to (a) provide The University of Texas with the best possible system of keeping Alumni/Donor Records at the lowest possible cost; (b) centralize the records function in one place, and thus prevent the impractical and expensive practice of Alumni/Donor Records-keeping by each agency having use of all or part of these records, and (c) place Alumni/Donor Records policy within the province of the Board of Regents, the following recommendations with respect to Data Processing of Alumni Records of The University of Texas at Austin were approved by the Committee:

- a. That the Board of Regents of The University of Texas System establish a policy for the creation and maintenance of one central machine record Alumni/Donor Records file and that such file and lists will not be available other than to those now using the file and shall not be sold for any commercial purpose.
- b. That the Board of Regents proceed immediately to set up an Advisory Board on Alumni/Donor Records to include the following:

One representative of the Board of Regents or its designate  
President of The University of Texas at Austin or his  
designate

President of The Ex-Students' Association or his designate  
Chairman of the Development Board or his designate  
Executive Director of The Ex-Students' Association  
Executive Director of the Development Board

Representatives from each of the Internal and External Foundations using the file shall be consulted periodically.

Active management of the Alumni/Donor Records Center would be the responsibility of a management committee composed of:

President of The University of Texas at Austin or his designate  
 Executive Director of the Development Board  
 Executive Director of The Ex-Students' Association  
 Manager of the Data Processing Center, U. T. Austin

It would be the responsibility of this Advisory Board to review the operations of the Alumni/Donor Records operation, provide counsel to the staff and establish operating procedures within the policy of the Board of Regents.

- c. That The Ex-Students' Association Records Center be the agency for handling alumni records, for providing update information to Alumni/Donor Records to be entered into the machine records file, and for setting up the data for scheduled production programs using the Alumni/Donor Records file.
- d. That the position of Manager, Ex-Students' Association Records Center be filled. No computer programmer position should exist in the Records Center. The remaining staff of the Records Center should include one key-punch operator, one verifier and five clerks. (see Appendix I.)
- e. That The University of Texas continue to pay the amount of \$75,000<sup>1</sup> to The Ex-Students' Association for collecting, editing, and preparing for computer processing the records of alumni and donors. The \$75,000<sup>1</sup> is to cover the cost of a personnel configuration adequate for the job (Appendix I.), direct cost of supplies, maintenance, etc., necessary key-punch and verifier equipment, and related overhead costs.

#### EXHIBIT II

#### SCHEDULE OF CHARGES FOR ALUMNI RECORDS, INFORMATION, AND OTHER SERVICES PROVIDED BY THE EX-STUDENTS' ASSOCIATION

September 3, 1976  
(Retroactive to September 1, 1975)

#### MAINTAINING BASIC LIST OF ALUMNI RECORDS

I. Active list, with current addresses, per name, per month	\$ .039
II. Active list, current addresses being sought, per name, per month	.015

<sup>1</sup>The amount of \$75,000 was approved at the Board of Regents' meeting on October 1, 1976.

- III. Adding new active names, with current addresses, per name 1.120
- IV. Making verified address changes .468

INFORMATION AND OTHER SERVICES

- V. Processing Gift Tags for Development Board .187
- VI. Furnishing to the Administration and Development Board, upon request, information from files No Charge
- VII. Ordering lists from file from Data Processing for the Administration, Development Board, Schools, Colleges, and Texas Ex Chapters for the purpose of maintaining or securing good addresses No Charge
- VIII. Ordering labels for addressing (or lists, in case of hand addressing) from Data Processing for all authorized users No charge by the Ex-Students' Association but the Association will bill the user (including the Association) in accordance with Data Processing's charges per the memorandum on the following page and turn the funds collected, in total, over to Data Processing for the utilization of the computer

BILLINGS FOR COMPUTER UTILIZATION

NO. OF CONDITIONS	RATE PER THOUSAND FIRST TWENTY THOUSAND	MINIMUM CHARGE	RATE PER THOUSAND ABOVE TWENTY THOUSAND
1	\$ 5	\$ 20	\$ 4
2	9	25	8
3	12	30	11
4	15	35	14
5	18	40	17
OVER 5	21	45	20

\*\*\*\*\*

- IX. Applying labels, folding, inserting, sealing, affixing postage and other associated mailing services Available from The Ex-Students' Association's tax-paying subsidiary, Campus Services, Inc., on a per job bid basis at rates below the Austin, Texas, commercial market

5. U. T. El Paso: Authorization to Change Name of School of Nursing to College of Nursing and to Submit to Coordinating Board for Necessary Approval (Catalog Change). -- Upon recommendation of President Templeton, concurred in by System Administration, the name of the School of Nursing of The University of Texas at El Paso was redesignated the College of Nursing. This designation is consistent with other U. T. El Paso academic programs administered by a dean and provides equal status with other academic units.

The Administration was instructed to report this change to the Coordinating Board, Texas College and University System for such approval as may be required.

It was ordered that if this change is approved by the Coordinating Board, the first catalog published thereafter by U. T. El Paso be amended to conform to this action.

6. U. T. San Antonio: Authorization to Change Title of Division of Management to Division of Management and Marketing and to Submit to Coordinating Board for Necessary Approval (Catalog Change). -- Upon recommendation of President Flawn, concurred in by System Administration, the title of the Division of Management in the College of Business of The University of Texas at San Antonio was changed to the Division of Management and Marketing effective September 1, 1977.

The Board of Regents ordered that the title change be reported to the Coordinating Board, Texas College and University System for information or necessary approval and that upon final designation the first catalog published thereafter by U. T. San Antonio be amended to conform.

Authorization to Request Permission from  
Coordinating Board to Establish Degree Programs  
(Items 7 - 11)

System Administration reported (1) that the Coordinating Board, Texas College and University System had scheduled a meeting on April 1, 1977, for consideration of new degree programs and had set December 1, 1976, as the deadline date for filing these requests and (2) that requests for certain degree programs had been filed with the Coordinating Board by the deadline date. These programs are within the role and scope of the institutions. However, these filings were made with the strict understanding that if the Board of Regents did not approve the requests for new degree programs, the requests and the material relating thereto submitted to the Coordinating Board would be withdrawn without prejudice.

After due consideration, the Academic and Developmental Affairs Committee acted on the requests set out on the following pages.

If any one of these programs is approved by the Coordinating Board, the Board of Regents ordered that the first catalog published thereafter by the appropriate institution be amended to conform.

7. U. T. Arlington: Approval of (a) Master of Landscape Architecture Degree, (b) Master of Arts Degree in Music, (c) Master of Science Degree in Nursing and (d) Master of Engineering Degrees in Aerospace Engineering, Civil Engineering, Electrical Engineering, Industrial Engineering and Mechanical Engineering (Catalog Change). --The request to seek permission from the Coordinating Board, Texas College and University System to establish the following degree programs at The University of Texas at Arlington was approved:
- (a) Master of Landscape Architecture Degree
 

Initial funding of the program is provided by the School of Architecture and Environmental Design and the institution, and the program is projected to be self-supporting under formula generated income. Current facilities and library resources are adequate.
  - (b) Master of Arts Degree in Music
 

Formula generated funds are projected to be adequate to support this program. New faculty will be hired as necessary with support coming from formula funding. The present library holdings are adequate.
  - (c) Master of Science Degree in Nursing
 

The program will be self-supporting under formula generated funds. Present facilities are minimally adequate to initiate the program with planning money appropriated by the Legislature for new facilities. Faculty growth, to be supported by formula money, is anticipated. The library holdings are adequate.
  - (d) Master of Engineering Degrees in Aerospace Engineering, Civil Engineering, Electrical Engineering, Industrial Engineering and Mechanical Engineering
 

This program will not increase costs since the faculty and facilities already exist to serve the Master of Science students in Engineering.
8. U. T. Dallas: Approval of (a) Bachelor of Arts Degree in American Studies and (b) Master of Arts Degree in American Studies (Catalog Change). --The request to seek permission from the Coordinating Board, Texas College and University System to establish the following degree programs at The University of Texas at Dallas was approved:
- (a) Bachelor of Arts in American Studies
 

The program will approach being self-supporting during the first year and thereafter. The current faculty and library collection in American Studies are adequate.

## (b) Master of Arts Degree in American Studies

Funds for the first year will come from other programs with formula generated revenue to cover the program after the first year. No new facilities are required, and the existing faculty are adequate during the initial years. The library will be strengthened in the next few years in the area of American studies.

9. U. T. El Paso: Approval of (a) Bachelor of Arts Degree in Anthropology, (b) Bachelor of Science Degree in Computer Science, (c) Master of Science Degree in Nursing, (d) Master of Public Administration Degree and (e) Master of Liberal Arts Degree (Catalog Change). --The request to seek permission from the Coordinating Board, Texas College and University System to establish the following degree programs at The University of Texas at El Paso was approved:

## (a) Bachelor of Arts Degree in Anthropology

The program will be self-supporting from formula generated income from the outset. No new facilities will be required, and the U. T. El Paso library is adequate for the program.

## (b) Bachelor of Science Degree in Computer Science

The program will be self-supporting under the formula generated income for the first year. Current facilities are adequate for the program although both facilities and equipment will be expanded and updated as money is generated through formula funding of the program. No new faculty will be needed to undertake the program, and library resources for the program are adequate.

## (c) Master of Science Degree in Nursing

The program will be self-supporting under formula generated funds at the outset. No new facilities will be required, and current library resources are adequate.

## (d) Master of Public Administration Degree

The program is projected to become self-supporting with formula generated funds within three years after its authorization. The addition of four new faculty is anticipated in the next five years as the program grows. Present library holdings are adequate to initiate the program.

## (e) Master of Liberal Arts Degree

The program will be self-supporting from the outset; and no new faculty, library resources or special facilities will be required.

10. U. T. Permian Basin: Approval of Master of Science Degree in Earth Science (Catalog Change). -- The request to seek permission from the Coordinating Board, Texas College and University System to establish a Master of Science Degree in Earth Science at The University of Texas of the Permian Basin was approved.

The program is projected to be self-supporting from the beginning. Additional faculty will be added as the program level justifies, and the library is adequate to initiate the program.

11. U. T. San Antonio: Approval of (a) Bachelor of Arts Degree in American Culture Studies, (b) Bachelor of Arts Degree in Communication, (c) Bachelor of Music Degree, (d) Master of Music Degree, (e) Master of Arts Degree in Economics and (f) Master of Professional Accountancy Degree (Catalog Change). -- The request to seek permission from the Coordinating Board, Texas College and University System to establish the following degree programs at The University of Texas at San Antonio was approved:

- (a) Bachelor of Arts Degree in American Culture Studies

The total cost of the program exceeds formula generated income for the first two years, and the excess will temporarily come from surpluses generated in other programs. In the third year the program will become self-supporting. No new facilities, equipment or additional library resources will be required. One new faculty member will be required in 1977-78 and another by 1980-81.

- (b) Bachelor of Arts Degree in Communication

The program is projected to be self-supporting under formula generated income in the first year. Existing facilities and the library are adequate to support this program. The program will require three new faculty members in 1977-78 and three additional faculty members in 1981-82.

- (c) Bachelor of Music Degree

The program will be self-supporting under formula generated income in the first year. Minimum facilities are currently available with planned facilities, funded by the 1974-75 Legislature, to be completed in the Fall 1979. Three new faculty members will be required in 1977-78 and three additional faculty members by 1981-82. Current library resources are adequate for this program.

- (d) Master of Music Degree

The program will be self-supporting under formula generated income in the first year. Minimum facilities are currently available, and current library resources are adequate. New faculty requirements for 1977-78 are 4.5, with 2.5 additional faculty members needed by 1981-82.

(e) **Master of Arts Degree in Economics**

The program will be self-supporting under formula generated income in the first year. It will require no new facilities, equipment or library resources. The program will necessitate at least one full-time faculty member for the first year and one to two more by 1981-82.

(f) **Master of Professional Accountancy Degree**

The program will be self-supporting under formula generated income in the first year. Present and planned facilities, equipment and current library holdings are adequate. The program will require approximately 1.5 additional FTE faculty members for 1977-78 and an additional half faculty position by 1981-82.

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 45-95). -- The Buildings and Grounds Committee conducted its business in open session, and Committee Chairman Bauerle filed the following report of the Committee. The report was approved upon a motion duly made and seconded, and the actions therein were ratified:

1. U. T. System - Grant Applications Under Public Works Capital Development and Investment Program (P. L. 94-369, Sec. 107): Appointment of Special Committee for Necessary Actions Between Meetings. -- System Administration submitted the following report and recommendations:

Report

On October 1, 1976, the Public Works Capital Development and Investment Program (P. L. 94-369, Sec. 107) provided federal funds for expediting award of construction contracts for local or state projects deferred due to lack of funds in areas where unemployment approached or exceeded the national average of 7.8%. Qualified applicants could submit grant requests for 100% federal funding of eligible projects commencing October 26, 1976. The cited enactment requires Federal approval or disapproval of the grant application within sixty days after submission and, where approved, construction must begin within ninety days. Within previous Board of Regents' authorizations System Administration has completed and filed the necessary applications for eligible U. T. System projects.

When this federal enactment occurred, eligible U. T. System projects were in various stages of Board authorizations and/or completion of design and preparation for bidding. To meet the expedited schedule for grant applications and to obtain the necessary authorization and approvals between meetings of the Board, System Administration recommends appointment of a Special Committee consisting of Chairman Shivers, Committee Chairman Bauerle, Deputy Chancellor Walker, Associate Deputy Chancellor Landrum, Director Kristoferson and the Chief Administrative Officer at the institution concerned to take any and all actions associated with grant requirements and project funding or contract awards. Specific actions anticipated at this time for each of the eligible projects are enumerated below:

- a. U. T. Arlington: Remodeling of Hereford Student Union Building (Amended Page 49, Item 4). -- In accordance with the authorization given at the Board of Regents meeting on July 9, 1976, invitations for bids were issued with bids scheduled to be received on November 16, 1976. System Administration recommends that the Special Committee take the following action:

Award construction contract for this project subject to availability of funds as recommended by System Administration

- b. U. T. Austin: Waller Creek Improvements. -- In accordance with the authorization given at the meeting of the Board of Regents on October 1, 1976, invitations for bids were issued with bids scheduled to be received on December 1, 1976. System Administration recommends that the Special Committee take the following action:
- Award construction contract for Phases I-B and II of this project subject to availability of funds as recommended by System Administration
- c. U. T. Dallas: Phase III Conference Center. -- In accordance with authorization given at the meeting of the Board of Regents on October 1, 1976, invitations for bids were issued with bids scheduled to be received on November 23, 1976. System Administration recommends that the Special Committee take the following action:
- Award construction contract for this project subject to availability of funds as recommended by System Administration
- d. U. T. El Paso: Special Events Center - Site Improvements. -- Following the Board of Regents' ratification of contract award for the building construction at its meeting on December 13, 1974, certain segments of site improvements were identified as future work. To complete this project System Administration recommends that the Special Committee take the following action:
- (1) Approve final plans for this work
  - (2) Authorize advertisement for bids
  - (3) Award construction contract for this project subject to availability of funds as recommended by System Administration
- e. U. T. San Antonio: Third Segment of Phase I Site Development. -- Following the award of the building construction contract by the Board of Regents at its meeting on February 4, 1972, the Board subsequently awarded the First and Second Segments of Site Development at its September 20, 1974 and July 25, 1975 meetings,

respectively. In accordance with the earlier authorization to advertise the segments of site development separately, System Administration recommends that the Special Committee take the following action:

- (1) Approve final plans for Third Segment of Site Development for this project
  - (2) Authorize advertisement for bids
  - (3) Award construction contract for this project subject to availability of funds as recommended by System Administration
- f. Galveston Medical Branch: Addition to Animal Facility - Interior Finishing. --In accordance with the authorization given by the Board of Regents at its September 12, 1975 meeting authorizing the completion of final plans for the interior finishing of the Animal Facility, System Administration recommends that the Special Committee take the following action:
- Approve negotiated agreement for addition of work to existing contract, or award separate construction contract for this work subject to availability of funds as recommended by System Administration
- g. Galveston Medical Branch: Remodeling (By Phases) of Existing John Sealy Hospital. -- In accordance with the authorization given at the May 14, 1976 meeting of the Board of Regents, invitations for bids for the Phase I Remodeling of Existing John Sealy Hospital will be issued with bids scheduled to be received in January 1977. System Administration recommends that the Special Committee take the following action:
- Award construction contract for Phase I of this project subject to availability of funds as recommended by System Administration
- h. University Cancer Center (M. D. Anderson): Remodeling (By Phases) of Present Building. -- In accordance with authorization given at the July 9, 1976 meeting of the Board of Regents approving remodeling of the present M. D. Anderson Hospital by phasing, the invitations for bids for Phases I and II will be issued in the near future with bid openings to follow approximately four weeks thereafter. System

Administration recommends that the Special Committee take the following action:

Award construction contract for Phases I and II of this project subject to availability of funds as recommended by System Administration

Upon motion duly made and seconded, this report was received and all recommendations therein were approved.

2. U. T. Arlington - College of Business Administration Building: Appointment of Committee to Award Contracts for Furniture and Furnishings. --The Administration reported that specifications for the furniture and furnishings for the College of Business Administration Building at The University of Texas at Arlington were being prepared by the Office of Facilities Planning and Construction and that bids would be called for and opened during the month of January 1977.

President Nedderman and System Administration recommended that in order to allow successful bidders adequate lead time to complete installation of the furniture and furnishings in accordance with current completion schedule of November 1977 a committee be appointed to award the contracts prior to the next regularly scheduled meeting of the Board of Regents in February 1977. This recommendation was approved, and the following committee was named:

Chairman Shivers  
Committee Chairman Bauerle  
Deputy Chancellor Walker  
Associate Deputy Chancellor Landrum  
Director Kristoferson  
President Nedderman

3. U. T. Arlington - Remodeling of Life Science Building: Approval of Preliminary Plans. --The preliminary plans and specifications for the Remodeling of the Life Science Building at The University of Texas at Arlington were approved upon recommendation of President Nedderman and System Administration. The plans, prepared by the Project Architect, Albert S. Komatsu and Associates, Fort Worth, Texas, at an estimated total project cost of \$1,600,000 provide for improvement and expansion of the facilities to be used by the Departments of Psychology and Biology. This space is presently used by the College of Business Administration which will be moving to its new facility shortly.

The final plans and specifications for the Remodeling of the Life Science Building will be prepared by the Project Architect and presented to the Board of Regents at a future meeting.

4. U. T. Arlington - (a) Remodeling of Hereford Student Union Building and (b) Construction of University Bookstore: Report with Respect to Bids Received and Appointment of Special Committee to Award Combined Contract Subject to Completion of Project Funding (See Page 45, Item 1. a.). --The Administration reported that the Special Committee appointed at the July 9, 1976 meeting to award a construction contract for the University Bookstore had not acted due to the fact that when the invitations for bids were issued for (a) the Remodeling of the Hereford Student Union Building and (b) the Construction of the University Bookstore at The University of Texas at Arlington, separate bids were requested for each building as well as a combined bid for the two buildings. The low combined bid of \$3,093,500 submitted by Walker Construction Company of Fort Worth, Texas, represents a savings of \$90,500 over the sum of the low separate bids.

Based upon this report and upon the recommendation of President Nedderman and System Administration, a Special Committee consisting of Chairman Shivers, Committee Chairman Bauerle, Deputy Chancellor Walker, Associate Deputy Chancellor Landrum, Director Kristoferson and President Nedderman was appointed to award a combined construction contract for (a) the Remodeling of the Hereford Student Union Building and (b) the Construction of the University Bookstore at U. T. Arlington subject to availability of funds for the projects.

It was further ordered that Item 1. a. on Page 45 be amended to include the University Bookstore and to permit the Committee to award a construction contract on the Remodeling of Hereford Student Union Building and the University Bookstore on the basis of the low combined bid.

Any action of the Special Committee will be submitted to the Board of Regents at a future meeting for ratification.

5. U. T. Arlington - Athletic Stadium: Authorization for Feasibility Study, Appointment of Schrickel, Rollins and Associates, Inc., Arlington, Texas, Consultant and Appropriation Therefor. -- Upon the recommendation of President Nedderman and System Administration, authorization was given to have a feasibility study made with respect to the construction of an on-campus Athletic Stadium at The University of Texas at Arlington. At the present time U. T. Arlington football games are played at Texas Stadium which has not worked out very well.

The firm of Schrickel, Rollins and Associates, Inc., Arlington, Texas, was named consultant for the study which should define the required project scope, campus site location and estimated cost of a facility to serve not only for intercollegiate football but as an intramural facility, soccer field and track. The recommendations will be submitted to the Board of Regents for consideration at a future meeting.

The sum of \$20,000 was appropriated from U. T. Arlington Unappropriated Plant Funds - Interest on Bond proceeds for the feasibility study, including fees and related expenses.

6. U. T. Arlington: Approval of Concept of Designating On-Campus Locations for Panhellenic Housing. --The Administration reported that the fraternity and sorority organizations at The University of Texas at Arlington were encountering difficulties in obtaining land on which to construct appropriate facilities or in leasing appropriate facilities for housing. The U. T. Arlington Administration and its Long Range Planning Committee had considered this problem and had concluded that there would be merit in designating an on-campus area for Panhellenic housing within the authorized boundaries of the campus.

Upon the recommendation of President Nedderman, concurred in by System Administration, the Buildings and Grounds Committee approved the concept of designating the area bounded by Summit Avenue on the east, Fourth Street on the south, Davis Drive on the west and along both sides of West Second Street on the north for Panhellenic organization housing within the boundaries of the U. T. Arlington campus.

It was pointed out that adjacent to this block of campus property there is land for future expansion to the north along Davis Drive; that this area is separated from contemplated academic area expansion; that there are nearby instruction and recreational facilities; that the existing street system would accommodate a safe traffic pattern; and that provisions could be made for additional parking.

With this approval, the U. T. Arlington Administration was instructed to develop a more detailed investigative study to be presented to the Board of Regents at a future meeting.

7. U. T. Austin - Animal Resources Center - Landscaping and Irrigation: Award of Contract to Evergreen Landscape, Austin, Texas. --The Administration reported that the construction of the Animal Resources Center at The University of Texas at Austin would be completed in April of 1977, and that bids had been called for and received with respect to the Landscaping and Irrigation for this Center.

The Buildings and Grounds Committee received a tabulation of the bids and, upon the recommendation of President Rogers and System Administration, awarded a contract in the amount of \$45,500 for the Landscaping and Irrigation at the U. T. Austin Animal Resources Center to Evergreen Landscape, Austin, Texas, the lowest and best acceptable bidder.

8. U. T. Austin - College of Fine Arts and Performing Arts Center - Complex of Buildings (Fine Arts Library and Administration Building, Music Building and Recital Hall, Opera Lab Theatre, Drama Workshops, Concert Hall and Final Site Development): Award of Contract to Zapata Warrior Constructors, a Division of Zapata Constructors, Inc., Houston, Texas, and Additional Appropriation Therefor. --The Administration submitted a tabulation of the bids received for the remaining facilities including final site development for the College of Fine Arts and Performing Arts Center (Fine Arts Library and Administration Building, Music Building and Recital Hall, Opera Lab Theatre, Drama

Workshops, Concert Hall) at The University of Texas at Austin. Separate proposals for each division and a combination proposal for all divisions had been requested and received.

Upon the recommendation of President Rogers and System Administration, the Buildings and Grounds Committee:

- a. Awarded a construction contract for the Fine Arts Library and Administration Building, the Concert Hall/Drama Workshop/Opera Lab and the Music Building and Recital Hall to the low bidder, Zapata Warrior Constructors, a Division of Zapata Constructors, Inc., Houston, Texas, in the amount of the low combination proposal (No. 4) of \$31,590,000
- b. Authorized a total project cost of \$40,829,568 to cover the building construction contract award, theatrical rigging and lighting equipment, orchestra shell, movable furnishings and equipment, air balancing, landscaping and irrigation, music practice room prefabricated modules, concert organ, construction scheduling allowance, fees and miscellaneous expenses

Based upon the report that of the funds previously appropriated for this portion of the project, \$1,103,067.22 had been expended for fees and miscellaneous expenses and a remaining balance of \$180,954.03 would be available to apply to the total project cost, and upon the further recommendation of President Rogers and System Administration, the Buildings and Grounds Committee:

Appropriated an additional \$39,545,546.75 from Permanent University Fund Bond proceeds to cover the total project cost.

Chairman Shivers commented that the bids for this project were lower than expected.

- 9. U. T. Austin - Perry-Castañeda Library: Award of Contracts for Furniture and Furnishings to (a) Rockford Furniture and Carpets, Austin, Texas; (b) Central Distributing Company, San Antonio, Texas; (c) Mark C. Norton Company, El Paso, Texas; and (d) Abel Contract Furniture & Equipment Company, Inc., Austin, Texas. --System Administration distributed to the Regents a tabulation of the bids for furniture and furnishings for the Perry-Castañeda Library at The University of Texas at Austin. Attention was called to the facts (a) that only one bid was received for Base Proposal "B" (Special Steel Furniture) but that this bid was less than the pre-bid estimate, and (b) that the apparent low bidder for Base Proposal "F" (Panel System) submitted a bid bond which was inadequate to cover both the Base Proposal "F" and the Add Alternate #1 to Base Proposal "F", and the second low responsive bid for Base Proposal "F" and the Add Alternate #1 was below the pre-bid estimate and was accompanied by a bond in the minimum amount of 5% of the base bid and add alternate.

Based upon this report and upon the recommendation of President Rogers and System Administration, contracts for the furniture and furnishings for the Perry-Castañeda Library at U. T. Austin were awarded as set out below:

a. Rockford Furniture and Carpets Austin, Texas		
Base Proposal "A" (General Furniture)	\$ 86,641.00	
Add Alternate #3 (Lounge Furniture)	38,475.36	
Add Alternate #4 (Lounge Furniture)	<u>22,007.08</u>	
		\$147,123.44
Base Proposal "B" (Special Steel Furniture)	<u>42,248.07</u>	
		42,248.07
Total Contract Award to Rockford Furniture and Carpets		<u>\$189,371.51</u>
b. Central Distributing Company San Antonio, Texas		
Base Proposal "C" (Library Casework)	\$477,900.00	
Add Alternate #1 (Book Display Cabinets)	<u>2,250.00</u>	
Total Contract Award to Central Distributing Company		<u>\$480,150.00</u>
c. Mark C. Norton Company El Paso, Texas		
Base Proposal "D" (Reader Chairs)	<u>\$193,635.42</u>	
		193,635.42
Base Proposal "E" (General Steel Furniture)	\$ 81,998.00	
Add Alternate #1	<u>69,194.34</u>	
		151,192.34
Total Contract Award to Mark C. Norton Company		<u>\$344,827.76</u>

d. Abel Contract Furniture &  
Equipment Company, Inc.  
Austin, Texas

Base Proposal "F" (Panel System)	80,257.80
Add Alternate #1	<u>30,602.00</u>

Total Contract Award to Abel Contract Furniture & Equipment Company, Inc.	<u>\$110,859.80</u>
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TOTAL CONTRACT AWARDS	<u><u>\$1,125,209.07</u></u>
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The funds necessary to cover these contract awards are available in the Furniture and Equipment Account for this project.

(Since this action was taken at the meeting, the Special Committee appointed at the October 1, 1976 meeting to award these contracts was automatically dissolved.)

10. U. T. Austin - Addition to Pharmacy Building: Appropriation for Project. --The Administration reported that in accordance with authorization given at the meeting of the Board of Regents on May 14, 1976, for an Addition to the Pharmacy Building at The University of Texas at Austin, the early planning work to determine the space and function requirements for such Addition had been undertaken by the U. T. Austin Administration. An evaluation of the requirements would provide a basis for establishing the extent of topographic surveys and soils investigations, and the scope of design to be considered by the Project Architect, White, Budd, Van Ness Partnership, Houston, Texas, in preparing the preliminary plans for this project. It was further reported that a preliminary analysis of these requirements resulted in the establishment of an estimated total project cost for this Addition of \$7,000,000.

Upon recommendation of System Administration, the Board of Regents approved the estimated total project cost of \$7,000,000 for the Addition to the Pharmacy Building at U. T. Austin and appropriated an additional sum of \$6,945,000 from Permanent University Fund Bond proceeds, \$55,000 having been previously appropriated from Interest on Bond proceeds.

11. U. T. Austin - Townes Hall (Law School Building) - Alterations and Additions: Additional Appropriation. --The Administration reported that bids for the Alterations and Additions to Townes Hall (Law School Building) at The University of Texas at Austin would be received in late December 1976.

Upon the recommendation of President Rogers and System Administration, and in order for the Special Committee appointed at the October meeting to award a construction contract within available funds, an additional appropriation of \$11,588,000 was authorized from Permanent University Fund Bond proceeds to cover the total project cost, \$412,000 having been previously appropriated for necessary fees and related project expenses.

12. U. T. Austin - Balcones Research Center - Structural Testing Area (Civil Engineering Structures Research Laboratory): Award of Contract to Thomas Hinderer Company, Austin, Texas, for Floor/Wall Reaction System. -- Upon the recommendation of President Rogers and System Administration, a construction contract in the amount of \$121,400 was awarded to the lowest and best acceptable bidder, Thomas Hinderer Company, Austin, Texas, for the Floor/Wall Reaction System of the Balcones Research Center - Structural Testing Area (Civil Engineering Structures Research Laboratory) at The University of Texas at Austin.

It was pointed out that the project provides for construction of a structural floor slab and buttressed walls of structural concrete for increased capabilities in structural testing and experimentation.

The total project cost which was approved at the October 1, 1976 meeting was revised from \$190,000 to \$156,000 to be funded from U. T. Austin National Science Foundation Grant No. ENV75-00192.

13. U. T. El Paso - Master Plan - Completion of Major Portion of Remaining Facilities: Request for Appropriation Therefor. -- A review of construction of new buildings and of major rehabilitation and remodeling of a number of existing buildings and facilities at The University of Texas at El Paso since 1970 was received.

It was reported that recently the U. T. El Paso Administration had evaluated the overall needs remaining in the current Master Plan. The needs include expansion of or addition to existing facilities and buildings, site developments and improvements, utilities and services improvements, and selected land and equipment purchases. Some of the items included are:

- a. Addition to Administration Building
- Expansion of Training Facility
- Utility Expansion (Connect Memorial Gym and GUS Building to Satellite Energy Plant)
- Handball Courts
- Tennis Courts
- Replace Rifle Range Facility
  
- b. Utility Improvements and Expansion
- Site Development and Related Improvements
- Additional Provisions for Handicapped

Upon recommendation of President Templeton, concurred in by System Administration, \$5,000,000 was appropriated from Permanent University Fund Bond proceeds to be applied to major projects at U. T. El Paso, each of which will come back as an individual project for approval by the Board of Regents.

- 14. U. T. El Paso - Renovation of Cotton Memorial Building for Classrooms: Approval of Preliminary Plans and Appointment of Committee to Approve Final Plans, Advertise for Bids, and Award Construction Contract. -- Upon the recommendation of President Templeton and System Administration, the preliminary plans and specifications for the Renovation of the Cotton Memorial Building for Classrooms at The University of Texas at El Paso were approved at an estimated total project cost of \$646,000, which sum had been previously appropriated. The Project Architect, Davis and Whelchel, Architects and Engineers, El Paso, Texas, was authorized to prepare final plans and specifications.

In an effort to expedite the project schedule and to endeavor to overcome expected cost escalation, President Templeton and System Administration recommended that a committee be appointed to approve the final plans, to advertise for bids, and to award a construction contract within available funds. This recommendation was approved, and the following committee was named: Chairman Shivers, Committee Chairman Bauerle, Deputy Chancellor Walker, Associate Deputy Chancellor Landrum, Director Kristoferson and President Templeton.

The committee will submit a report to the Board of Regents for ratification at a future meeting.

- 15. U. T. El Paso - Library Annex: Report of Committee and Ratification of Contract Award to Urban General Contractors, Inc., El Paso, Texas. -- The Buildings and Grounds Committee reviewed a tabulation of the bids received for the construction of the Library Annex at The University of Texas at El Paso together with the following report of the Special Committee appointed at the July 9, 1976 meeting of the Board of Regents to award a contract within available funds for this project:

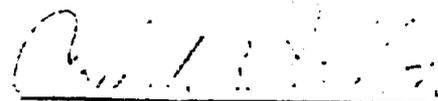
To the Board of Regents of  
The University of Texas System

October 29, 1976

The Special Committee appointed at the Regents' Meeting held on July 9, 1976, has awarded a contract for the Library Annex at The University of Texas at El Paso to the low bidder, Urban General Contractors, Inc., El Paso, Texas, as follows:

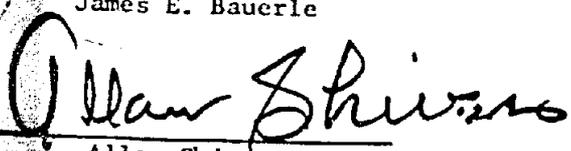
Base Bid	\$661,800.00
Add Alternate No. 1 (Add Mezzanine)	66,900.00
<b>Total Contract Award</b>	<b>\$728,700.00</b>

  
E. D. Walker

  
Arleigh B. Templeton

  
James E. Bauerle

  
R. S. Kristoferson

  
Allan Shivers

  
Graves W. Landrum

Upon recommendation of President Templeton and System Administration, the Buildings and Grounds Committee:

- a. Ratified the action of the Special Committee
  - b. Approved a total project cost of \$1,053,000 to cover the construction contract award, movable furnishings and equipment, air balancing, landscaping, fees and miscellaneous expenses.
16. U. T. El Paso - Special Events Center: Report of Committee and Ratification of Contract for Furniture and Furnishings to Stewart Office Supply Company, Dallas, Texas. --The Administration reported that bids for the furniture and furnishings for the Special Events Center at The University of Texas at El Paso had been received, opened and tabulated. It was noted that the apparent low bidder for Base Proposal "A" (General Furniture), Business Products and Services, Inc., El Paso, Texas, submitted a bid containing alternate items which were not approved by the Office of Facilities Planning and Construction prior to opening the bids. Also, no bids were received for Base Proposal "B" (Carpet).

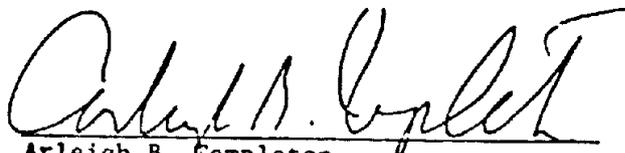
The Special Committee appointed at the July 9, 1976 meeting of the Board of Regents to award a contract for the furniture and furnishings for the Special Events Center at U. T. El Paso submitted the following report:

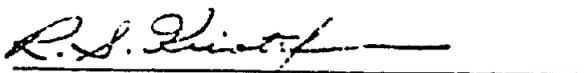
DATE: September 13, 1976

TO THE BOARD OF REGENTS  
OF THE UNIVERSITY OF TEXAS SYSTEM

The Special Committee appointed at the Regents's Meeting held July 9, 1976, has awarded a contract for Furniture and Furnishings for Special Events Center at The University of Texas at El Paso to the low bidder Stewart Office Supply Company, Dallas, Texas, as follows:

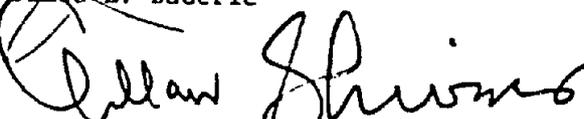
Base Bid "A" (General Furniture)                      \$24,560.70

  
Arleigh B. Templeton

  
R. S. Kristoferson

  
E. D. Walker

  
James E. Bauerle

  
Allan Shivers

This report was accepted and the action of the Special Committee in awarding a contract for the furniture and furnishings to the responsive low bidder, Stewart Office Supply Company, Dallas, Texas, was ratified.

It was further reported that inquiries with respect to why no bids were received for Base Proposal "B" (Carpet) indicated that the job was too small (500 square yards) and the location was too remote; hence, carpet will be procured by local purchase order.

17. U. T. Permian Basin - Student Housing (Mobile Home Units - Temporary) - Site Development: Underground Easement to Texas Electric Service Company. -- Upon the recommendation of President Cardozier and System Administration and upon motion of Regent Clark, the following described underground easement was granted to Texas Electric Service Company to provide electric service for Student Housing (Mobile Home Units - Temporary) - Site Development at The University of Texas of the Permian Basin:

An underground easement 10' in width for each of two power lines, under, across and through that certain tract or parcel of land containing 588 acres in Section 18, Block 41, T-2-S, T&P RR Company Survey, Ector County, Texas

The Chairman of the Board of Regents was authorized to execute this document when it had been approved as to content by Deputy Chancellor Walker and as to form by an attorney of the Office of General Counsel.

18. U. T. Permian Basin - Warehouse Facility: Authorization to Construct and Appropriation Therefor. -- Based on the need for more warehouse facilities at The University of Texas of the Permian Basin, President Cardozier and System Administration presented the following recommendations which were unanimously approved by the Buildings and Grounds Committee:
- a. Authorize the construction of a pre-engineered metal building of approximately 4,000 square feet on the south campus at an estimated total project cost of \$29,000 to be used as a warehouse for the Physical Plant Department
  - b. Authorize completion of the Warehouse Facility through all necessary actions of the U. T. Permian Basin Administration and Physical Plant Department with their own forces or through contract services in consultation with the Office of Facilities Planning and Construction
  - c. Authorize an appropriation of \$29,000 from Tuition Revenue Funds previously appropriated to U. T. Permian Basin for the Phase I construction

19. U. T. Permian Basin - Water (Untreated) Sources: Underground Easement to Texas Electric Service Company. -- Upon the recommendation of President Cardoziar and System Administration and upon motion of Regent Clark, the following described underground easement was granted to Texas Electric Service Company to provide electric service for the Untreated Water Pumping Station [Water (Untreated) Sources] in the northeast section of The University of Texas of the Permian Basin campus:

An underground easement 10' in width across and through that certain tract or parcel of land containing 588 acres in Section 18, Block 41, T-2-S, T&P RR Company Survey, Ector County, Texas

The Chairman of the Board of Regents was authorized to execute this document when it had been approved as to content by Deputy Chancellor Walker and as to form by an attorney of the Office of General Counsel.

20. U. T. San Antonio - Classroom and Office Building and Addition to Arts Building (Phase II Buildings): Appointment of Committee to Award Contract. -- System Administration reported that the bids for construction of the Classroom and Office Building and Addition to Arts Building (Phase II Buildings) at The University of Texas at San Antonio would be received on December 21, 1976. In view of the fact that the next regularly scheduled meeting of the Board of Regents will not be until February 1977, the following committee was appointed to award a construction contract within previously appropriated funds: Chairman Shivers, Committee Chairman Bauerle, Deputy Chancellor Walker, Associate Deputy Chancellor Landrum, Director Kristoferson and President Flawn.

This committee will report its actions for ratification at a subsequent meeting of the Board of Regents.

21. Dallas Health Science Center (Dallas Southwestern Medical School) - Ambulatory Care Center: Authorization for Project; Appointment of Fisher and Spillman, Inc., Dallas, Texas, Project Architect; and Appropriation Therefor. -- Based on the increasing interest at the national level in ambulatory patient care and upon the recommendation of President Sprague and System Administration, the Buildings and Grounds Committee:

- a. Authorized an Ambulatory Care Center for The University of Texas Health Science Center at Dallas
- b. Appropriated \$8,000,000 from Permanent University Fund Bond proceeds toward construction of this teaching facility with additional funding to come from gifts and grants
- c. Appointed the firm of Fisher and Spillman, Inc., Dallas, Texas, Project Architect with instructions to make a feasibility study and to prepare cost estimates to be submitted to System Administration and to the Board of Regents before proceeding with preliminary plans

22. Dallas Health Science Center (Dallas Southwestern Medical School):  
Harry S. Moss Clinical Science Building: Award of Contracts for  
Furniture and Furnishings to Abel Contract Furniture & Equip-  
ment Company, Inc., Austin, Texas, and Rockford Furniture and  
Carpets, Austin, Texas. -- Upon the recommendation of President  
 Sprague and System Administration, contracts for the furniture and  
 furnishings for the Harry S. Moss Clinical Science Building at the  
 Dallas Southwestern Medical School of The University of Texas  
 Health Science Center at Dallas were awarded to the lowest and  
 best acceptable bidders as set out below:

Abel Contract Furniture & Equipment  
 Company, Inc., Austin, Texas

Base Proposal "A" (Steel Furniture)	\$ 82,421.85
Base Proposal "B" (Stools)	13,288.11
Base Proposal "C" (Wood Furniture)	<u>56,682.81</u>

Total Contract Award Abel Contract  
 Furniture & Equipment Company, Inc. \$152,392.77

Rockford Furniture and Carpets  
 Austin, Texas

Base Proposal "D" (Files)	<u>\$ 30,652.72</u>
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Total Contract Award Rockford  
 Furniture and Carpets 30,652.72

Grand Total Contract Awards \$183,045.49

It was noted that the funds necessary to cover these contract awards  
 are available in the Furniture and Equipment Account for this project.

23. Dallas Health Science Center (Dallas Southwestern Medical School) -  
Harry S. Moss Clinical Science Building: Inscription on Plaque. --  
 Upon the recommendation of the Administration, the inscription set  
 out below was approved for the plaque to be placed on the Harry S.  
 Moss Clinical Science Building at the Dallas Southwestern Medical  
 School of The University of Texas Health Science Center at Dallas.  
 This format is the standard pattern approved by the Board of Regents  
 on October 1, 1966:

HARRY S. MOSS CLINICAL SCIENCE BUILDING  
 1974

BOARD OF REGENTS

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

Charles A. LeMaistre, M.D.  
 Chancellor, The University  
 of Texas System  
 Charles C. Sprague, M.D.  
 President, The University  
 of Texas Health Science  
 Center at Dallas

Fisher and Spillman, Inc., and  
 Preston M. Geren and Associates  
 Project Architect  
 LaRoe Building Company, Inc.  
 Contractor

24. Dallas Health Science Center - Landscaping, Irrigation and Site Development - Phase II: Report of Committee; Ratification of Contract Award to Hawkins Nursery and Landscape Co., Inc., Dallas, Texas; and Approval of Project Cost. --With respect to the Landscaping, Irrigation and Site Development - Phase II at The University of Texas Health Science Center at Dallas, the Buildings and Grounds Committee reviewed the tabulation of the bids received and accepted the following report of the Special Committee appointed at the October 1, 1976 meeting:

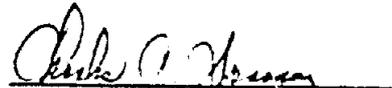
October 27, 1976

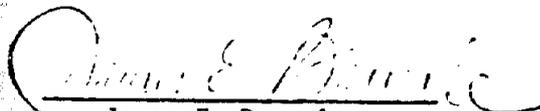
To the Board of Regents of  
The University of Texas System

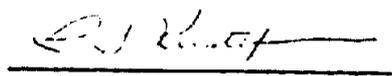
The Special Committee appointed at the Regents' Meeting held on October 1, 1976, has awarded a contract for Landscaping, Irrigation and Site Development - Phase II at The University of Texas Health Science Center at Dallas to the low bidder, Hawkins Nursery & Landscape Co., Inc., Dallas, Texas, as follows:

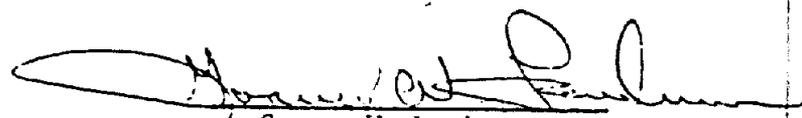
Base Bid	\$75,340.00
Add Alternate No. 2 (Plant Material as shown on the Plant List and Drawing on Sheet L-5 and the applicable Irrigation Work shown on Sheet 13)	<u>10,676.00</u>
Total Contract Award	<u>\$86,016.00</u>

  
E. D. Walker

  
Charles C. Sprague

  
James E. Bauerle

  
R. S. Kristoferson

  
Graves W. Landrum

Upon the recommendation of President Sprague and System Administration, the award of this contract to Hawkins Nursery & Landscape Co., Inc., was ratified, and a total project cost of \$97,576 (formerly estimated at \$90,000) was approved to cover the construction contract award, landscaping, fees and miscellaneous expenses.

25. Dallas Health Science Center - Skillern Student Union Building - Alteration and Expansion - Phase I Expansion for Service and Support Facilities: Approval of Preliminary Plans and Additional Appropriation Therefor. --For the construction of the Phase I Alteration and Expansion for Service and Support Facilities (including the Police Department, the Safety Office, the Mail Room, and the Microscope Storage and Workroom) for the Skillern Student Union Building at The University of Texas at Dallas, the Buildings and Grounds Committee approved the preliminary plans and specifications at an estimated total project cost of \$890,000. The Project Architect, Fisher and Spillman Architects, Inc., Dallas, Texas, was authorized to prepare final plans and specifications for consideration by the Board of Regents at a future meeting.

An additional appropriation of \$875,000 was approved from the following sources, \$15,000 having been previously appropriated from Dallas Health Science Center Plant Fund Account No. 671008; \$835,000 from Dallas Health Science Center Plant Fund Account No. 671008; \$40,000 from Dallas Health Science Center Plant Fund Account No. 675008.

26. Galveston Medical Branch (Galveston Hospitals) - Ambulatory Care Center and Parking Facility: Approval of Preliminary Plans and Specifications and Additional Appropriation Therefor. --- The preliminary plans and specifications for the Ambulatory Care Center and associated Parking Facility at The University of Texas Medical Branch at Galveston were approved at an estimated total project cost of \$18,700,000. The plans for the Ambulatory Care Center had been prepared by the Project Architect, Page Southerland Page, Austin, Texas, and provide for a building of approximately 175,000 square feet; the plans for the Parking Facility were prepared by the Project Architect, Louis Lloyd Oliver and Tibor Beerman, Galveston, Texas, and provide for structured parking for approximately 400 cars. The two Project Architects were authorized to prepare final plans and specifications for their respective projects.

Upon the recommendation of President Levin and System Administration, an additional appropriation of \$18,515,000 was approved from Permanent University Fund Bond proceeds, \$185,000 having been previously appropriated from this same source.

27. Galveston Medical Branch (Galveston Medical School) - Keiller Building (Basic Science Teaching and Research Facilities - Department of Anatomy): Authorization to Remodel Third and Fourth Floors and Funding Therefor. --Upon the recommendation of President Levin and System Administration, the Buildings and Grounds Committee:
- a. Approved the remodeling of the third and fourth floors (5,791 square feet) of the Keiller Building at the Galveston Medical School of The University of Texas Medical Branch at Galveston for the Department of Anatomy at an estimated total project cost of \$300,000

- b. Authorized completion of the remodeled construction and equipping of the facility through all necessary actions of the Galveston Medical Branch Administration and Physical Plant Department with their own forces or through contract services in consultation with the Office of Facilities Planning and Construction
  - c. Approved funding of the total project cost through all appropriate actions in the expenditure of available federal grant funds
28. Galveston Medical Branch (Galveston Medical School) - Learning Center (Formerly Auditorium Facilities): Proposed Preliminary Plans and Additional Appropriation Deferred. --At Deputy Chancellor Walker's request, this item was deferred until the next meeting.
29. Galveston Medical Branch (Galveston Medical School) - Libbie Moody Thompson Basic Science Building - Alterations and Additions to Basic Science Teaching and Research Facilities: Appointment of the Firm of Louis Lloyd Oliver and Tibor Beer-  
man, Galveston, Texas, Project Architect with Authorization to Prepare Final Plans to Enclose Existing First Level and Appropriation Therefor. --President Levin pointed out the need to expand the space for the Basic Science Teaching and Research Facilities at the Galveston Medical School of The University of Texas Medical Branch at Galveston. Based on this explanation, he recommended; System Administration concurred, and the Buildings and Grounds Committee:
- a. Appointed the firm of Louis Lloyd Oliver and Tibor Beerman, Galveston, Texas, Project Architect for the enclosure of approximately 7,500 square feet of space on Level One of the Libbie Moody Thompson Basic Science Building at an estimated total project cost of \$500,000 with authorization to prepare final plans and specifications to be presented to the Board of Regents at a future meeting
  - b. Appropriated \$30,000 from Galveston Medical Branch Project Allocation Funds to cover fees and miscellaneous expenses through the preparation of final plans
30. Galveston Medical Branch (Marine Biomedical Institute) - Warehouse Facility: Authorization for Project and Appropriation Therefor. --The Administration reported a need for a Warehouse Facility to store equipment and supplies associated with the Research Vessel Operations of the Marine Biomedical Institute at The University of Texas Medical Branch at Galveston and suggested that a pre-engineered metal 2,400 square foot building be constructed northwest of the existing Marine Science Institute Building to satisfy this need.

Upon the recommendation of President Levin and System Administration, the Buildings and Grounds Committee authorized:

- a. The construction of a warehouse for the Marine Biomedical Institute facilities at The University

of Texas Medical Branch at Galveston at an estimated total project cost of \$45,000

- b. The Galveston Medical Branch Administration and Physical Plant Department with their own forces or through contract services in consultation with the Office of Facilities Planning and Construction to complete the Warehouse Facility
  - c. An appropriation of \$45,000 from Galveston Medical Branch Project Allocation Account
31. Houston Health Science Center (Houston Medical School) - Phase II Building: Inscription on Plaque. --The inscription set out below was approved for the plaque to be placed on the Houston Medical School Phase II Building at The University of Texas Health Science Center at Houston. This inscription follows the standard pattern approved by the Board of Regents on October 1, 1966:

PHASE II BUILDING  
THE UNIVERSITY OF TEXAS MEDICAL SCHOOL AT HOUSTON

1973

BOARD OF REGENTS

A. G. McNeese, Jr., Chairman	Charles A. LeMaistre, M.D.
Dan C. Williams, Vice-Chairman	Chancellor, The University
James E. Bauerle, D.D.S.	of Texas System
Edward Clark	John Victor Olson, D.D.S.
Frank C. Erwin, Jr.	Acting President
Jenkins Garrett	The University of Texas Health
Mrs. Lyndon B. Johnson	Science Center at Houston
Joe T. Nelson, M.D.	
Allan Shivers	Brooks, Barr, Graeber, White, Inc.
	Project Architect
	Blount Brothers Corporation
	Contractor

32. Houston Health Science Center: Ratification of Contract with Houston Natural Gas Corporation to Provide Thermal Energy Services for Houston Medical School [John H. Freeman Building (Phase I) and One Building (Phases II and III)]; Public Health School [Phases I and II Buildings]; and Speech and Hearing Institute Buildings. --System Administration reported that following negotiations and in accordance with authorization granted at the July 9, 1976 meeting of the Board of Regents, Chairman Shivers had executed a contract with Houston Natural Gas Corporation to provide thermal energy services at The University of Texas Health Science Center at Houston for the following: the Houston Medical School [John H. Freeman Building (Phase I) and One Building (Phases II and III)]; Public Health School [Phases I and II Buildings]; and the Speech and Hearing Institute Buildings. A copy of the contract was submitted for ratification. (See Pages 64 - 78.)

Upon recommendation of President Berry and System Administration, the execution of this contract by Chairman Shivers was ratified and in all things confirmed.

CONTRACT FOR CHILLED WATER AND STEAM SERVICE  
HOUSTON NATURAL GAS CORPORATION

THIS AGREEMENT, made and entered into by and between Houston Natural Gas Corporation, a Texas corporation, herein after called "Seller", and the Board of Regents of the University of Texas System for the use and benefit of the University of Texas Health Science Center at Houston facilities at Houston, Texas hereinafter called "Buyer", witnesseth:

That Seller, in consideration of the covenants of this Agreement, and subject to the provisions of this Agreement, does, by these presents, covenant and agree to and with Buyer to furnish and supply to Buyer from Seller's central plant to be constructed within the Texas Medical Center in Houston, Harris County, Texas, all chilled water and steam service for space cooling, space heating, and steam processes as required in the operation of Buyer's buildings constituting the following points of delivery:

1. Speech and Hearing Institute
2. School of Public Health (Phase I & II)
3. John Freeman Building, Medical School (Phase I)
4. Medical School (Phase II & III)

all located in the Texas Medical Center, Houston, Harris County, Texas.

Now therefore, in consideration of the premises, the undersigned parties hereby agree as follows:

1.

DEFINITIONS

Wherever used herein, the following terms have the following meanings:

(a) "The Center" means the area and Customers now constituting the Texas Medical Center and such area and Customers as may be added thereto from time to time by written agreement of Seller and Texas Medical Center, Inc. ("Medical Center").

(b) "The Plant" means the chilling and heating equipment

and other facilities installed at a location within the Center by Seller for the purpose of chilling water and producing steam to be distributed to Customers within the Center.

(c) "Connected Chilled Water Load" means the aggregate capacity of chiller equipment that would be required to meet the maximum instantaneous air conditioning needs of all Customers within the Center through individual installations.

(d) "The Distribution System" or "The System" means the system necessary to transmit to its customers throughout the Center the chilled water and steam produced by the Plant, regulate it, measure it, and return it to the Plant.

(e) "Operating Year" means any consecutive twelve-month period commencing on the first day of the month next following the date of beginning of continuous, permanent service from the Plant, or any anniversary thereof.

(f) "Return" means the net revenues derived during any twelve-month period by Seller from the operation of the Plant and Distribution System and shall be determined by subtracting from the gross revenues paid by Customers for service during a twelve-month period the following expenses (all of which expenses shall be limited to those appropriately related to operation of the Plant and Distribution System) for said twelve-month period:

- (1) All production, maintenance, and operating expenses, including, without limitation, cost of gas, electricity and water consumed. Cost of gas will be determined by applying Seller's applicable standard contract rate 696, or such other standard rate as may replace it.
- (2) All transmission and distribution expenses incurred in the operation and maintenance of the piping, the measuring and regulating equipment, and all related facilities.
- (3) All insurance premiums. Seller shall keep Medical Center advised of the type and extent of its insurance coverage and Medical Center shall have the right to determine the adequacy and reasonableness of such coverage.
- (4) An amount equal to 17.5% of the foregoing items numbered (1), (2) and (3) less cost of gas (but not less than a total

- of \$1,000 in any one month), to cover all customers accounting, billing and collecting, and allocated administrative and general expense.
- (5) All taxes and governmental impositions of any nature paid or incurred upon the Plant, the System, or the services or revenues directly associated therewith, except income taxes.
  - (6) Depreciation at the annual rate of 5% on depreciable assets installed new by Seller and at an annual rate based on estimated remaining useful life on depreciable assets acquired from customers and reused in the Plant or System, calculated in each case by the straight line method of depreciation accounting.
  - (7) A provision for Federal, and if and when applicable, State, income taxes calculated by direct application of the applicable statutory tax rates to the net taxable revenues remaining after deducting from the gross revenues the items numbered (1) through (6) above, and after deducting an additional amount for interest at the rate of 6% on an assumed indebtedness of 60% of Seller's Investment in the Plant and Distribution System. It is contemplated that the provision for income taxes will be calculated, in general, as though the Plant and Distribution System were operated by a separate corporate entity, except that the Rate Base increment described in the next to last sentence of paragraph (h) will be credited for reduction in Seller's actual income taxes in the case of net loss, and except that the provision for income taxes will not take into account liberalized depreciation, investment tax credits or similar provisions.

(g) "Investment" as of any twelve-month period means the average monthly balance during said twelve-month period of the following items:

- (1) The original cost of all equipment, fixtures, facilities and fittings comprised by the Plant and the Distribution System, and the installation thereof, including, without limitation, contract labor, equipment and services, employed labor,

materials and supplies, transportation, injuries and damages not covered by insurance, privileges and permits, rents, general and warehouse overheads, insurance, legal fees, and any other costs incurred to put the Plant and Distribution System initially in operating condition, accumulated through a job order cost system in accordance with the uniform system of accounts prescribed for public utilities by the National Association of Railroad and Utility Commissioners.

- (2) The cost to Seller of any facilities acquired from Customers with the consent of Medical Center and installed as part of the Plant or the Distribution System.
- (3) The remaining cost to Seller of any facilities acquired by Seller from a Customer with the consent of Medical Center and retired, after deducting the amount, if any, realized on resale thereof by Seller.

(h) "Rate Base" as of any twelve-month period means the Investment in Plant and Distribution System plus the average monthly balance during said twelve-month period of prepaid insurance, taxes or expenses, and of materials and supplies, plus an allowance for cash working capital equal to 12 1/2% of the operating expenses (Items (1) through (4) under subparagraph (f) above) less cost of gas, and plus the increment described in the following sentence. If Seller fails to earn a Return of as much as 7% on its Rate Base during any Operating Year, the amount by which its actual Return was less than 7% of the Rate Base shall be added as an increment to the Rate Base applicable for each subsequent Operating Year or test period, but said increment shall thereafter be reduced by the amount, if any, by which in any subsequent Operating Year, Seller's Return exceeds a Return equal to 7% of the applicable Rate Base. However, in any year in which the Return is a net loss, the amount of the Rate Base increment shall be reduced by the amount by which Seller's income taxes are reduced as a result of such loss.

(i) "Customer" means a person, firm or corporation owning, controlling or operating a building or facility within the Center and taking service from the Plant and Distribution

System under contract with Seller.

11/11

(j) "BTU" means British Therman Unit.

(k) "Ton-hour" means 12,000 BTU's.

2.

#### FACILITIES

Seller's Distribution System will be operated by Seller at a pressure sufficient to circulate water in such system as if it were a closed system running from the Plant by Buyer's establishment and back to the Plant. Buyer will install, maintain and operate, at its cost, a pressure pump or pumps which will produce sufficient pressure to enable Buyer to circulate the chilled water through and within its establishment and facilities and return water to Seller's Distribution System at approximately the same pressure as received.

Seller's Distribution System will be operated to deliver steam to Buyer's establishment. Steam condensate will return from Buyer's establishment to the Plant through the return Distribution System of Seller, which will be sized on the basis of 3.0 feet pressure drop per 100 lineal feet. Buyer will install, maintain and operate, at its cost, a pressure pump or pumps which will produce sufficient pressure to return the steam condensate from the Buyer's establishment to the Plant, but not in excess of 75 PSI. Buyer will return all water and steam condensate into the return Distribution System of Seller running from Buyer's establishment to the Plant in the same condition as received from Seller, except for change of temperature or physical state and except for normal and unavoidable shrinkage, but steam condensate shall be returned at a temperature of not less than 150° F. nor more than 212° F.

The chilled water to be supplied hereunder by Seller shall be forty degrees Fahrenheit (40° F.) (plus or minus 1°) at the delivery point serving Buyer's establishment, and Seller's Plant and chilled water Distribution System shall be designed with an allowance for 150 PSI static head at ground level and a maximum flow of 1.72 gpm/ton of instantaneous load. Seller shall deliver saturated steam at the point of delivery serving Buyer's establishment at a minimum pressure of 125 PSI and a maximum of 425 PSI,

with steam purity of approximately 99%.

Buyer will install, maintain and operate, at its cost, equipment and controls to limit chilled water flow from the Distribution System to a maximum of 1.72 gpm/ton of ultimate instantaneous load.

Buyer shall not employ automatic valves or devices in the chilled water lines at the point of connection to Seller's system or at any other point in Buyer's system where such valves or devices would induce positive or negative pressures in Seller's chilled water distribution system above or below the current AMERICAN WATER WORKS ASSOCIATION'S recommended limits as stated in AWWA Steel Pipe Manual M-11 based on 65 psig design operating pressure.

Buyer shall install, maintain and operate, at its cost, any heat exchangers or other equipment necessary to isolate any special process or equipment of Buyer that may become contaminated by direct usage of chilled water supplied by Seller hereunder.

Firm chilled water and steam service shall be furnished by Seller to Buyer at a point of delivery to be located at the property line nearest the exterior wall of Buyer's metering pit, unless Buyer and Seller stipulate in writing a different point of delivery. The point of redelivery by Buyer to Seller of such chilled water and condensate from such steam will be located parallel to and immediately adjacent to the point of delivery, unless Buyer and Seller stipulate in writing a different point of redelivery.

Seller shall install and operate all meters on Buyer's premises which Seller deems necessary or desirable to perform Seller's obligations hereunder. Title to all meters, pipes, regulators, appliances and other equipment placed on Buyer's premises by Seller and not sold to Buyer shall remain in Seller with right of removal, and no charge shall be made by Buyer for the use of premises occupied by same. Seller shall bear the cost of keeping its said pipes, meters, regulators and other equipment in repair, and shall have the right to enter upon

Buyer's premises at any time for any purpose connected with the services herein provided for. Seller shall not be liable for any claims, loss, damage, injury or death, as applicable, to persons or property resulting from such services or from its use or escape after it leaves the point of delivery, all risks thereof and therefrom being assumed by Buyer.

## 3.

## TERMS

The period of time covered by this contract shall begin (1) on the date of initial delivery of chilled water or steam service hereunder for those facilities under construction, and (2) on August 1, 1974 for those facilities presently in operation; and shall continue for a primary term of twenty-five (25) years and unless sooner terminated in accordance with the provisions of this agreement, shall continue thereafter as long as Seller operates its Plant described on Page 1 hereof; provided, however, should this contract remain in force and effect for a period of twenty-five (25) years, either party may terminate this agreement any time thereafter upon sixty (60) days' written notice of termination to the other party.

## 4.

## RATES

Prior to August 1, 1976, and prior to the end of each second Operating Year thereafter, Seller shall prepare and deliver to Buyer, a schedule of non-discriminatory rates to be effective for the next succeeding two Operating Years, designed to produce a Return of 7% on the Rate Base, computed on the basis of a test period which shall be, in each case, the twelve-month period ending on the last day of the fourth month preceding said Operating Year. For example, if the Operating Year commences with August 1, the relevant test period would be the twelve-month period ending on the preceding April 30. Seller shall have the right to make reasonable classifications of Customers and to provide reasonable conditions of availability and service.

A Schedule of monthly rates for service is attached hereto and made a part hereof for all purposes by reference. Said

Schedule shall be for that period of time as specified therein and substitute schedules shall be prepared and substituted from time to time as required.

## 5.

## COVENANTS AND PROVISIONS

The following covenants and provisions are a part of this contract, and Seller and Buyer mutually agree hereto:

1. Buyer will accept and receive from Seller chilled water and steam service for all space cooling, space heating, and steam process requirements of Buyer's aforesaid establishment for and during the full term of this contract, and will pay for such chilled water and steam service at the rate and prices and upon the terms and conditions set forth in this contract, making such payment to Seller at its office in Houston, Harris County, Texas within forty-five (45) days from the date of monthly billing. For the purpose of billing hereunder, a month shall be the period between any two customary meter readings by Seller, said readings to be, as nearly as may be convenient, one calendar month after the billing date. In the event all or any part of said monthly billing shall not be paid prior to the expiration of ninety (90) days from the billing date, and same shall be placed in the hands of an attorney for collection or if suit be filed thereon in any court, Buyer hereby agrees to pay to Seller ten percent (10%) additional upon the full amount then due and owing as attorney's fees; provided however, this provision shall not be construed as granting a period of grace or any extension of time for the payment of any amount due under this contract.

2. Buyer represents that all appliances, heat exchangers, air-moving equipment, secondary piping and all other equipment and facilities utilized by Buyer for the services provided herein at and beyond points of delivery are presently and will continue to be kept and maintained by Buyer throughout the term of this contract in good condition and safe, suitable, and adequate for the use for which same are installed. Buyer further agrees to cause said appliances, equipment and piping to be inspected at reasonable

intervals and to notify Seller if and when discovery is made that any such appliances, equipment or piping are in unsafe condition. Seller shall not be obligated to deliver any services to Buyer hereunder so long as any appliances, equipment or piping at and beyond points of delivery are in unsafe condition, and in any such event, Seller may discontinue furnishing services herein until such time as said appliance, equipment or piping have been restored to a safe condition. Any such period of discontinuance shall not be included in computing the term of this contract.

3. It is expressly recognized by the parties hereto that either Seller or Buyer may be compelled to make necessary alterations, repairs, replacements, or installations of lines and equipment from time to time during the life of this contract and such party agrees that the interruption in delivery of services, if any, shall be for only such time as may be reasonable and necessary, and such party will give the other party notice as far in advance as possible under the circumstances. Where billing hereunder is determined by meter, in case a meter is temporarily out of repair, the quantity of services used during the time while the meter is out of repair shall be estimated by mutual agreement between the parties hereto, upon the same basis of the amount of services registered by the meter per day when in proper working order and when a similar amount of consumers were supplied with such services. Seller will periodically test its meters serving Buyer's establishment, once each six (6) calendar months, and when such metering equipment is found to be inaccurate by more than  $\pm 2\%$  of scale range at normal building loads, such equipment shall be recalibrated, and payments based upon such inaccurate measurement shall be corrected for the period during which said inaccuracy is known to have existed, but in case such period is not known or agreed upon, then for a period extending back for one-half (1/2) of the lapsed time since the previous test of the metering equipment.

4. Neither party hereto shall be liable for its failure to carry out its obligations under this contract, other than the obligation to make payments of amounts due hereunder,

when said party shall be rendered unable, wholly or in part, by force majeure to carry out its obligations hereunder, but the obligations of the party relying on such force majeure shall be suspended only during the continuance of any inability so caused and for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, or equipment, the necessity for making repairs or alterations to machinery or lines of pipe, and any other causes whether the kind enumerated or otherwise, not within the control of the party claiming suspension, which by the exercise of due diligence, such party shall not have been able to avoid. In view of the fact that continuity of service is of unusual importance to Buyer, Seller agrees to exercise a maximum degree of care in preventing interruptions of service for any reason and to use the utmost diligence in restoring a service interruption for any case including force majeure.

5. Buyer will protect Seller's property on Buyer's premises from injury or damages, and will not tamper with its meter or regulators, and will not permit same to be tampered with, without consent of Seller.

6. Seller may, at its election, terminate this contract for failure on the part of Buyer to pay bills when due, as provided herein, for tampering with the meter or meters, if any, for failure to use such services in accordance with the spirit and intent of this contract, or for violation of any of the provisions of this agreement. Any cancellation of this agreement pursuant to the provisions of this contract shall be without prejudice to the right of Seller to collect any amount then due it and without waiver of any remedy to which Seller may be entitled for violation of this contract.

7. Any new or revised schedule of rates authorized hereunder shall become effective as to all such services thereafter delivered to Buyer commencing with the next monthly billing period.

8. Buyer agrees to convey or have conveyed to Seller, without cost to Seller, necessary or desirable rights-of-way and easements on Buyer's tract of land, if necessary, for the laying, construction, reconstruction, inspection, operation, maintenance, repair, protection, alteration, replacement, change of size, substitution, movement and removal of necessary pipes, meters, regulating devices, and related facilities for the transmission, regulation, measurement, and return of the chilled water and steam to be produced in the Plant by Seller.

9. The routes and locations of said rights-of-way and easements shall be designated by Seller (subject to Buyer's approval) and shall be reasonably located so as not to interfere with or unnecessarily encumber the development of Buyer's tract of land. Buyer agrees that it will not (without consent of Seller, which will not be unreasonably withheld) erect or construct, or permit the erection or construction of any houses, buildings, structures, concrete slabs (other than roads crossing Seller's pipelines, but not over and along such pipeline) or other obstructions on, over or across said rights-of-way and easements or any part thereof or that will interfere with any of the rights granted to Seller. If Buyer desires Seller to relocate its underground distribution system from such right-of-ways and easements, Buyer agrees to pay for all expenses and costs involved in such relocation, and Buyer shall give Seller sufficient and proper notice for the necessity of such relocation of pipeline.

10. Seller agrees to restore all surfaces disturbed by it in the exercise of its rights in all such main line and service line easements.

11. Seller shall not be bound by any representation or promise not contained within this contract and within that certain agreement dated April 9, 1968, entered into by and between Seller and the Texas Medical Center, Inc. relating to the construction

and operation of the Plant and Distribution System (such agreement being incorporated herein by reference), such writings embodying the entire contract between the parties hereto. This contract shall be binding upon Seller only after executed on its behalf by an authorized executive of Seller. This contract shall inure to the benefit of and be equally binding upon the successors, legal representatives and assigns of the parties hereto. Upon assumption by any grantee, lessee or tenant of Buyer, of Buyer's obligations hereunder insofar as such obligations relate to the premises conveyed or leased, and provided such assumption shall have been approved in writing by Seller, Buyer shall be relieved of its obligations hereunder to the extent of such assumption:

12. Seller shall have no responsibility for insufficient heating or cooling of or steam process use in Buyer's institution which results from defects or inadequacy of heat exchanger, air-handling equipment, interior lines or other related equipment of Buyer. Seller shall be responsible for control of chilled water and steam only up to the point of delivery thereof to Buyer and after redelivery to Seller's return distribution system. Insofar as permitted by law, Buyer shall indemnify and save Seller free and harmless from any loss, damage or harm resulting from the circulation or escape of chilled water or steam within Buyer's establishment or at any other point between the point of delivery and the point of redelivery thereof, from injuries to person or property caused thereby, and from all reasonable expenses of investigating or defending any claim resulting therefrom. Nothing herein shall be construed as relieving Seller of responsibility for damage or harm resulting from negligence of Seller or its servants or agents, in the handling of chilled water or steam up to the point of delivery thereof to Buyer and after redelivery thereof by Buyer to Seller's return distribution system.

13. Failure of Seller to exercise any right hereunder shall not be considered a waiver by Seller of such right or rights in the future.

6.

NO INDEBTEDNESS CREATED

This agreement shall not be construed as creating an indebtedness against the State of Texas, and all obligations of the Buyer hereunder are subject to the availability of appropriations by the Legislature of the State of Texas.

7.

It is understood that as future connections of University facilities are made, this agreement will be amended to cover such facilities.

8.

NOTICES

All notices and bills hereunder shall be in writing and shall be deemed to have been delivered when deposited in the United States mail, postage prepaid, if properly addressed as follows:

Buyer:	The University of Texas Health Science Center at Houston P. O. Box 20036 Houston, Texas 77025 Attention: Kenneth Ruminer
Seller:	Houston Natural Gas Corporation P. O. Box 1188 Houston, Texas 77001

Either party may by written notice to the other change its address for purposes of notices and bills hereunder.

9.

PARTIAL INVALIDITY

If any provision of this agreement is held to be invalid and not binding on any party hereto, such invalidity shall not affect the validity or enforceability of the remainder of this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed and delivered as of the date and year written below.

WITNESS our hands this the 10<sup>th</sup> day of August, 1976.

SELLER

HOUSTON NATURAL GAS CORPORATION

By Joe H. Foy  
Joe H. Foy, President

BUYER

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

By Allan Shivers  
ALLAN SHIVERS, CHAIRMAN  
Board of Regents of  
The University of Texas System

ATTEST:

By Clifford G. Campbell  
Clifford G. Campbell Secretary

By Betty L. Thedford  
BETTY L. THEDFORD, SECRETARY  
Board of Regents of  
The University of Texas System

Approval as to Form:

Bruce Wachs  
University Attorney

Approval as to Content:

Al Walker  
Deputy Chancellor

**HOUSTON NATURAL GAS CORPORATION**  
**RATE SHEET**  
 EFFECTIVE AUGUST 1, 1974 TO JULY 31, 1976

Net Monthly Rates

Cooling Rate (Chilled Water)

First	100,000 ton-hour	"	5.40¢ per ton-hour
Next	100,000 ton-hour	"	5.09¢ per ton-hour
Next	100,000 ton-hour	"	4.78¢ per ton-hour
Over	300,000 ton-hour	"	4.47¢ per ton-hour

Heating (Steam)

First	500,000 pounds	"	\$2.24 per 1,000 pounds
Next	500,000 pounds	"	\$2.16 per 1,000 pounds
Next	500,000 pounds	"	\$2.08 per 1,000 pounds
Over	1,500,000 pounds	"	\$2.00 per 1,000 pounds

All condensate not returned to central plant will be at a rate of 8¢ per thousand pounds.

1. Adjustments

The foregoing net monthly rates shall be adjusted from time to time to reflect increased costs upon which such rates have been based:

- (a) In the event of any increase or decrease in electric, gas and/or water rates over those in effect as of June 1, 1967, Seller may add to each bill for chilled water, steam, and steam process services the full applicable amount of any such increase or decrease.
- (b) Seller may also add to each bill for chilled water, steam, and steam process services the full applicable amount of any new or additional or increased or subsequently imposed taxes or similar charges of any kind and character based, assessed, fixed or charged by any municipal or governmental authority against Seller, the Plant or Distribution System, or its revenues or charges hereunder to the extent that such taxes or similar charges shall exceed those being paid or accrued by Seller as of the commencement of service from the Plant.
- (c) The above net monthly bill shall be increased or decreased, as the case may be, at a rate of .51% for each twenty-five cent (\$.25) increase or decrease after June 1967, in the arithmetical average of the "Average Hourly Gross Earnings" of non-supervisory employees and production workers of the Fabricated Metal Products Group and of the Electric, Gas and Sanitary Services Group Compiled by the United States Department of Labor, Bureau of Labor Statistics, and officially reported on a monthly basis by the United States Department of Commerce, Office of Business Economics, in publication currently entitled "Survey of Current Business." A base "Average Hourly Gross Earnings" figure shall be determined by weighting equally the figures reported as "Average Hourly Gross Earnings" of the said Fabricated Metal Products Group and the Electric, Gas and Sanitary Services Group for the month of June, 1967, said "Average Hourly Gross Earnings" figure being \$3.19.

Adjustments for "Average Hourly Gross Earnings" shall be computed for the months of March and September and apply to bills rendered during the six months periods commencing July and December of each year.

Corrected billings covering the appropriate period or periods shall be rendered by Seller to Buyer and paid by Buyer or refunded or credited by Seller, as the case may be, for each month in which a retroactive revision of the previously reported "Average Hourly Gross Earnings" is published at variance with figures previously reported.

2. Prompt Payment Provision

The gross monthly bill shall be due and payable from any customer who fails to pay his bill in full within ten (10) days of the date of the bill. To arrive at the gross monthly bill, the net monthly bill computed at the above net monthly rates together with applicable adjustments shall be increased two per cent (2%).

3. Availability of this Schedule

Available at each point of delivery in the Texas Medical Center area for chilled water and steam service for space cooling, space heating and steam processes under written contract on Seller's standard contract form, subject to the following limitations and conditions:

- (a) Each point of delivery must be either a point serving a separate building or a central point upstream of Customer's own distribution system, serving a complex of buildings under common ownership which are either physically connected or so close together as to constitute a single operating unit, but in no event separated by a paved street owned or controlled by Texas Medical Center. A complex of buildings which was, as of December 1, 1967, being served by a common air conditioning and heating plant shall be deemed to be under common ownership.
- (b) Each point of delivery is a separate billing point, not subject to combination with other points of delivery in the application of the rates.
- (c) Standby service and service for resale or sharing with others are available only under different rate schedules to be prescribed and supplied by Seller upon request.

33. San Antonio Health Science Center - Expansion - Phase IV (Addition to Animal Facilities and Related Laboratory and Office Space for Basic Science Departments): Approval of Preliminary Plans. -- Upon recommendation of President Harrison and System Administration, the preliminary plans and outline specifications for the Phase IV Expansion (Addition to Animal Facilities and Related Laboratory and Office Space for Basic Science Departments) were approved at an estimated total project cost of \$3,200,000. The plans were prepared by the Project Architect, Phelps & Simmons & Garza and Bartlett Cocke & Associates, Inc., Associated Architects, San Antonio, Texas, and provide for approximately 50,000 square feet of additional space. The Project Architect was authorized to prepare final plans and specifications to be presented to the Board of Regents for consideration at a future meeting.
34. San Antonio Health Science Center (San Antonio Dental School) - Cafeteria and Other Support Facilities: Inscription on Plaque. -- Following the format approved by the Board of Regents on October 1, 1966, the inscription set out below was authorized for the plaque to be placed on the Cafeteria and Other Support Facilities at the San Antonio Dental School of The University of Texas Health Science Center at San Antonio:

CAFETERIA  
AND OTHER SUPPORT FACILITIES

1975

BOARD OF REGENTS

Allan Shivers, Chairman  
Dan C. Williams, Vice-Chairman  
James E. Bauerle, D.D.S.  
Edward Clark  
Mrs. Lyndon B. Johnson  
Thos. H. Law  
A. G. McNeese, Jr.  
Joe T. Nelson, M.D.  
Walter G. Sterling

Charles A. LeMaistre, M.D.  
Chancellor, The University  
of Texas System  
Frank Harrison, M.D.  
President, The University  
of Texas Health Science  
Center at San Antonio

Bartlett Cocke & Associates, Inc.,  
and Phelps & Simmons & Garza  
Project Architect  
Wallace L. Boldt, General  
Contractor, Inc., Contractor

35. San Antonio Health Science Center - Central Service Facility: Approval of Final Plans and Authorization to Advertise for Bids (Approval by Coordinating Board). -- Upon the recommendation of President Harrison and System Administration, the final plans and specifications for the Central Service Facility at The University of Texas Health Science Center at San Antonio, prepared by the Project Architect, Phelps & Simmons & Garza and Bartlett Cocke & Associates, Inc., Associated Architects, San Antonio, Texas, were approved at an estimated total project cost of \$500,000 which had been previously appropriated.

The Director of the Office of Facilities Planning and Construction was authorized to advertise for bids to be presented to the Board of Regents for consideration at a future meeting.

It was noted that a request for this project had been submitted to and approved by the Coordinating Board, Texas College and University System.



CONTRACT FOR CHILLED WATER AND STEAM SERVICE  
HOUSTON NATURAL GAS CORPORATION

THIS AGREEMENT, made and entered into by and between Houston Natural Gas Corporation, a Texas corporation, herein after called "Seller", and the Board of Regents of the University of Texas System for the use and benefit of the University of Texas System Cancer Center facilities at Houston, Texas, hereinafter called "Buyer" witnesseth:

That Seller, in consideration of the covenants of this Agreement, and subject to the provisions of this Agreement, does, by these presents, covenant and agree to and with Buyer to furnish and supply to Buyer from Seller's central plant to be constructed within the Texas Medical Center in Houston, Harris County, Texas, all chilled water and steam service for space cooling, space heating, and steam processes as required in the operation of Buyer's buildings constituting the following points of delivery:

1. M. D. Anderson Clinic, Lutheran Hospital, Chapel and 6th and 7th Floor Addition to Main Hospital.

all located in the Texas Medical Center, Houston, Harris County, Texas.

Now therefore, in consideration of the premises, the undersigned parties hereby agree as follows:

1.

DEFINITIONS

Wherever used herein, the following terms have the following meanings:

(a) "The Center" means the area and Customers now constituting the Texas Medical Center and such area and Customers as may be added thereto from time to time by written agreement of Seller and Texas Medical Center, Inc. ("Medical Center").

(b) "The Plant" means the chilling and heating equipment

and other facilities installed at a location within the Center by Seller for the purpose of chilling water and producing steam to be distributed to Customers within the Center.

(c) "Connected Chilled Water Load" means the aggregate capacity of chiller equipment that would be required to meet the maximum instantaneous air conditioning needs of all Customers within the Center through individual installations.

(d) "The Distribution System" or "The System" means the system necessary to transmit to its customers throughout the Center the chilled water and steam produced by the Plant, regulate it, measure it, and return it to the Plant.

(e) "Operating Year" means any consecutive twelve-month period commencing on the first day of the month next following the date of beginning of continuous, permanent service from the Plant, or any anniversary thereof.

(f) "Return" means the net revenues derived during any twelve-month period by Seller from the operation of the Plant and Distribution System and shall be determined by subtracting from the gross revenues paid by Customers for service during a twelve-month period the following expenses (all of which expenses shall be limited to those appropriately related to operation of the Plant and Distribution System) for said twelve-month period:

- (1) All production, maintenance, and operating expenses, including, without limitation, cost of gas, electricity and water consumed. Cost of gas will be determined by applying Seller's applicable standard contract rate 606, or such other standard rate as may replace it.
- (2) All transmission and distribution expenses incurred in the operation and maintenance of the piping, the measuring and regulating equipment, and all related facilities.
- (3) All insurance premiums. Seller shall keep Medical Center advised of the type and extent of its insurance coverage and Medical Center shall have the right to determine the adequacy and reasonableness of such coverage.
- (4) An amount equal to 17.5% of the foregoing items numbered (1), (2) and (3) less cost of gas (but not less than a total

of \$1,000 in any one month), to cover all customers accounting, billing and collecting, and allocated administrative and general expense.

- (5) All taxes and governmental impositions of any nature paid or incurred upon the Plant, the System, or the services or revenues directly associated therewith, except income taxes.
- (6) Depreciation at the annual rate of 5% on depreciable assets installed new by Seller and at an annual rate based on estimated remaining useful life on depreciable assets acquired from customers and reused in the Plant or System, calculated in each case by the straight line method of depreciation accounting.
- (7) A provision for Federal, and if and when applicable, State, income taxes calculated by direct application of the applicable statutory tax rates to the net taxable revenues remaining after deducting from the gross revenues the items numbered (1) through (6) above, and after deducting an additional amount for interest at the rate of 6% on an assumed indebtedness of 60% of Seller's Investment in the Plant and Distribution System. It is contemplated that the provision for income taxes will be calculated, in general, as though the Plant and Distribution System were operated by a separate corporate entity, except that the Pate Base increment described in the next to last sentence of paragraph (h) will be credited for reduction in Seller's actual income taxes in the case of net loss, and except that the provision for income taxes will not take into account liberalized depreciation, investment tax credits or similar provisions.

(g) "Investment" as of any twelve-month period means the average monthly balance during said twelve-month period of the following items:

- (1) The original cost of all equipment, fixtures, facilities and fittings comprised by the Plant and the Distribution System, and the installation thereof, including, without limitation, contract labor, equipment and services, employed labor,

materials and supplies, transportation, injuries and damages not covered by insurance, privileges and permits, rents, general and warehouse overheads, insurance, legal fees, and any other costs incurred to put the Plant and Distribution System initially in operating condition, accumulated through a job order cost system in accordance with the uniform system of accounts prescribed for public utilities by the National Association of Railroad and Utility Commissioners.

- (2) The cost to Seller of any facilities acquired from Customers with the consent of Medical Center and installed as part of the Plant or the Distribution System.
- (3) The remaining cost to Seller of any facilities acquired by Seller from a Customer with the consent of Medical Center and retired, after deducting the amount, if any, realized on resale thereof by Seller.

(h) "Rate Base" as of any twelve-month period means the Investment in Plant and Distribution System plus the average monthly balance during said twelve-month period of prepaid insurance, taxes or expenses, and of materials and supplies, plus an allowance for cash working capital equal to 12 1/2% of the operating expenses (Items (1) through (4) under subparagraph (f) above) less cost of gas, and plus the increment described in the following sentence. If Seller fails to earn a Return of as much as 7% on its Rate Base during any Operating Year, the amount by which its actual Return was less than 7% of the Rate Base shall be added as an increment to the Rate Base applicable for each subsequent Operating Year or test period, but said increment shall thereafter be reduced by the amount, if any, by which in any subsequent Operating Year, Seller's Return exceeds a Return equal to 7% of the applicable Rate Base. However, in any year in which the Return is a net loss, the amount of the Rate Base increment shall be reduced by the amount by which Seller's income taxes are reduced as a result of such loss.

(i) "Customer" means a person, firm or corporation owning, controlling or operating a building or facility within the Center and taking service from the Plant and Distribution

System under contract with Seller.

(j) "BTU" means British Therman Unit.

(k) "Ton-hour" means 12,000 BTU's.

2.

#### FACILITIES

Seller's Distribution System will be operated by Seller at a pressure sufficient to circulate water in such system as if it were a closed system running from the Plant by Buyer's establishment and back to the Plant. Buyer will install, maintain and operate, at its cost, a pressure pump or pumps which will produce sufficient pressure to enable Buyer to circulate the chilled water through and within its establishment and facilities and return water to Seller's Distribution System at approximately the same pressure as received.

Seller's Distribution System will be operated to deliver steam to Buyer's establishment. Steam condensate will return from Buyer's establishment to the Plant through the return Distribution System of Seller, which will be sized on the basis of 3.0 feet pressure drop per 100 lineal feet. Buyer will install, maintain and operate, at its cost, a pressure pump or pumps which will produce sufficient pressure to return the steam condensate from the Buyer's establishment to the Plant, but not in excess of 75 PSI. Buyer will return all water and steam condensate into the return Distribution System of Seller running from Buyer's establishment to the Plant in the same condition as received from Seller, except for change of temperature or physical state and except for normal and unavoidable shrinkage, but steam condensate shall be returned at a temperature of not less than 150° F. nor more than 212° F.

The chilled water to be supplied hereunder by Seller shall be forty degrees Fahrenheit (40° F.) (plus or minus 1°) at the delivery point serving Buyer's establishment, and Seller's Plant and chilled water Distribution System shall be designed with an allowance for 150 PSI static head at ground level and a maximum flow of 1.72 gpm/ton of instantaneous load. Seller shall deliver saturated steam at the point of delivery serving Buyer's establishment at a minimum pressure of 125 PSI and a maximum of 425 PSI,

with steam purity of approximately 99%.

Buyer will install, maintain and operate, at its cost, equipment and controls to limit chilled water flow from the Distribution System to a maximum of 1.72 gpm/ton of ultimate instantaneous load.

Buyer shall not employ automatic valves or devices in the chilled water lines at the point of connection to Seller's system or at any other point in Buyer's system where such valves or devices would induce positive or negative pressures in Seller's chilled water distribution system above or below the current AMERICAN WATER WORKS ASSOCIATION'S recommended limits as stated in AWWA Steel Pipe Manual M-11 based on 65 psig design operating pressure.

Buyer shall install, maintain and operate, at its cost, any heat exchangers or other equipment necessary to isolate any special process or equipment of Buyer that may become contaminated by direct usage of chilled water supplied by Seller hereunder.

Firm chilled water and steam service shall be furnished by Seller to Buyer at a point of delivery to be located at the property line nearest the exterior wall of Buyer's metering pit, unless Buyer and Seller stipulate in writing a different point of delivery. The point of redelivery by Buyer to Seller of such chilled water and condensate from such steam will be located parallel to and immediately adjacent to the point of delivery, unless Buyer and Seller stipulate in writing a different point of redelivery.

Seller shall install and operate all meters on Buyer's premises which Seller deems necessary or desirable to perform Seller's obligations hereunder. Title to all meters, pipes, regulators, appliances and other equipment placed on Buyer's premises by Seller and not sold to Buyer shall remain in Seller with right of removal, and no charge shall be made by Buyer for the use of premises occupied by same. Seller shall bear the cost of keeping its said pipes, meters, regulators and other equipment in repair, and shall have the right to enter upon

Buyer's premises at any time for any purpose connected with the services herein provided for. Seller shall not be liable for any claims, loss, damage, injury or death, as applicable, to persons or property resulting from such services or from its use or escape after it leaves the point of delivery, all risks thereof and therefrom being assumed by Buyer.

## 3.

## TERMS

The period of time covered by this contract shall begin (1) on the date of initial delivery of chilled water or steam service hereunder for those facilities under construction, and (2) on August 1, 1974 for those facilities presently in operation; and shall continue for a primary term of twenty-five (25) years and unless sooner terminated in accordance with the provisions of this agreement, shall continue thereafter as long as Seller operates its Plant described on Page 1 hereof; provided, however, should this contract remain in force and effect for a period of twenty-five (25) years, either party may terminate this agreement any time thereafter upon sixty (60) days' written notice of termination to the other party.

## 4.

## RATES

Prior to August 1, 1976, and prior to the end of each second Operating Year thereafter, Seller shall prepare and deliver to Buyer, a schedule of non-discriminatory rates to be effective for the next succeeding two Operating Years, designed to produce a Return of 7% on the Rate Base, computed on the basis of a test period which shall be, in each case, the twelve-month period ending on the last day of the fourth month preceding said Operating Year. For example, if the Operating Year commences with August 1, the relevant test period would be the twelve-month period ending on the preceding April 30. Seller shall have the right to make reasonable classifications of Customers and to provide reasonable conditions of availability and service.

A Schedule of monthly rates for service is attached hereto and made a part hereof for all purposes by reference. Said

Schedule shall be for that period of time as specified therein and substitute schedules shall be prepared and substituted from time to time as required.

## 5.

## COVENANTS AND PROVISIONS

The following covenants and provisions are a part of this contract, and Seller and Buyer mutually agree hereto:

1. Buyer will accept and receive from Seller chilled water and steam service for all space cooling, space heating, and steam process requirements of Buyer's aforesaid establishment for and during the full term of this contract, and will pay for such chilled water and steam service at the rate and prices and upon the terms and conditions set forth in this contract, making such payment to Seller at its office in Houston, Harris County, Texas within forty-five (45) days from the date of monthly billing. For the purpose of billing hereunder, a month shall be the period between any two customary meter readings by Seller, said readings to be, as nearly as may be convenient, one calendar month after the billing date. In the event all or any part of said monthly billing shall not be paid prior to the expiration of ninety (90) days from the billing date, and same shall be placed in the hands of an attorney for collection or if suit be filed thereon in any court, Buyer hereby agrees to pay to Seller ten percent (10%) additional upon the full amount then due and owing as attorney's fees; provided however, this provision shall not be construed as granting a period of grace or any extension of time for the payment of any amount due under this contract.

2. Buyer represents that all appliances, heat exchangers, air-moving equipment, secondary piping and all other equipment and facilities utilized by Buyer for the services provided herein at and beyond points of delivery are presently and will continue to be kept and maintained by Buyer throughout the term of this contract in good condition and safe, suitable, and adequate for the use for which same are installed. Buyer further agrees to cause said appliances, equipment and piping to be inspected at reasonable

interval, and to notify Seller if and when discovery is made that any such appliances, equipment or piping are in unsafe condition. Seller shall not be obligated to deliver any services hereunder so long as any appliances, equipment or piping at and beyond points of delivery are in unsafe condition, and in any such event, Seller may discontinue furnishing services herein until such time as said appliance, equipment or piping have been restored to a safe condition. Any such period of discontinuance shall not be included in computing the term of this contract.

3. It is expressly recognized by the parties hereto that either Seller or Buyer may be compelled to make necessary alterations, repairs, replacements, or installations of lines and equipment from time to time during the life of this contract and such party agrees that the interruption in delivery of services, if any, shall be for only such time as may be reasonable and necessary, and such party will give the other party notice as far in advance as possible under the circumstances. Where billing hereunder is determined by meter, in case a meter is temporarily out of repair, the quantity of services used during the time while the meter is out of repair shall be estimated by mutual agreement between the parties hereto, upon the same basis of the amount of services registered by the meter per day when in proper working order and when a similar amount of consumers were supplied with such services. Seller will periodically test its meters serving Buyer's establishment, once each six (6) calendar months, and when such metering equipment is found to be inaccurate by more than  $\pm 2\%$  of scale range at normal building loads, such equipment shall be recalibrated, and payments based upon such inaccurate measurement shall be corrected for the period during which said inaccuracy is known to have existed, but in case such period is not known or agreed upon, then for a period extending back for one-half (1/2) of the lapsed time since the previous test of the metering equipment.

4. Neither party hereto shall be liable for its failure to carry out its obligations under this contract, other than the obligation to make payments of amounts due hereunder,

when said party shall be rendered unable, wholly or in part, by force majeure to carry out its obligations hereunder, but the obligations of the party relying on such force majeure shall be suspended only during the continuance of any inability so caused and for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, or equipment, the necessity for making repairs or alterations to machinery or lines of pipe, and any other causes whether the kind enumerated or otherwise, not within the control of the party claiming suspension, which by the exercise of due diligence, such party shall not have been able to avoid. In view of the fact that continuity of service is of unusual importance to Buyer, Seller agrees to exercise a maximum degree of care in preventing interruptions of service for any reason and to use the utmost diligence in restoring a service interruption for any case including force majeure.

5. Buyer will protect Seller's property on Buyer's premises from injury or damages, and will not tamper with its meter or regulators, and will not permit same to be tampered with, without consent of Seller.

6. Seller may, at its election, terminate this contract for failure on the part of Buyer to pay bills when due, as provided herein, for tampering with the meter or meters, if any, for failure to use such services in accordance with the spirit and intent of this contract, or for violation of any of the provisions of this agreement. Any cancellation of this agreement pursuant to the provisions of this contract shall be without prejudice to the right of Seller to collect any amount then due it and without waiver of any remedy to which Seller may be entitled for violation of this contract.

7. Any new or revised schedule of rates authorized hereunder shall become effective as to all such services thereafter delivered to Buyer commencing with the next monthly billing period.

8. Buyer agrees to convey or have conveyed to Seller, without cost to Seller, necessary or desirable rights-of-way and easements on Buyer's tract of land, if necessary, for the laying, construction, reconstruction, inspection, operation, maintenance, repair, protection, alteration, replacement, change of size, substitution, movement and removal of necessary pipes, meters, regulating devices, and related facilities for the transmission, regulation, measurement, and return of the chilled water and steam to be produced in the Plant by Seller.

9. The routes and locations of said rights-of-way and easements shall be designated by Seller (subject to Buyer's approval) and shall be reasonably located so as not to interfere with or unnecessarily encumber the development of Buyer's tract of land. Buyer agrees that it will not (without consent of Seller, which will not be unreasonably withheld) erect or construct, or permit the erection or construction of any houses, buildings, structures, concrete slabs (other than roads crossing Seller's pipelines, but not over and along such pipeline) or other obstructions on, over or across said rights-of-way and easements or any part thereof or that will interfere with any of the rights granted to Seller. If Buyer desires Seller to relocate its underground distribution system from such right-of-ways and easements, Buyer agrees to pay for all expenses and costs involved in such relocation, and Buyer shall give Seller sufficient and proper notice for the necessity of such relocation of pipeline.

10. Seller agrees to restore all surfaces disturbed by it in the exercise of its rights in all such main line and service line easements.

11. Seller shall not be bound by any representation or promise not contained within this contract and within that certain agreement dated April 9, 1968, entered into by and between Seller and the Texas Medical Center, Inc. relating to the construction

and operation of the Plant and Distribution System (such agreement being incorporated herein by reference), such writings embodying the entire contract between the parties hereto. This contract shall be binding upon Seller only after executed on its behalf by an authorized executive of Seller. This contract shall inure to the benefit of and be equally binding upon the successors, legal representatives and assigns of the parties hereto. Upon assumption by any grantee, lessee or tenant of Buyer, of Buyer's obligations hereunder insofar as such obligations relate to the premises conveyed or leased, and provided such assumption shall have been approved in writing by Seller, Buyer shall be relieved of its obligations hereunder to the extent of such assumption.

12. Seller shall have no responsibility for insufficient heating or cooling of or steam process use in Buyer's institution which results from defects or inadequacy of heat exchanger, air-handling equipment, interior lines or other related equipment of Buyer. Seller shall be responsible for control of chilled water and steam only up to the point of delivery thereof to Buyer and after redelivery to Seller's return distribution system. Insofar as permitted by law, Buyer shall indemnify and save Seller free and harmless from any loss, damage or harm resulting from the circulation or escape of chilled water or steam within Buyer's establishment or at any other point between the point of delivery and the point of redelivery thereof, from injuries to person or property caused thereby, and from all reasonable expenses of investigating or defending any claim resulting therefrom. Nothing herein shall be construed as relieving Seller of responsibility for damage or harm resulting from negligence of Seller or its servants or agents, in the handling of chilled water or steam up to the point of delivery thereof to Buyer and after redelivery thereof by Buyer to Seller's return distribution system.

13. Failure of Seller to exercise any right hereunder shall not be considered a waiver by Seller of such right or rights in the future.

6.

NO INDEBTEDNESS CREATED

This agreement shall not be construed as creating an indebtedness against the State of Texas, and all obligations of the Buyer hereunder are subject to the availability of appropriations by the Legislature of the State of Texas.

7.

It is understood that as future connections of University facilities are made, this agreement will be amended to cover such facilities.

8.

NOTICES

All notices and bills hereunder shall be in writing and shall be deemed to have been delivered when deposited in the United States mail, postage prepaid, if properly addressed as follows:

Buyer: The University of Texas System Cancer Center  
6723 Bertner  
Houston, Texas 77030  
Attention: Robert A. Griesser

Seller: Houston Natural Gas Corporation  
P. O. Box 1182  
Houston, Texas 77001

Either party may by written notice to the other change its address for purposes of notices and bills hereunder.

9.

PARTIAL INVALIDITY

If any provision of this agreement is held to be invalid and not binding on any party hereto, such invalidity shall not affect the validity or enforceability of the remainder of this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed and delivered as of the date and year written below.

WITNESS our hands this the 17<sup>th</sup> day of August, 1976.

SELLER

HOUSTON NATURAL GAS CORPORATION

By Joe H. Foy  
Joe H. Foy, President

BUYER

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

By Allan Shivers  
ALLAN SHIVERS, CHAIRMAN  
Board of Regents of  
The University of Texas System

ATTEST:

By Clifford G. Campbell  
Clifford G. Campbell, Secretary

By Bette Ann Steedford  
BETTE ANN STEEDFORD, SECRETARY  
Board of Regents of  
The University of Texas System

Approval as to Form:

Dunace Wischop  
University Attorney

Approval as to Content:

Edell Allen  
Deputy Chancellor  
APP K

**HOUSTON NATURAL GAS CORPORATION  
RATE SHEET**

EFFECTIVE AUGUST 1, 1974 TO JULY 31, 1976

**Net Monthly Rates**

**Cooling Rate (Chilled Water)**

First	100,000 ton-hour	a	5.40¢ per ton-hour
Next	100,000 ton-hour	a	5.09¢ per ton-hour
Next	100,000 ton-hour	a	4.78¢ per ton-hour
Over	300,000 ton-hour	a	4.47¢ per ton-hour

**Heating (Steam)**

First	500,000 pounds	a	\$2.24 per 1,000 pounds
Next	500,000 pounds	a	\$2.16 per 1,000 pounds
Next	500,000 pounds	a	\$2.08 per 1,000 pounds
Over	1,500,000 pounds	a	\$2.00 per 1,000 pounds

All condensate not returned to central plant will be at a rate of 8¢ per thousand pounds.

**1. Adjustments**

The foregoing net monthly rates shall be adjusted from time to time to reflect increased costs upon which such rates have been based:

- (a) In the event of any increase or decrease in electric, gas and/or water rates over those in effect as of June 1, 1967, Seller may add to each bill for chilled water, steam, and steam process services the full applicable amount of any such increase or decrease.
- (b) Seller may also add to each bill for chilled water, steam, and steam process services the full applicable amount of any new or additional or increased or subsequently imposed taxes or similar charges of any kind and character based, assessed, fixed or charged by any municipal or governmental authority against Seller, the Plant or Distribution System, or its revenues or charges hereunder to the extent that such taxes or similar charges shall exceed those being paid or accrued by Seller as of the commencement of service from the Plant.
- (c) The above net monthly bill shall be increased or decreased, as the case may be, at a rate of .51% for each twenty-five cent (\$.25) increase or decrease after June 1967, in the arithmetical average of the "Average Hourly Gross Earnings" of non-supervisory employees and production workers of the Fabricated Metal Products Group and of the Electric, Gas and Sanitary Services Group Compiled by the United States Department of Labor, Bureau of Labor Statistics, and officially reported on a monthly basis by the United States Department of Commerce, Office of Business Economics, in publication currently entitled "Survey of Current Business." A base "Average Hourly Gross Earnings" figure shall be determined by weighting equally the figures reported as "Average Hourly Gross Earnings" of the said Fabricated Metal Products Group and the Electric, Gas and Sanitary Services Group for the month of June, 1967, said "Average Hourly Gross Earnings" figure being \$3.19.

Adjustments for "Average Hourly Gross Earnings" shall be computed for the months of March and September and apply to bills rendered during the six months periods commencing July and December of each year.

Corrected billings covering the appropriate period or periods shall be rendered by Seller to Buyer and paid by Buyer or refunded or credited by Seller, as the case may be, for each month in which a retroactive revision of the previously reported "Average Hourly Gross Earnings" is published at variance with figures previously reported.

**2. Prompt Payment Provision**

The gross monthly bill shall be due and payable from any customer who fails to pay his bill in full within ten (10) days of the date of the bill. To arrive at the gross monthly bill, the net monthly bill computed at the above net monthly rates together with applicable adjustments shall be increased two per cent (2%).

**3. Availability of this Schedule**

Available at each point of delivery in the Texas Medical Center area for chilled water and steam service for space cooling, space heating and steam processes under written contract on Seller's standard contract form, subject to the following limitations and conditions:

- (a) Each point of delivery must be either a point serving a separate building or a central point upstream of Customer's own distribution system, serving a complex of buildings under common ownership which are either physically connected or so close together as to constitute a single operating unit, but in no event separated by a paved street owned or controlled by Texas Medical Center. A complex of buildings which was, as of December 1, 1967, being served by a common air conditioning and heating plant shall be deemed to be under common ownership.
- (b) Each point of delivery is a separate billing point, not subject to combination with other points of delivery in the application of the rates.
- (c) Standby service and service for resale or sharing with others are available only under different rate schedules to be prescribed and supplied by Seller upon request.

REPORT OF MEDICAL AFFAIRS COMMITTEE (Pages 96 - 125 ). -- Committee Chairman Nelson filed the following Report of the Medical Affairs Committee and stated that all actions had been taken in open session. He moved the adoption of the report which motion unanimously prevailed:

1. U. T. Arlington (School of Nursing): Affiliation Agreements with (a) Holy Family School, Fort Worth, Texas; (b) Schick Hospital, Fort Worth, Texas; and (c) Arlington Neuropsychiatric Center, Inc., Arlington, Texas. -- Upon the recommendation of President Nedderman, concurred in by System Administration, approval was given to affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas at Arlington School of Nursing, and the following institutions:

- (a) Holy Family School, Fort Worth, Texas
- (b) Schick Hospital, Fort Worth, Texas
- (c) Arlington Neuropsychiatric Center, Inc., Arlington, Texas

These agreements are based on the model affiliation agreement with clinical health facilities for the training of nursing students originally approved by the Board of Regents September 12, 1970; amended September 1975, and reaffirmed on July 9, 1976. In the future, until otherwise amended, the date of the model affiliation agreement for nursing will be referred to as July 9, 1976.

The Chairman of the Board of Regents was authorized to execute the agreements when they had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor and the Associate Deputy Chancellor for Academic Affairs.

2. U. T. Austin (School of Nursing): Affiliation Agreements with (a) Child Incorporated, Austin, Texas; (b) Georgetown Medical-Surgical Hospital Clinic, Georgetown, Texas; (c) Williamson County Health Department, Georgetown, Texas, and (d) Johns Community Hospital, Taylor, Texas. -- Upon the recommendation of President Rogers, concurred in by System Administration, approval was given to the affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas at Austin School of Nursing, and the following facilities:

- (a) Child Incorporated, Austin, Texas
- (b) Georgetown Medical-Surgical Hospital Clinic, Georgetown, Texas
- (c) Williamson County Health Department, Georgetown, Texas
- (d) Johns Community Hospital, Taylor, Texas

These agreements are based on the model affiliation agreement for nursing adopted July 9, 1976, and contain the standard hold harmless clause. The use of these facilities provides for clinical nursing experience for the nursing students.

The Chairman of the Board of Regents was authorized to execute the agreements when they had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

3. U. T. Austin (College of Pharmacy); Affiliation Agreements with (a) Harris Hospital, Fort Worth, Texas; (b) San Antonio Community Hospital, San Antonio, Texas; (c) Department of the Air Force, Wilford Hall USAF Medical Center, Lackland Air Force Base, Texas; and (d) Brooke Army Medical Center, San Antonio, Texas. -- The following affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of the College of Pharmacy of The University of Texas at Austin, were approved:

- (a) Harris Hospital, Fort Worth, Texas
- (b) San Antonio Community Hospital, San Antonio, Texas
- (c) Department of the Air Force, Wilford Hall USAF Medical Center, Lackland Air Force Base, Texas
- (d) Brooke Army Medical Center, San Antonio, Texas

The agreements with (a) Harris Hospital, (b) San Antonio Community Hospital and (c) Department of the Air Force, Wilford Hall USAF Medical Center are based on the model affiliation agreement for the College of Pharmacy approved by the Board of Regents on September 12, 1975. These agreements contain the standard hold harmless clause.

The affiliation agreement with Brooke Army Medical Center, set out on Pages 97 - 101, does not contain the hold harmless clause as one was not requested.

The Chairman of the Board of Regents was authorized to execute the agreements when they had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor and the Associate Deputy Chancellor for Academic Affairs.

#### AFFILIATION AGREEMENT

THE STATE OF TEXAS |

COUNTY OF TRAVIS |

This AGREEMENT is executed on \_\_\_\_\_, 1976  
between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
SYSTEM, for and on behalf of the Component Institutions of The  
University of Texas System, sometimes referred to as "University",  
and BROOKE ARMY MEDICAL CENTER, sometimes referred to as  
"The U. S. Army Medical Facility", or "the Army".

#### WITNESSETH:

WHEREAS, the University and the Facility have the following  
common objectives: (1) to provide clinical experience in terms of  
patient and related instruction for students of the University; (2) to

improve the overall educational program of the University by providing opportunities for learning experiences that will progress the student to advanced levels of performance; (3) to increase contacts between academic faculties and clinical faculties for fullest utilization of available teaching facilities and expertise; and (4) to establish and operate a Clinical Education Program of the first rank;

NOW THEREFORE, for and in consideration of the foregoing, and in further consideration of the mutual benefits, the parties to this agreement agree to the specifics hereinafter incorporated as BAMC Form 374NS, dated 1 April 1976.

#### I. BACKGROUND

1. The Board of Regents of The University of Texas System has established an approved professional program of special training in preparation for B. S. Degree in Pharmacy. The program requires clinical facilities where the student can obtain the clinical learning experience required in the curriculum.
2. The U. S. Army medical facility, Brooke Army Medical Center, has the needed clinical facilities for Pharmacy trainees at the University to obtain part of the clinical learning experience required. It is to the benefit of the University for Pharmacy trainees to use the clinical facilities of the U. S. Army medical facility, Brooke Army Medical Center, to obtain their clinical learning experience.
3. The U. S. Army medical facility, Brooke Army Medical Center, and the Department of the Army will benefit from making clinical facilities available to Pharmacy trainees of the University. The Army will obtain the trainees' clinical learning experience while contributing to the educational preparation of a future supply of pharmacists.
4. Clinical trainees, during clinical training at the Army medical facility, will be under the jurisdiction of facility officials for

training purposes and will follow facility rules.

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

II. UNDERSTANDING

1. The U. S. Army medical facility will ---

a. Make available the clinical and related facilities needed for the clinical learning experience in Pharmacy by students enrolled in the basic professional Pharmacy program at the University and who are designated by the University for such learning experience under the supervision of the University.

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

c. Designate a Pharmacy officer to coordinate the trainees' clinical learning experience in the Pharmacy Program. This will involve planning with faculty or staff members for the assignment of trainees to specific clinical cases and experiences including their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

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

e. Permit, on reasonable request, the inspection of clinical and related facilities for agencies charged with the responsibility for accreditation of The University of Texas.

2. The University of Texas will ---

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

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

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

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

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

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

g. Prohibit the publication by the trainees and faculty or staff members of any material relative to their clinical learning experience that has not been reviewed by the Army medical facility in order to assure that no classified information is inadvertently published, that infringement of patients' right to privacy is avoided, and that accuracy with respect to military procedures is complete. Any article written by a trainee which has been based on information acquired through his clinical learning experience must clearly reflect that DA does not endorse the article, even where a review has been made prior to publication. This is accomplished by requiring a disclaimer paragraph to appear with each such article written:

"The opinion and conclusions presented herein are those of the author and do not necessarily represent the views of the Army medical facility the Department of the Army or any other governmental agency."

III. TRAINING

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

EXECUTED by the parties on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_ By \_\_\_\_\_

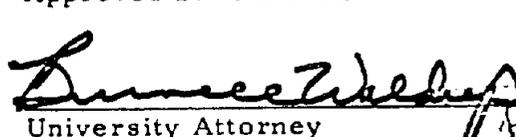
ATTEST:

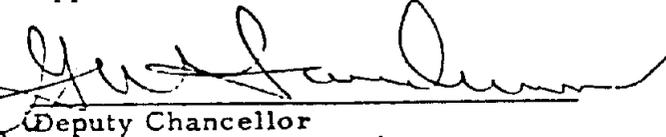
BROOKE ARMY MEDICAL CENTER

\_\_\_\_\_ By \_\_\_\_\_

Approved as to Form:

Approved as to Content:

  
University Attorney

  
Deputy Chancellor

  
Associate Deputy Chancellor  
for Academic Affairs

- 4. U. T. El Paso: Agreement with Hotel Dieu Hospital and Medical Center, El Paso, Texas (Undergraduate Social Welfare Training Project). -- An agreement between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas at El Paso, and Hotel Dieu Hospital and Medical Center, El Paso, Texas, was approved as set out on Pages 102 - 104. This agreement provides for the use of educational facilities for students enrolled in the Undergraduate Social Welfare Training Project and contains the standard hold harmless clause.

The Chairman of the Board of Regents was authorized to execute the agreement when it had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor and the Associate Deputy Chancellor for Academic Affairs.

A G R E E M E N T

This AGREEMENT by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of The University of Texas at El Paso, hereinafter called "University" and the HOTEL DIEU HOSPITAL AND MEDICAL CENTER, a corporation of the State of Texas, hereinafter called "Hospital",

## W I T N E S S E T H :

WHEREAS, it is agreed by the parties to be of mutual interest and advantage that students enrolled in the Undergraduate Social Welfare Training Project at The University of Texas at El Paso be provided the benefit of educational facilities for practical experience in social services in hospitals.

WHEREAS, Hospital is agreeable for University to obtain social welfare experience for a mutually agreed upon number of students of the Undergraduate Social Welfare Training Project:

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

I. RESPONSIBILITIES OF THE UNDERGRADUATE SOCIAL WELFARE TRAINING PROJECT.

1. It shall be the responsibility of the University to plan and conduct a cooperative and coordinated education program of instruction with Hotel Dieu Hospital and Medical Center.

2. The University will provide qualified instructors for all general and/or supportive course work as prescribed in its program.

3. The University will provide administrative functions to include student admission, scheduling, attendance, and maintaining achievement records for all students.

4. Instructors and students of the University program will abide by the policies and regulations of Hotel Dieu Hospital and Medical Center while using its facilities.

5. Insofar as the University is authorized by the Constitution and the laws of the State of Texas, the University agrees to hold the Hotel Dieu Hospital and Medical Center harmless from and against any and all liabilities resulting from the use of its facilities by the University. The University does not agree to hold the Hotel Dieu Hospital and Medical Center harmless for the gross or willful negligence of Hospital, its officers or agents or the actions of a third party over which the University has no supervision, control or jurisdiction.

II. RESPONSIBILITIES OF HOTEL DIEU HOSPITAL AND MEDICAL CENTER.

1. Hospital agrees to cooperate to insure the success of the program.

2. Hospital agrees to provide adequate facilities to obtain experience in the following areas:

a. A social service department with a variety of experiences as may be agreed upon.

b. It is hereby agreed that students may be transferred to other agencies to obtain experience in specified areas not available at Hospital.

3. Hospital shall provide close and competent supervision for the student, scheduling regular meetings and submitting a written evaluation on the performance of the student at specified times.

4. The department shall comply with standard Hospital safety regulations.

5. Hospital shall provide office equipment and office supplies needed for field work.

III. JOINT RESPONSIBILITIES.

1. This Agreement should be reviewed and evaluated yearly by both parties and revisions and/or alterations made as is deemed advisable.

2. Selection and assignment of students will be by mutual agreement of the parties.

3. Release of students from the program may be effected by the:

a. Written documentation from key Hospital personnel indicating specifically the reason for such recommended action.

b. Advance written notice by the University program coordinator indicating the insufficient performance by the student.

IV. 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 giving six months notice in writing to the other party by registered mail. Those students enrolled at the date of termination will be permitted to complete their respective field work period.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on \_\_\_\_\_, 1976.

ATTEST:

\_\_\_\_\_  
Secretary

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

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

ATTEST:

Blanche Fatach  
Secretary

HOTEL DIEU HOSPITAL AND  
MEDICAL CENTER

By Sister Maria Brattberg

Approved as to Content:

[Signature]  
Deputy Chancellor

Approved as to Form:

[Signature]  
University Attorney

[Signature]  
Associate Deputy Chancellor  
for Academic Affairs

5. Dallas Health Science Center (Dallas Allied Health Sciences School): Affiliation Agreements with (a) Senior Citizens Program, City of Mesquite, Senior Citizens Center, Mesquite, Texas; (b) Casa de los Amigos, Dallas, Texas; (c) Joint Action in Community Service, Dallas, Texas; (d) Volunteers of America, Dallas Men's Residence, Dallas, Texas; and (e) Dallas County Nutrition Program, Dallas, Texas. -- Upon the recommendation of President Sprague, concurred in by System Administration, approval was given to affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of the Dallas Allied Health Sciences School of The University of Texas Health Science Center at Dallas, and the following facilities:

- (a) Senior Citizens Program, City of Mesquite, Senior Citizens Center, Mesquite, Texas
- (b) Casa de los Amigos, Dallas, Texas
- (c) Joint Action in Community Service, Dallas, Texas
- (d) Volunteers of America, Dallas Men's Residence, Dallas, Texas
- (e) Dallas County Nutrition Program, Dallas, Texas

These agreements are based on the model affiliation agreement with teaching clinical facilities for the training of allied health sciences students originally approved by the Board of Regents March 6, 1970, and amended September 1975. In the future, until otherwise amended, the date of the model affiliation agreement for allied health sciences will be referred to as September 1975.

The Chairman of the Board of Regents was authorized to execute the agreements when they had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

6. Galveston Medical Branch: Affiliation Agreement with the Gulf Coast Regional Mental Health-Mental Retardation Center, Galveston, Texas. -- Approval was given to the affiliation agreement set out on Pages 106 - 110 between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Medical Branch at Galveston, and the Gulf Coast Regional Mental Health-Mental Retardation Center, with headquarters in Galveston. The agreement contains the standard hold harmless clause and has been reviewed and recommended by the Office of General Counsel.

This agreement with the Gulf Coast Regional Mental Health-Mental Retardation Center provides clinical experiences for the students as well as the house staff through the Department of Psychiatry.

The Chairman of the Board of Regents was authorized to execute the agreement when it had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

AFFILIATION AGREEMENT

STATE OF TEXAS        Y  
                           X  
 COUNTY OF GALVESTON Y

This AGREEMENT is executed on \_\_\_\_\_, 1976  
 between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,  
 for and on behalf of the component institutions of The University  
 of Texas System, sometimes referred to as the "University," and  
 Gulf Coast Regional Mental Health - Mental Retardation Center,  
 sometimes referred to as the "Center."

## WITNESSETH:

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

To provide clinical experience in terms of patient and  
 related instruction for students and house staff.

To improve the overall educational program of the University  
 by providing opportunities for learning experiences that will  
 progress the student to advanced levels of performance.

To increase contacts between faculties for fullest utilization  
 of available teaching facilities and expertise.

To establish and operate clinical educational programs of  
 the first rank:

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

1. GENERAL INFORMATION

- A. The clinical education programs will be consistent  
 with the academic plan for the University.
- B. The period of time for each student's clinical  
 education will be mutually agreed upon at least  
 two weeks before the beginning of each clinical  
 education program.
- C. The number of students eligible to participate  
 in the clinical education programs will be

mutually determined by agreement of the parties and may be altered by mutual agreement.

- D. The Center and University, upon mutual agreement, may use facilities of the University and its faculty for provision of training to employees of the Center for the purposes of this affiliation.
- E. The specifics of implementation of each clinical education program will be contained in a separately negotiated and developed letter of agreement, mutually agreed to by the Center and University.
- F. Furthermore, it is intended that the University and Center will enter into a separate contractual agreement.

2. RESPONSIBILITIES OF THE UNIVERSITY

- A. The University will send the name of each student to the Center at least two weeks before the beginning date of each clinical education program.
- B. The University is responsible for supplying any additional information required by the Center prior to the arrival of the students.
- C. The University will assign to the Center only those students who have satisfactorily completed the necessary prerequisite curriculum.
- D. The University will designate a faculty member to coordinate with a designee of the Center the assignment to be assumed by the student participating in each clinical education program and the supervision to be provided the student.
- E. The University will enforce rules and regulations governing students that are mutually agreed upon by the University and the Center.

3. RESPONSIBILITIES OF THE CENTER

- A. The Center shall provide jointly-planned, supervised programs of clinical experience.
- B. The Center shall maintain complete records and reports on each student's performance and provide an evaluation to the University on forms provided by the University.
- C. The Center may request the University to withdraw from a clinical education program any student whose performance is unsatisfactory, whose personal characteristics prevent desirable relationships within the Center, or whose health status is a detriment to the student's successful completion of the clinical education assignment.
- D. The Center shall, on reasonable request, permit the inspection of the clinical facilities, services available for clinical experiences, student records, and such other items pertaining to each clinical education program by the department or agency, or both, charged with the responsibilities for accreditation of the curriculum.
- E. The Center shall certify that it subscribes to and will adhere to the letter and spirit of Title 6 of the Civil Rights Act of 1964 in all areas relating to student participation in a clinical education program.
- F. The Center shall designate and submit in writing to the University for acceptance the name(s) and professional and academic credentials of person(s) to be responsible for the clinical education programs. The person(s) shall be called the clinical education supervisor(s).

- G. The Center shall immediately notify the University in writing of any change or proposed change in the clinical education supervisor(s).

4. RESPONSIBILITY OF THE STUDENT

The student

- A. is responsible for following the administrative policies of the Center;
- B. is responsible for providing the necessary and appropriate uniforms required but not provided by the Center;
- C. is responsible for his own transportation and living arrangements when not provided for by the Center;
- D. is responsible for reporting to the Center on time and following all established regulations during the regularly scheduled operating hours of the Center;
- E. will not submit for publication any material relating to the clinical education experience without prior written approval of the Center and the University.

5. LIABILITY

Insofar as the University is authorized by the Constitution and laws of the State of Texas, the University agrees to hold the Center harmless from and against any and all liability resulting from the use of the Center by the University. The University does not agree to hold the Center harmless for the gross or willful negligence of the Center, its officers, employees, or agents, or the actions of a third party over which the University has no supervision, control, or jurisdiction.

6. TERM OF AGREEMENT, MODIFICATION, 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 giving six months advance written notice to the other party by certified mail. Except under unusual conditions, such notice shall be submitted before the beginning of a clinical education period.

EXECUTED by the parties on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_  
Secretary

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

ATTEST:

GULF COAST REGIONAL MENTAL HEALTH  
- MENTAL RETARDATION CENTER

\_\_\_\_\_

By

*A.S. Zammit Jr.*

Approved as to Form:

Approved as to Content:

*Dunce Waldrop*  
University Attorney

*Chancellor*  
Deputy Chancellor

7. Galveston Medical Branch (Galveston Allied Health Sciences School): Affiliation Agreements with (a) The Good Shepherd Hospital, Longview, Texas; (b) Clearlake Hospital, Webster, Texas; and (c) Houston Northwest Medical Center, Inc., Houston, Texas. --Upon the recommendation of President Levin, concurred in by System Administration, approval was given to affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Medical Branch at Galveston Allied Health Sciences School, and the following facilities:

<u>Facility</u>	<u>Specialty</u>
(a) The Good Shepherd Hospital Longview, Texas	General clinical training and recruitment of students
(b) Clearlake Hospital Webster, Texas	Comprehensive health care training
(c) Houston Northwest Medical Center, Inc. Houston, Texas	Physical therapy

These agreements are based on the model affiliation agreement for allied health sciences adopted September 1975, and contain the standard hold harmless clause.

The Chairman of the Board of Regents was authorized to execute the agreements when they had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

8. Galveston Medical Branch and Houston Health Science Center (Houston Medical School): Affiliation Agreement with Hermann Hospital for Southeast Texas Poison Center. --Approval was given to the affiliation agreement set out on Pages 112 - 115 between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Medical Branch at Galveston and The University of Texas Medical School at Houston, and Hermann Hospital, Houston, Texas. The agreement contains the standard hold harmless clause.

This expansion of the Galveston Medical Branch Poison Center will be known as the "Southeast Texas Poison Center" and will provide a wider geographic range of service and education to the Houston-Galveston area, to southeast Texas and the State of Texas.

The Chairman of the Board of Regents was authorized to execute the agreement when it had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

AFFILIATION AGREEMENT

STATE OF TEXAS           X  
                                   X  
 COUNTY OF GALVESTON    X

This AGREEMENT is executed on \_\_\_\_\_,  
 1976, between the BOARD OF REGENTS OF THE UNIVERSITY OF  
 TEXAS SYSTEM, for and on behalf of two component institu-  
 tions of The University of Texas System, namely The Uni-  
 versity of Texas Medical Branch at Galveston (UTMB) and  
 The University of Texas Medical School at Houston (UTMSH),  
 hereinafter referred to as "Board", and HERMANN HOSPITAL,  
 Houston, Texas, hereinafter referred to as "the Hospital".

W I T N E S S E T H :

WHEREAS, it is agreed by the parties to be of mutual  
 interest and advantage to provide an expanded UTMB Poison  
 Center operation for the Houston - Galveston area, southeast  
 Texas, and the State of Texas. This new expanded operation  
 is to be known as the "Southeast Texas Poison Center (STPC)."

1. Operation

- A. The STPC will be physically located at the  
 present UTMB Poison Center locations along  
 with the auxiliary locations in the Hospital  
 emergency room and in the UTMSH Pediatric  
 Clinic.
- B. Telephone inquiries regarding poisoning  
 emergencies will be answered at both the  
 Houston and Galveston locations on a time-  
 shared basis. A toll-free telephone line  
 (with a Houston telephone number) from  
 Houston to Galveston is to be provided by

UTMB with an extension to be installed at the Hospital emergency room location. In this way the telephone will ring simultaneously at both the UTMB and Hospital locations.

- C. The present UTMB Poison Center staff will provide telephone coverage for approximately one-half of the day and the UTMSH pediatric staff will provide telephone coverage for the other half of the day. The present UTMB Poison Center staff will continue to act as an information backup to the UTMSH-Hospital portion of the STPC.
- D. Special training for the UTMSH pediatric staff will be provided by the present UTMB Poison Center staff. UTMB and the Hospital will serve as the tertiary medical care facilities for poisonings requiring treatment occurring in the Harris County-southeast Texas areas. Poisoning victims requiring medical treatment (located in the Texas Medical Center area) will be referred to the Hospital emergency room for treatment, with the emergency room staff being contacted before the patient's arrival (as with other member hospitals in the present UTMB Poison Center network).
- E. Toxicology laboratory testing (on a fee-for-service basis) will be made available by UTMB and UTMSH to the present UTMB Poison Center member hospitals as well as for new member hospitals of the STPC.

- F. A Xerox telecopier will be installed in the Hospital emergency room location, thereby allowing for a written copy of the poisoning information to be sent between the Hospital and UTMB. This telecopier will also serve to link the Hospital and UTMB with the National Poison Center network.
- G. The present UTMB Poison Center staff will provide inservice training programs for the emergency room personnel of the Hospital dealing with the medical management of patients exposed to toxic substances.
- H. Administrative control of the STPC will be retained at UTMB. All publicity, secretarial, administrative, and miscellaneous services will be coordinated by UTMB staff.
- I. The Director of Medical Education of UTMSH Pediatric Department will serve as an Associate Director of STPC.
- J. All telephone inquiries for poisoning information will be recorded and reviewed daily by the Co-Director of STPC.
- K. A new communication package to be used in publicizing the new STPC name and location is to be obtained from the National Poison Center with the cost (\$3,000) to be borne by the Hospital.
- L. To help with the additional costs of training personnel, inservice programs, telecopier rental, new toll-free telephone lines, and miscellaneous expenses of the new expanded STCP, the Hospital will make a \$2,000

annual contribution to the UTMB portion of the STPC.

2. Term of Agreement, Modification, Termination

- A. This Agreement is for a term of one year and thereafter from year to year unless terminated by the designated parties on ninety days' written notice to the others.
- B. It is understood and agreed that the parties to this Agreement may revise or modify this Agreement by written amendment when designated parties agree to such amendment.

Insofar as Board is authorized by the Constitution and laws of the State of Texas, Board agrees to hold the Hospital harmless from and against any and all liability resulting from the use of the Hospital by UTMB and UTMSH. Board does not agree to hold the Hospital harmless for the gross or willful negligence of the Hospital, its officers, employees, or agents, or the actions of a third party over which Board has no supervision, control, or jurisdiction.

EXECUTED by the parties on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_  
Secretary

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

ATTEST:

HERMANN HOSPITAL

\_\_\_\_\_  
Klaus F. Poch

By \_\_\_\_\_  
William F. Somers

Approved as to Content:

Approved as to Form:

\_\_\_\_\_  
Deputy Chancellor

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

9. Houston Health Science Center (Houston Dental Branch): Memorandum of Agreement (Affiliation) with Veterans Administration Hospital, Houston, Texas. -- The Memorandum of Agreement (Affiliation) 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 its Dental Branch and The Veterans Administration Hospital, Houston, Texas, set out on Pages 116 - 119, was approved. This Memorandum of Agreement (Affiliation) follows the same format as agreements with other Veterans Administration hospitals, and the hold harmless clause was not requested. The use of this facility provides for education programs and clinical experiences for dental residents.

The Chairman of the Board of Regents was authorized to execute the agreement when it had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

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 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 appoint a faculty representative to the Dean's Committee which is composed of senior faculty members of the Baylor College of Medicine.

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 professional 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 \_\_\_\_\_ day of \_\_\_\_\_, 1976.

VETERANS ADMINISTRATION HOSPITAL

By \_\_\_\_\_  
J. J. Cox  
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

\_\_\_\_\_  
Secretary

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

Approved as to Form:

Approved as to Content:

*Dunne Walsh*  
University Attorney

\_\_\_\_\_  
Deputy Chancellor

10. Houston Health Science Center (School of Nursing): Affiliation Agreement with Harris County Hospital District. --Upon the recommendation of President Berry, concurred in by System Administration, approval was given to the affiliation agreement 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 School of Nursing, and the Harris County Hospital District.

This agreement is based on the model affiliation agreement for nursing, adopted July 9, 1976, but does not contain the standard hold harmless clause as one was not requested.

The Chairman of the Board of Regents was authorized to execute the agreement when it had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

11. University Cancer Center: Affiliation Agreement with the Cancer Therapy and Research Foundation of South Texas, San Antonio, Texas (Participating Centers for Community Radiotherapy Center Program). --An agreement between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas System Cancer Center, Houston, Texas, and the Board of Governors of the Cancer Therapy and Research Foundation of South Texas, San Antonio, Texas, was approved as set out on Pages 121 - 123 .

This agreement will provide a program of cancer treatment, education and research to the San Antonio area.

The Chairman of the Board of Regents was authorized to execute the agreement when it had been approved as to form by an attorney of the Office of General Counsel and as to content by the Deputy Chancellor.

AGREEMENT

THE STATE OF TEXAS |  
COUNTY OF HARRIS |

This AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 1976, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, a state agency duly authorized to execute this contract, for and primarily in behalf of The University of Texas System Cancer Center in Houston, hereinafter sometimes called "Cancer Center," and the Board of Governors of the Cancer Therapy and Research Foundation of South Texas, specifically the Cancer Therapy and Research Center, San Antonio, Texas, hereinafter sometimes called "CTRC,"

WITNESSETH:

WHEREAS, during the past half century advances in medicine have been more significant and rapid than in any other previous period of history, and over the past two decades the pace has increased dramatically and appears to be accelerating; and

WHEREAS, in recognition of contemporary trends and future requirements, Cancer Center and CTRC agree on the desirability of establishing a closer working relationship between the two institutions, who share a common commitment to offer the people of San Antonio, Texas, region a program of excellence in cancer treatment, education and research and also share the desire to coordinate all medical resources for the benefit of improved patient care and the development of CTRC as a medical center;

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

I. EXTENT OF AFFILIATION

The purpose of this agreement is to establish a broad framework of policy to foster communications and cooperative programs between Cancer Center and CTRC. It is agreed that the initiative for establishing definitive relationships will be vested in the respective department heads of the departments within Cancer Center and chief of staff or his designated representative at CTRC. It is understood that individual departments of either institution may or may not establish affiliations depending upon their needs and circumstances, and it is

further understood that such affiliations are subject to appropriate action by the respective governing bodies.

2. PROVISION FOR FACULTY APPOINTMENTS FOR CTFC STAFF MEMBERS

Both parties agree that academic status is a strong inducement for attracting well qualified individuals for teaching positions at CTFC, and that academic appointments made by Cancer Center for individuals in full-time or key positions at CTFC will be granted on an individual basis subject to approval in the CTFC.

(1) CTFC Professional Staff Membership:

All Professional Staff appointments will be made in accordance with CTFC Medical and Professional Staff Bylaws.

(2) Cancer Center Faculty Appointment:

Mutual agreement between CTFC and Cancer Center is required for appointment of CTFC Staff members to Cancer Center. Such faculty appointments shall be made in accordance with Cancer Center procedures with definition of faculty title, duties, amount of compensation (if any), and term of appointment.

3. JOINT SPONSORSHIP OF EDUCATIONAL AND RESEARCH ACTIVITIES

Educational and research projects at CTFC may be jointly sponsored with Cancer Center. In such cases there will be prior agreement at the appropriate administrative level of each institution as to the extent of the responsibility of each institution in the administration of educational, research and other program funds, provision of staff facilities and ownership of equipment purchased with educational and research funds.

4. PROVISION FOR REVIEW OF RELATIONSHIP

Both parties agree that a productive and harmonious relationship between the two institutions depends upon maintaining effective channels of communication. The parties anticipate that routine matters will be handled and decided mutually through continuous contacts at the department level. At least annually, and more frequently if necessary, a group representing each institution shall review and discuss over-all relationships and policies and other matters of common concern.

If any aspect of this agreement becomes unsatisfactory, a joint committee appointed by the respective institutions' governing body 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 of the agreement may be indicated. Effective date of such dissolution shall be mutually agreed upon with adequate time to allow each institution to make necessary arrangements in an orderly manner.

5. NON-RESTRICTIVE AGREEMENT

It is understood that this document does not include or preclude other agreements or arrangements between the parties to this affiliation and other institutions.

6. TERM OF AGREEMENT, MODIFICATION, TERMINATION

This agreement shall become effective upon its execution and shall continue in effect thereafter from year to year unless terminated by either party upon giving ninety days advance written notice to the other party.

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 1976.

ATTEST:

BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
Chairman of the Board

ATTEST:

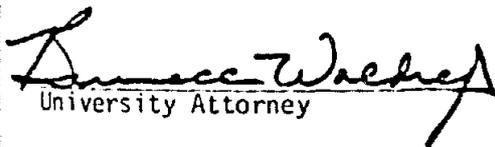
BOARD OF GOVERNORS OF THE CANCER THERAPY  
AND RESEARCH FOUNDATION OF SOUTH TEXAS

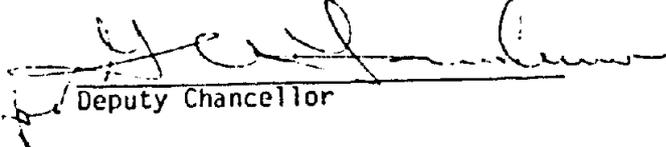
\_\_\_\_\_  
Witness

\_\_\_\_\_  
President of the Board

Approved as to Form:

Approved as to Content:

  
University Attorney

  
Deputy Chancellor

Authorization to Request Permission from  
Coordinating Board to Establish Degree Programs  
(Items 12-14)

System Administration reported (1) that the Coordinating Board, Texas College and University System had scheduled a meeting on April 1, 1977, for consideration of new degree programs and had set December 1, 1976, as the deadline date for filing these requests and (2) that requests for certain degree programs had been filed with the Coordinating Board by the deadline date. These programs are within the role and scope of the institutions. However, these filings were made with the strict understanding that if the Board of Regents did not approve the requests for new degree programs, the requests and the material relating thereto submitted to the Coordinating Board would be withdrawn without prejudice.

After due consideration, the Medical Affairs Committee acted on the requests set out below.

If any one of these programs is approved by the Coordinating Board, the Board of Regents ordered that the first catalog published thereafter by the appropriate institution be amended to conform.

12. Dallas Health Science Center: Approval of Bachelor of Science Degree in Nuclear Medicine Technology (Catalog Change). -- The request to seek permission from the Coordinating Board, Texas College and University System to establish a Bachelor of Science Degree in Nuclear Medicine Technology at The University of Texas Health Science Center at Dallas was approved.

Funds to support this program have been included in the planning of the Dallas Health Science Center and will come from State and grant sources. Facilities for the program are adequate and will utilize clinical facilities in several area hospitals. A program director will be needed initially to implement the program.

13. Galveston Medical Branch: Approval of (a) Master of Science Degree in Nursing and (b) Master of Arts and Doctor of Philosophy Degrees in Immunology (Catalog Change). -- The request to seek permission from the Coordinating Board, Texas College and University System to establish the following degree programs at The University of Texas Medical Branch at Galveston was approved:

(a) Master of Science Degree in Nursing

This program will be self-supporting from formula generated funds during the first year. No new facilities will be required, and current library resources are adequate.

(b) Master of Arts and Doctor of Philosophy Degrees in Immunology

This program has been reviewed and approved by an external panel. Funds are available; and current faculty, facilities and library resources are adequate.

14. Houston Health Science Center: Approval of (a) Bachelor of Science Degree in Medical Technology, (b) Master of Science Degree in Biomedical Communications, and (c) Master of Science Degree in Nursing (Catalog Change). --The request to seek permission from the Coordinating Board, Texas College and University System to establish the following degree programs at The University of Texas Health Science Center at Houston was approved:

(a) Bachelor of Science Degree in Medical Technology

Funds for this program are available, and current library resources and faculty are adequate.

(b) Master of Science Degree in Biomedical Communications

Funds are available for this program which will constitute no additional costs initially above that presently available for the post-baccalaureate certificate program. No additional facilities or faculty are required. The library and other supportive resources in the Houston area are adequate.

(c) Master of Science Degree in Nursing

The program will become self-supporting under formula generated funds after the first year. The facilities, which include additional planned space, and library resources are adequate.

REPORT OF LAND AND INVESTMENT COMMITTEE (Pages 125-146). -- Chairman Shivers filed the following Report of the Land and Investment Committee since Committee Chairman Clark was excused from the meeting when it reconvened to receive the reports of the special committees. Upon motion duly made and seconded, the report was adopted and the actions therein were ratified:

Though the Chairman of the Board of Regents has authority to execute any document authorized by the Board, either the Associate Deputy Chancellor for Investments, Trusts and Lands or the Deputy Chancellor 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 of 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.

I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

1. Report on Clearance of Monies to Permanent University Fund and Available University Fund and on Oil and Gas Development for the Fiscal Year Ending August 1976. --The following report with respect to certain monies cleared to the Permanent University Fund and Available University Fund and with respect to Oil and Gas Development for the fiscal year ending August 1976 was received from the Director, Auditing Oil and Gas Production and made a part of this Committee's report:

	<u>August 1976</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
<u>Permanent University Fund</u>			
Royalty			
Oil	\$2,741,424.67	\$35,485,320.22	\$29,727,922.08
Gas - Regular	2,242,098.66	23,316,279.35	17,125,894.53
- F.P.C.	- 0 -	341,058.39	139,583.71
- Market Value Settlements	630,252.94	7,735,396.00	9,951,292.86
- In Kind Settlements	180,925.60	2,642,243.30	547,178.60
Water	45,694.82	190,160.60	159,317.56
Salt Brine	1,969.77	22,005.34	21,813.51
Sulphur	84,965.68	426,965.93	- 0 -
Rental on Oil & Gas Leases	291,560.10	591,358.63	697,889.57
Rental on Water Contracts	2,580.00	20,257.96	28,462.94
Rental on Brine Contracts	- 0 -	100.00	500.00
Rental on Sulphur Contracts	- 0 -	15,360.00	15,360.00
Amendments and Extensions of Mineral Leases	( 23,268.15)	51,248.23	227,064.25
	<u>6,198,204.09</u>	<u>70,837,753.95</u>	<u>58,642,279.61</u>
Bonuses, Oil & Gas Lease Sales, (actual)	- 0 -	15,328,000.00	7,816,000.00
Total, Permanent University Fund	<u>6,198,204.09</u>	<u>86,165,753.95</u>	<u>66,458,279.61</u>
<u>Available University Fund</u>			
Rental on Easements	31,139.46	395,833.57	225,098.80
Interest on Easements and Royalty	428.93	3,371.36	19,734.23
Correction Fees - Easements	- 0 -	261.55	100.00
Transfer and Relinquishment Fees	311.67	4,661.98	6,113.97
Total, Available University Fund	<u>31,880.06</u>	<u>404,128.46</u>	<u>251,047.00</u>
Total, Permanent and Available University Funds	<u>\$6,230,084.15</u>	<u>\$86,569,882.41</u>	<u>\$66,709,326.61</u>

Oil and Gas Development - August 31, 1976  
Acreage Under Lease - 892,837

Number of Producing Acres - 345,828

Number of Producing Leases - 1,527

2. Report on Clearance of Monies to Permanent University Fund and Available University Fund and on Oil and Gas Development for the Current Fiscal Year through October 1976. --The following report with respect to certain monies cleared to the Permanent University Fund and Available University Fund and with respect to Oil and Gas Development for the current fiscal year through October 1976 was received from the Director, Auditing Oil and Gas Production and made a part of this Committee's report:

	<u>September 1976</u>	<u>October 1976</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
<u>Permanent University Fund</u>				
Royalty	\$3,260,933.53	\$2,730,918.60	\$ 5,991,852.13	\$ 5,914,220.04
Oil	1,855,305.09	1,893,229.04	3,748,534.13	3,886,050.70
Gas - Regular	- 0 -	265.35	265.35	56,843.06
- F.P.C.	400,582.25	173,439.08	574,021.33	1,289,232.66
- Market Value Settlements	168,832.10	- 0 -	168,832.10	440,373.88
- In Kind Settlements	18,336.61	10,904.45	29,241.06	31,693.44
Water	2,892.50	1,813.98	4,706.48	3,667.56
Salt Brine	63,116.57	88,212.39	151,328.96	71,160.98
Sulphur	427,319.53	32,857.03	460,176.56	98,559.76
Rental on Oil and Gas Leases	100.00	( 100.00)	- 0 -	3,376.32
Rental on Water Contracts	100.00	100.00	200.00	16.66
Rental on Brine Contracts	- 0 -	- 0 -	- 0 -	2,560.00
Rental on Sulphur Contracts	64,070.00	7,521.89	71,591.89	8,541.36
Amendments and Extensions of Mineral Leases	<u>6,261,588.18</u>	<u>4,939,161.81</u>	<u>11,200,749.99</u>	<u>11,806,296.42</u>
Bonuses, Oil & Gas Lease Sales, (actual)	- 0 -	- 0 -	- 0 -	9,687,500.00
Total, Permanent University Fund	<u>6,261,588.18</u>	<u>4,939,161.81</u>	<u>11,200,749.99</u>	<u>21,493,796.42</u>
<u>Available University Fund</u>				
Rental on Easements	11,375.75	3,629.00	15,004.75	65,972.26
Interest on Easements and Royalty	24,798.75	441.49	25,240.24	561.90
Correction Fees - Easements	- 0 -	- 0 -	- 0 -	43.60
Transfer and Relinquishment Fees	233.25	1,026.35	1,259.60	777.00
Total, Available University Fund	<u>36,407.75</u>	<u>5,096.84</u>	<u>41,504.59</u>	<u>67,354.76</u>
Total, Permanent and Available University Funds	<u>\$6,297,995.93</u>	<u>\$4,944,258.65</u>	<u>\$11,242,254.58</u>	<u>\$21,561,151.18</u>

Oil and Gas Development - October 31, 1976  
 Acreage Under Lease - 859,610

Number of Producing Acres - 347,621

Number of Producing Leases - 1,533

3. Permanent University Fund: Approved Stock List. --In compliance with the Regents' Rules and Regulations, Part Two, Chapter IX, Section 2.61, and upon the recommendation of Associate Deputy Chancellor Lobb, the following list of companies whose stocks are considered suitable for purchase or retention was approved. This list replaces the stock list approved on July 25, 1975:

AEROSPACE

Boeing Company (The)  
 McDonnell Douglas Corporation  
 Rockwell International Corporation

AIR TRANSPORT

Delta Air Lines, Inc.  
 Emery Air Freight Corporation

APPAREL - TEXTILE

Burlington Industries, Inc.  
 Simplicity Pattern Company, Inc.

AUTOMOTIVE

Bendix Corporation (The)  
 Borg-Warner Corporation  
 Champion Spark Plug Company  
 Eaton Corporation  
 Ford Motor Company  
 General Motors Corporation  
 Genuine Parts Company  
 Libbey-Owens-Ford Company  
 Monroe Auto Equipment Company  
 Timken Company (The)

BANK & FINANCE

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, Inc.  
 First Chicago Corporation  
 First National Boston Corporation  
 First Pennsylvania Corporation  
 Florida National Banks of Florida, Inc.  
 Heller (Walter E.) International Corporation  
 Household Finance Corporation  
 Manufacturers Hanover Corporation

Bank & Finance - Continued

Marine Midland Banks, Inc.  
 Mellon National Corporation  
 Morgan (J.P.) & Company, Inc.  
 NCNB Corporation  
 Northwest Bancorporation  
 Pittsburgh National Corporation  
 Security Pacific Corporation  
 Southeast Bancorporation, Inc.  
 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  
 Otis Elevator Company  
 Owens-Corning Fiberglas Corporation  
 Potlatch Corporation  
 Trane Company (The)  
 United States Gypsum Company  
 Weyerhaeuser Company

CHEMICAL

Air Products & Chemicals, Inc.  
 Allied Chemical Corporation  
 American Cyanamid Company  
 Big Three Industries, Inc.  
 Celanese Corporation  
 Diamond Shamrock Corporation  
 Dow Chemical Company (The)  
 E.I. du Pont de Nemours & Company  
 Freeport Minerals Company  
 Grace (W.R.) & Company  
 Hercules Incorporated  
 Monsanto Company  
 PPG Industries, Inc.  
 Rohm & Haas Company  
 Stauffer Chemical Company  
 Union Carbide Corporation

COSMETICS

Avon Products, Inc.  
Chesebrough-Pond's Inc.  
Gillette Company (The)  
Revlon, Inc.

DRUG & MEDICAL SUPPLIES

Abbott Laboratories  
American Home Products  
Corporation  
American Hospital Supply  
Corporation  
Baxter Travenol Labs, Inc.  
Becton, Dickinson & Company  
Bristol-Myers Company  
Johnson & Johnson  
Eli Lilly & Company  
Merck & Company, Inc.  
Pfizer Inc.  
Richardson-Merrell Inc.  
Robins (A.H.) Company, Inc.  
Rorer-Amchem, Inc.  
Schering-Plough Corporation  
Searle (G.D.) & Company  
SmithKline Corporation  
Squibb Corporation  
Sterling Drug Inc.  
Upjohn Company (The)  
Warner-Lambert Company

EDUCATION & ENTERTAINMENT

American Broadcasting  
Company, Inc.  
AMF Incorporated  
CBS Inc.  
Disney (Walt) Productions  
Donnelley (R.R.) & Sons  
Company  
Dun & Bradstreet Companies, Inc.  
Harcourt Brace Jovanovich, Inc.  
McGraw-Hill, Inc.  
Prentice-Hall, Inc.  
Time Incorporated  
Times Mirror Company (The)

ELECTRIC EQUIPMENT

Emerson Electric Company  
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  
Hewlett-Packard Company  
Honeywell, Inc.  
International Telephone & Telegraph  
Corporation  
Motorola, Inc.  
RCA Corporation  
Texas Instruments, Inc.  
Zenith Radio Corporation

FOOD, BEVERAGE & SOAP

Archer-Daniels-Midland Company  
Beatrice Foods Company  
Borden, Inc.  
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, Inc.  
Heinz (H.J.) Company  
Heublein, Inc.  
Kellogg Company  
Kraft, Inc.  
Nabisco, Inc.  
Norton Simon, Inc.  
PepsiCo, Inc.  
Philip Morris Inc.  
Pillsbury Company (The)  
Procter & Gamble Company (The)  
Ralston Purina Company  
Reynolds (R.J.) Industries, Inc.  
Schlitz (Jos.) Brewing Company  
Standard Brands Inc.

INSURANCE

Aetna Life & Casualty Company  
American General Insurance Company  
American National Financial Corporation  
Capital Holding Corporation  
Chubb Corporation (The)  
Colonial Penn Group, Inc.  
Combined Insurance Company of America  
Connecticut General Insurance  
Corporation  
Continental Corporation (The)  
Crum & Forster  
Farmers Group, Inc.

Insurance - Continued

Farmers New World Life  
Insurance  
INA Corporation  
Jefferson-Pilot Corporation  
Lincoln National  
Corporation  
Marsh & McLennan Cos. Inc.  
Safeco Corporation  
St. Paul Companies, Inc.  
Southwestern Life  
Corporation  
Travelers Corporation (The)  
United States Fidelity &  
Guaranty Co.  
USLIFE Corporation

MACHINERY

Black & Decker Manufacturing  
Company (The)  
Briggs & Stratton Corporation  
Bucyrus-Erie Company  
Caterpillar Tractor Company  
Clark Equipment Company  
Cooper Industries, Inc.  
Deere & Company  
Gardner-Denver Company  
Ingersoll-Rand Company  
Joy Manufacturing Company  
Pullman Inc.  
Warner & Swasey Company (The)

METALS & MINING

Aluminum Company of America  
AMAX Inc.  
Armco Steel Corporation  
ASARCO Incorporated  
Bethlehem Steel Corporation  
Kennecott Copper  
Corporation  
Newmont Mining Corporation  
Phelps Dodge Corporation  
St. Joe Minerals  
Corporation  
United States Steel  
Corporation  
Utah International  
Incorporated

MISCELLANEOUS

ARA Services, Incorporated  
Corning Glass Works  
Franklin Mint Corporation  
International Flavors &  
Fragrances Inc.  
Minnesota Mining &  
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 Oil Tools, Inc.  
Continental Oil Company  
Dresser Industries, Inc.  
Exxon Corporation  
Getty Oil Company  
Gulf Oil Corporation  
Halliburton Company  
Kerr-McGee Corporation  
Louisiana Land & Exploration  
Company (The)  
Marathon Oil Company  
McDermott (J. Ray) & Company, Inc.  
Mobil Oil 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 of Ohio Company (The)  
Texaco Inc.  
Union Oil Company of California

PAPER & CONTAINERS

American Can Company  
Continental Can Company, Inc.  
Crown Zellerbach Corporation  
Great Northern Nekoosa Corporation  
Hammermill Paper Company  
Hoerner-Waldorf 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, Inc.  
American Natural Gas Company  
American Telephone & Telegraph Co.  
Baltimore Gas & Electric Company  
Carolina Power and Light Company

Public Utilities - Continued

Central Louisiana Electric Company, Inc.  
Central & South West Corporation  
Central Telephone & Utilities Corporation  
Cleveland Electric Illuminating Co. (The)  
Commonwealth Edison Co.  
Continental Telephone Corp.  
Duke Power Company  
Enserch Corp.  
Florida Power & Light Co.  
General Telephone & Electronics Corp.  
Gulf States Utilities Company  
Hawaiian Electric Co., Inc.  
Houston Lighting & Power Co.  
Houston Natural Gas Corp.  
Idaho Power and Light Company (The)  
Middle South Utilities, Inc.  
Montana Power Co. (The)  
Northern Indiana Public Service Company  
Northern States Power Company (Minn.)  
Oklahoma Gas & Electric Co.  
Pacific Gas & Electric Co.  
Pacific Power & Light Co.  
Panhandle Eastern Pipe Line Company  
Public Service Company of Colorado  
Public Service Company of Indiana, Inc.  
Rochester Telephone Corp.  
Southern California Edison Company  
Southern Company (The)

Southwestern Public Service Company  
Tampa Electric Company  
Texas Eastern Corp.  
Texas Utilities Co.  
United Telecommunications, Inc.  
Wisconsin Electric Power Co.

RAIL - MISCELLANEOUS  
TRANSPORTATION

ACF Industries, Inc.  
Burlington Northern Inc.  
Consolidated Freightways, Inc.  
GATX Corporation  
Santa Fe Industries, Inc.  
Union Pacific Corporation

RETAIL TRADE

Associated Dry Goods Corp.  
Carter Hawley Hale Stores, Inc.  
Federated Department Stores, Inc.  
Gordon Jewelry Corporation  
Kresge (S.S.) Company  
Marshall Field & Company  
May Department Stores Co. (The)  
Melville Corporation  
Penney (J.C.) Company, Inc.  
Safeway Stores, Inc.  
Sears, Roebuck & Co.  
Southland Corporation (The)  
Winn-Dixie Stores, Inc.  
Zale Corporation

RUBBER

Firestone Tire & Rubber Company (The)  
Goodyear Tire & Rubber Company (The)

4. PUF: Investments for Fiscal Year Ended August 31, 1976. -- Each member of the Board of Regents received prior to the meeting a Report on the Permanent University Fund Investments for the Fiscal Year Ended August 31, 1976. The Land and Investment Committee ordered copies of this report sent to the Governor and other State Officials as required by Article 6605 of the Texas Education Code (H.B. No. 1198, 62nd Leg., R.S., 1971).

Committee Chairman Clark pointed out that the book value of the Permanent University Fund had increased 9.3%, and the investment income had increased 18.5% over that of the fiscal year ended August 31, 1975.

B. LAND MATTERS

1. Easements and Surface Leases Nos. 4215-4268, Assignment of Surface Lease No. 3960, Assignment of Material Source Permit No. 475, Flexible Grazing Leases Nos. 4 and 5 and Cancellation of Grazing Lease No. 1172. --Easements and Surface Leases Nos. 4215-4268, Assignment of Surface Lease No. 3960, Assignment of Material Source Permit No. 475, Flexible Grazing Leases Nos. 4 and 5 and Cancellation of Grazing Lease No. 1172 were approved as set out below. All have been approved as to content by the appropriate officials. Payment for each has been received in advance unless otherwise indicated, and each document is on the University's standard form and is at the standard rate:

a. Easements and Surface leases Nos. 4215 - 4268

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4215	The Permian Corporation (renewal of 3358)	Surface Lease (salt water disposal contract)	Reagan	10	2 acres	12/1/76- 11/30/77*	\$ 1,200.00 (annually)
4216	El Paso Natural Gas Company	Pipe Line	Hudspeth	J	91.618 rds. 30 inch	8/1/76- 7/31/86	320.66
4217	HNG Fossil Fuels Company	Pipe Line	Loving	19	1,153.70 rds. 4 inch	9/1/76- 8/31/86	1,153.70
4218	Gulf Oil Corporation (renewal of 2276)	Pipe Line	Crane	30, 31	3,327.05 rds. 27 inch	1/1/77- 12/31/86	11,644.68
4219	Gulf Oil Corporation (renewal of 2317)	Pipe Line	Crane	30, 31	441 rds. 4½ inch 301 rds. 6-5/8 inch	11/1/76- 10/31/86	967.75
4220	Northern Natural Gas Company (renewal of 2315)	Pipe Line	Andrews	12	3,795.44 rds. 30 inch	12/1/76- 11/30/86	13,284.04

\*Renewable from year to year, but not to exceed a total of five years.

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4221	Fin-Tex Pipe Line Company (renewal of 2301)	Pipe Line	Crockett & Reagan	47, 49, 50	1,207.33 rds. 4½ inch	12/1/76- 11/30/86	\$ 1,207.33
4222	El Paso Natural Gas Company (renewal of 2280 & 2281)	Pipe Line	Andrews	1	470.745 rds. 12 inch 463.430 rds. 4½ inch	1/1/77- 12/31/86	1,687.37
4223	Mobil Pipe Line Company	Pipe Line	Ward	16	294.06 rds. 4-5/8 inch	9/1/76- 8/31/86	294.06
4224	Texas Electric Service Company (renewal of 2309)	Power Line	Andrews	4, 5, 8, 10, 13	405.99 rds. single pole	11/1/76- 10/31/86	365.39
4225	MAPCO, Inc.	Pipe Line	Andrews	13, 14	2,312.06 rds. 4½ inch	9/1/76- 8/31/86	2,312.06
4226	Pecos County	Highway Right of Way	Pecos	26	39.37 acres	As long as needed for highway purposes	None
4227	H. F. Ritchie	Surface Lease (oil field maintenance shop)	Reagan	11	300' x 150'	9/1/76- 8/31/77*	225.00 (annually)
4228	White Advertising International	Surface Lease (road sign site)	Crane	30	25' x 50'	9/1/76- 8/31/77*	100.00 (annually)

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

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4229	G. D. Freeman	Surface Lease (residential site)	Andrews	13	200' x 200'	9/1/76-8/31/77*	\$ 100.00 (annually)
4230	Dell Telephone Cooperative, Inc. (renewal of 2296)	Surface Lease (microwave tower & terminal housing facility)	Hudspeth	J	1 acre	11/1/76-10/31/86	1,750.00 (full)
4231	Chevron Pipe Line Company (renewal of 2353)	Pipe Line	Winkler	21	1,204 rds. 20 inch	1/1/77-12/31/86	3,130.40
4232	MAPCO, Inc.	Pipe Line	Andrews	1	1,413.7 rds. 4½ inch	11/1/76-10/31/86	1,413.70
4233	Cities Service Oil Company	Pipe Line	Ward	18	138.8 rds. 2-7/8 inch	10/1/76-9/30/86	138.80
4234	Exxon Corporation	Pipe Line	Ward	16	86 rds. 6-5/8 inch	10/1/76-9/30/86	150.50
4235	ARCO Pipe Line Company	Surface Lease (cathodic protection unit site)	Andrews	14	Less than 1 acre	10/1/76-9/30/86	100.00 (full)
4236	Exxon Pipeline Company	Pipe Line	Ector	35	51.5 rds. 4½ inch	7/1/76-6/30/86	100.00 (min.)
4237	Exxon Pipeline Company	Pipe Line	Crane	30	19 rds. 4½ inch	7/1/76-6/30/86	100.00 (min.)

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

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4238	Exxon Pipeline Company (renewal of 2210)	Pipe Line	Andrews	1, 9	1,455.51 rds. 4½ inch	8/1/76- 7/31/86	\$ 1,455.51
4239	El Paso Natural Gas Company (renewal of 2285)	Pipe Line	Andrews	1, 9	482.975 rds. various size	2/1/77- 1/31/87	845.41
4240	El Paso Natural Gas Company (renewal of 2278)	Pipe Line	Andrews	1, 9	150.163 rds. 8 inch 641.981 rds. 12 inch	2/1/77- 1/31/87	1,931.93
4241	El Paso Natural Gas Company (renewal of 2277)	Pipe Line	Andrews	1	268.31 rds. 4½ inch 245.81 rds. 6-5/8 inch	2/1/77- 1/31/87	698.48
4242	El Paso Natural Gas Company (renewal of 2351)	Surface Lease (compressor station site)	Crockett	29	209' x 209'	1/1/77- 12/31/86	1,000.00 (full)
4243	El Paso Natural Gas Company (renewal of 2344)	Pipe Line	Crockett	29	7.21 rds. 4½ inch	1/1/77- 12/31/86	100.00 (min.)
4244	Pecos Company (renewal of 2345)	Pipe Line	Crockett & Reagan	48, 49, 50	6,692 rds. various size	1/1/77- 12/31/86	12,904.45
4245	Lone Star Gas Company of Texas, Inc.	Pipe Line	Ward	18	36.85 rds. 2 inch	7/1/76- 6/30/86	100.00 (min.)
4246	Phillips Pipe Line Company (renewal of 2299)	Pipe Line	Andrews	10, 11	154.3 rds. 4½ inch	10/1/76- 9/30/86	154.30

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
4247	El Paso Electric Company (renewal of 2324)	Power Line	El Paso	L	12.42 rds. single pole	12/1/76- 11/30/86	\$ 100.00 (min.)
4248	Phillips Petroleum Company (renewal of 2311)	Pipe Line	Crane	31	137.2 rds. 3½ inch	10/1/76- 9/30/86	137.20
4249	Phillips Petroleum Company (renewal of 2310)	Pipe Line	Andrews	4, 5, 13	394.5 rds. 3½ inch	10/1/76- 9/30/86	394.50
4250	Skelly Oil Company (renewal of 2313)	Pipe Line	Andrews	9	190 rds. 3½ inch	12/1/76- 11/30/86	190.00
4251	C. R. Winfield	Surface Lease (service station site)	Pecos	16	300' x 250'	1/1/77- 12/31/96	900.00* (annually)
4252	Nichols and Freeman (renewal of 2307)	Surface Lease (well servicing yard site)	Ward	16	200' x 300'	11/1/76- 10/31/77**	300.00 (annually)
4253	The Permian Corporation (renewal of 2319)	Surface Lease (truck loading & crude oil storage site)	Reagan	10	2 acres (approximately)	11/1/76- 10/31/86	1,000.00 (full)
4254	Western Oil Transportation Company (renewal of 2294)	Surface Lease (two-way radio tower site)	Andrews	3	2.81 acres	11/1/76- 10/31/86	1,750.00 (full)

\*Lessee has agreed to pay Lessor as fixed rental the sum of \$900.00 per year for the first five years of the lease; \$1,250.00 per year for the second five years; \$1,500.00 per year for the third five years and \$1,800.00 per year for the last five years of the twenty year term. In addition to the fixed rental stated, if the aggregate amount of gasoline sold by Lessee exceeds 270,000 gallons per year, the Lessee shall pay an additional annual rental to Lessor equal to 1/3¢ per gallon for each gallon sold in excess of 270,000 gallons.

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

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration \$
4255	The Permian Corporation (renewal of 2318)	Pipe Line	Reagan	10	58 rds. 4½ inch	11/1/76- 10/31/86	100.00 (min.)
4256	Southwest Texas Electric Coop., Inc. (renewal of 2368)	Power Line	Crockett, Reagan & Schleicher	14, 47, 48, 49, 54	880 rds. single pole	1/1/77- 12/31/86	792.00
4257	Southwest Texas Electric Coop., Inc.	Power Line	Crockett	31	128.848 rds. single pole	11/1/76- 10/31/86	115.96
4258	Gulf Refining Company (renewal of 2496)	Pipe Line	Ward	16	711 rds. 4½ inch	1/1/77- 12/31/86	711.00
4259	Shell Pipe Line Corporation (renewal of 2420)	Pipe Line	Crane & Ector	35	1,275 rds. 6-5/8 inch	5/1/77- 4/30/87	2,231.25
4260	Gulf Refining Company (renewal of 2523)	Pipe Line	Ector	35	347 rds. 4½ inch	1/1/77- 12/31/86	347.00
4261	Gulf Refining Company (renewal of 2497)	Pipe Line	Crane	31, 35	541 rds. 4½ inch	1/1/77- 12/31/86	541.00
4262	Gulf Refining Company (renewal of 2495)	Pipe Line	Andrews	9	2,002 rds. various size	1/1/77- 12/31/86	3,498.25
4263	El Paso Natural Gas Company (renewal of 2442)	Pipe Line	Upton	3	3.03 rds. 4 inch	1/1/77- 12/31/86	100.00 (min.)
4264	Gulf Oil Corporation (renewal of 2408)	Pipe Line	Crane	30, 31	3,061.98 rds. 10 inch	3/1/77- 2/28/87	5,358.47

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Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4265	Phillips Pipe Line Company (renewal of 2314)	Pipe Line	Upton	3, 4, 58	1,430.48 rds. 8-5/8 inch 1,846.30 rds. 10-3/4 inch	11/1/76- 10/31/86	\$ 5,734.37
4266	Phillips Petroleum Company (renewal of 2322)	Pipe Line	Crane	30	1,200.4 rds. various size	11/1/76- 10/31/86	1,703.43
4267	Phillips Petroleum Company (renewal of 2323)	Pipe Line	Ector	35	276.9 rds. 10-3/4 inch 261.1 rds. 8-5/8 inch	11/1/76- 10/31/86	941.51
4268	Rittenhouse Oil and Gas Company	Surface Lease (salt water disposal facility site)	Reagan	2	2 acres (approximately)	11/1/76- 10/31/77*	200.00 (annually)

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

b. Assignment of Surface Lease No. 3960

No.	Assignor	Assignee	Type of Permit	County	Consideration
3960	Louise F. Springer	W. D. Pruitt, Jr.	Surface Lease (agricultural site)	El Paso (Block L)	\$ 100.00*

\*Assignment Fee

1/6 10/1/76

Land Matters - Continued--

c. Assignment of Material Source Permit No. 475

No.	Assignor	Assignee	Type of Permit	County	Consideration
475	Border Road Construction Company	Price Construction, Inc.	Material Source Permit	Ward (Block 16)	\$ 100.00*

\*Assignment Fee

d. Flexible Grazing Leases Nos. 4 - 5

The following grazing leases are for a ten year term in accordance with the Flexible Grazing Lease Policies adopted by the Board of Regents at its March 26, 1976, meeting provided that the lessee carries out the range conservation and/or ranch improvement practices specified in said lease which shall be certified by the University Land Agent. These leases are on the University's standard form with semiannual payment of rental on January 1 and July 1 of each year in the amount set out in the lease.

No.	Lessee	Location		Acreage	Period	Minimum Annual Rental		Semi-Annual Rental
		County	Block			Minimum Rental Per Acre	Annual Rental	
4*	Gene Irwin and Max E. Ramsey	Andrews	13, 14	13,429.20	1/1/77-12/31/86	\$.34	\$4,565.94**	\$2,282.97**

\*University's half of the bonus - \$16,792.00

\*\*Actual rental to be determined semiannually by the University Land Agent in accordance with the Flexible Grazing Lease Policies based upon the then current price per animal unit and the stocking rate applicable to this lease.

Land Matters - Continued--

No.	Lessee	Location		Acreage	Period	Minimum Annual Rental		Semi-Annual Rental
		County	Block			Minimum Rental Per Acre	Annual Rental	
5*	H. Clay Warnock (replaces 1172)	Irion, Crockett & Schleicher	52	5,777.6	1/1/77- 12/31/86	\$1.00***	\$5,777.60**	\$2,888.80**

\*University's half of the bonus - \$15,802.50

\*\*Actual rental to be determined semiannually by the University Land Agent in accordance with the Flexible Grazing Lease Policies based upon the then current price per animal unit and the stocking rate applicable to this lease.

\*\*\*This does not include hunting rental. Hunting rental will be determined annually on June 1.

e. Cancellation of Grazing Lease No. 1172

No.	Lessee	Location		Acreage	Period	Rental	Annual	Semi-
		County	Block			Per Acre	Rental	Annual
1172	Mrs. Mack L. Van Court	Irion, Crockett & Schleicher	52	5,777.6	1/1/74- 12/31/83	\$1.00 (grazing) .04 (hunting)	\$6,008.70	\$3,004.35

2. Permanent University Fund: Amendment to Water Contract No. 70 with City of Midland, Texas. --Upon the recommendation of the Administration, the Land and Investment Committee approved the proposal of the City of Midland, Texas, to amend Water Contract No. 70 dated August 1, 1958 by changing the accounting year for royalties and minimum annual royalties from August 1 through July 31 to January 1 through December 31 which better fits the accounting procedures and operation of the City's Water Department. Appropriate proration will be made with this change, and the change should not lessen at all the royalty received by the University.
  
3. Permanent University Fund: Transfer of Water Contract No. 117 with George Q. Avary, Jr., and Forrest M. Walker to Colorado River Municipal Water District Under Water Contract No. 122 Covering Property in Ward County, Texas, and Amendment Thereto. --Associate Deputy Chancellor Lobb's action was ratified in transferring the operation of the Pyote Water Supply System provided for in Water Contract No. 117 (between the Board of Regents and Mr. George Q. Avary, Jr., and Mr. Forrest M. Walker) to the Colorado River Municipal Water District under Water Contract No. 122, effective August 1, 1976. This action was taken due to the failing health of Mr. Walker who had been the sole operator of the system for several years. In addition thereto, Water Contract No. 122 was amended to include an option termination clause for both parties and to incorporate procedural changes, all of which are advantageous to The University of Texas System.
  
4. Permanent University Fund - Available University Fund: Authorization to Purchase Lot 9, Block 5, Midland Industrial District, Midland, Texas, and to Advertise for Bids for Erection of Building Thereon. --After considering the appraisals of Lot 9, Block 5, Midland Industrial District, Midland, Texas, the Land and Investment Committee authorized acquisition of this lot (190' x 206') for a consideration of \$9,000 payable from previously appropriated monies for conservation and land utilization projects.

Further, the Office of Facilities Planning and Construction was authorized to prepare plans and specifications for the construction of an 86' x 30' building on this lot at an estimated cost of \$36,000; and, following approval of the plans and specifications by Deputy Chancellor Walker and Associate Deputy Chancellors Landrum and Lobb, OFPC was authorized to advertise for bids for the project. The bids will be submitted to the Board of Regents for consideration at its meeting in February 1977.

This building is needed to store equipment and materials to protect them from the weather, theft and vandalism and to provide two small offices for staff personnel who spend the major part of their time away from Midland.

5. Permanent University Fund Lands: Proposed Revised Rate Schedule Relevant Thereto Effective February 1, 1977, Withdrawn. -- Upon motion of Regent Clark this item was postponed so that at a later date all the fees relevant to Permanent University Fund lands could be submitted in one schedule.

## II. TRUST AND SPECIAL FUNDS

### A. GIFTS, BEQUESTS AND ESTATES

1. U. T. Austin: Acceptance of Gifts and Establishment of Carroll Cartwright Award Fund in Advertising. -- Upon recommendation of the Administration, gifts amounting to approximately \$20,000 were gratefully accepted from relatives and friends of Miss Carroll Cartwright, and the Carroll Cartwright Award Fund in Advertising was established at The University of Texas at Austin. Miss Cartwright received her degree from The University of Texas at Austin, majoring in Advertising. She was a resident of Houston at the time of her accidental death earlier this year.
2. U. T. Austin: Acceptance of Gifts and Establishment of Steven Sanders Scholarship Fund. -- With sincere appreciation gifts totaling \$10,290.51 were accepted, and the endowed Steven Sanders Scholarship Fund was established at The University of Texas at Austin in memory of Steven Sanders. The principal donors to this fund have been Steven Sanders' parents, Mr. and Mrs. A. B. Sanders of Dallas, Texas. Steven was an outstanding student in his Junior year at U. T. Austin at the time of his death on April 30, 1975, and the scholarships from this fund will be awarded to outstanding students in Plan II.
3. U. T. Austin - Hogg Foundation for Mental Health: Pledge from Mrs. Mary B. Auler, Austin, Texas, for Research at San Antonio Health Science Center. -- The Administration reported that Mrs. Mary B. Auler of Austin, Texas, the widow of Dr. Hugo A. Auler, had pledged \$25,000 a year for five years beginning with December 31, 1976, to the Hogg Foundation for Mental Health at The University of Texas at Austin for support of research in the biological aspects of mental illness at The University of Texas Health Science Center at San Antonio. This fund will be known as the Mary Yates Memorial Fund.

This pledge was accepted and, on behalf of the Board of Regents, Committee Chairman Clark expressed sincere appreciation and gratitude to Mrs. Auler.

4. U. T. Austin: Acceptance of Gifts and Establishment of John L. and Anne Crawford Endowed Presidential Scholarship. -- Gifts totaling \$25,000 from Mr. and Mrs. Richard H. Fleischaker, Dr. and Mrs. Nathan Pollack and Mr. and Mrs. Joseph B. Singer were accepted with gratitude, and

the John L. and Anne Crawford Endowed Presidential Scholarship was established at The University of Texas at Austin. The income from this scholarship fund will be used for a scholarship to be awarded in alternate years to students in the Department of Mathematics and in the Law School.

5. U. T. Austin: Acceptance of Gift and Pledges and Establishment of John J. McKetta Energy Professorship in Engineering. -- Upon the recommendation of the Administration, a \$1,000 gift (to be matched by each of two corporations) from Dr. John J. McKetta together with a pledge from Dr. McKetta to contribute over a period of not more than 10 years sufficient funds for a \$100,000 endowment were accepted with gratitude by the Land and Investment Committee, and the John J. McKetta Energy Professorship in Engineering was established at The University of Texas at Austin. The Engineering Foundation has pledged to contribute up to \$5,000 annually for supplementation of the salary of the McKetta Professor until the endowment reaches \$100,000.

Dr. McKetta is the E. P. Schoch Professor in Chemical Engineering at U. T. Austin.

6. Galveston Medical Branch (Galveston Medical School): Acceptance of Gifts and Establishment of The Mason and Alice Guest Lectureship in Physiology. -- Upon recommendation of the Administration a gift of \$10,000 from Dr. and Mrs. M. Mason Guest was accepted with sincere appreciation, and The Mason and Alice Guest Lectureship in Physiology was established at the Galveston Medical School of The University of Texas Medical Branch at Galveston. Dr. Guest is a member of the faculty of the Medical School and past Chairman of the Department of Physiology.

This gift is the result of a commitment prior to July 25, 1975, and accordingly the \$10,000 level is a proper exception to the \$20,000 minimum funding level for lectureships.

7. Galveston Medical Branch (Galveston Medical School): Acceptance of Gifts and Establishment of Dr. Martin Schneider Memorial Lectureship Fund. -- Gifts which with accumulated earnings total \$10,000 were accepted from family, friends and associates of the late Dr. Martin Schneider, and the Dr. Martin Schneider Memorial Lectureship Fund was established at the Galveston Medical School of The University of Texas Medical Branch at Galveston.

Committee Chairman Clark commented that Dr. Schneider was a member of the faculty of the Radiology Department of the Galveston Medical School for almost 20 years. His associates in the Radiology Department began raising money for this Lectureship shortly after Dr. Schneider's death some 10 years ago; and this is a proper exception to the \$20,000 minimum funding level for lectureships that was established July 25, 1975.

8. Galveston Medical Branch (Galveston Medical School): J. Fred Mullins, M.D., Charitable Remainder Unitrust - Withdrawn. --The item regarding the J. Fred Mullins, M.D., Charitable Remainder Unitrust at the Galveston Medical School of The University of Texas Medical Branch at Galveston was withdrawn from consideration at this meeting.
  
9. University Cancer Center (M. D. Anderson): Acceptance of Bequest Under Will of Walter Coppinger, Deceased. -- A bequest of one-fourth of the residuary estate of the late Walter Coppinger, San Angelo, Texas, was gratefully accepted for "M. D. Anderson Hospital, Houston, Texas" as indicated in the bequest. The San Angelo National Bank is Independent Executor of this estate, and all of the residuary estate is to remain in trust with the bank for ten years. It was reported that the bank estimates M. D. Anderson's share of the estate to be approximately \$50,000.

**B. REAL ESTATE MATTERS**

1. U. T. Austin - Report on Matters Relating to Brackenridge Tract: Lease to Safeway Stores, Inc. - First and Second Ground Lease Modification Agreements. --The Associate Deputy Chancellor for Investments, Trusts and Lands reported that after the execution of the lease to Safeway Stores, Inc., covering that certain 2.697 acre tract (Brackenridge Tract - The University of Texas at Austin) bounded by Lake Austin Boulevard, Exposition Boulevard, West 8th Street and Newman Drive subject to the University obtaining proper zoning of said tract:
  - a. that the zoning ordinance, passed on April 29, 1976, became final on May 1, 1976, and that the First Ground Lease Modification Agreement, which established the commencement date of the lease as of May 1, 1976, was executed by the Chairman of the Board of Regents on May 11, 1976; and
  
  - b. that a Second Ground Lease Modification Agreement dated September 27, 1976, was executed by the Chairman of the Board of Regents on September 27, 1976. This agreement conformed the description of the leased premises to the plat dedicating an additional five feet of right-of-way on the west side of Newman Drive for street purposes and set out the rental for each month of the primary term and option periods of the lease as was provided for in Paragraph 2 of the lease.

The originals of these documents are on file in the Office of the Secretary to the Board of Regents and both documents were in all things approved and ratified.

2. U. T. Austin - Hogg Foundation - Will C. Hogg Memorial Fund: Joinder in Oil, Gas and Mineral Lease to Edwin Eckert on 222 Acre Tract in P. L. Buquor Survey, Bexar County, Texas. --Approval was given to join with other royalty owners in an oil, gas and mineral lease to Edwin Eckert of San Antonio, Texas, on the University's 1/64th interest in the minerals below a depth of 1,000 feet under a 222 acre tract approximately 10 miles southeast of San Antonio in the P. L. Buquor Survey, Bexar County, Texas (Hogg Foundation - Will C. Hogg Memorial Fund property). The lease is for a term of 5 years at \$10 per acre bonus, \$1 per acre annual delay rental and 1/8th royalty.
  
3. U. T. Austin - Archer M. Huntington Museum Fund: Approval of Oil and Gas Lease from Texas City Terminal Railway Company to Florida Gas Exploration Company on 275.02 Acre Tract in H. B. Littlefield Survey, Galveston County, Texas. --At the request of the lessor and the lessee and upon the recommendation of the Administration, an oil and gas lease by Texas City Terminal Railway Company to Florida Gas Exploration Company covering 275.02 acres in the H. B. Littlefield Survey, Galveston County, Texas (Archer M. Huntington Museum Fund property - The University of Texas at Austin) was approved by the Land and Investment Committee. The lease is for a primary term of 3 years with a bonus of \$356.83 per acre; annual delay rentals of \$10 per acre and 1/4th royalty.

The bonus per acre, one-half of which will be paid direct to the University (\$49,067.70) is at the same rate as for the lease authorized on October 1, 1976, by the Board of Regents (based on sealed bids) to Florida Gas Exploration Company on an adjoining tract in this survey (Permanent Minutes, Volume XXIV, Page 87).

4. U. T. Austin - Mrs. Sidney Burleson Smith Trust - Anonymous Trust Agreement No. 1: Sanitary Sewer Easement to City of Austin, Texas, on 239.91 Acre Tract (Previously Recorded as 227 Acres) in Santiago del Valle Grant, Travis County, Texas. --A sanitary sewer easement was granted to the City of Austin across a 239.91 acre tract (recorded as 227 acres before being resurveyed) in the Santiago del Valle Grant, Travis County, Texas (Mrs. Sidney Burleson Smith Trust - Anonymous Trust Agreement No. 1 - The University of Texas at Austin).
  
5. U. T. Austin - McDonald Observatory: Sublease for Grazing to Gene West of 32,930 Acres in Presidio County, Texas (Primary Lease Between Board of Regents and G. C. Mitchell Estate). --Upon recommendation of the Administration, authorization was given for a sublease for grazing to be granted to Gene West covering 32,930 acres of land from the G. C. Mitchell Estate in Presidio County, Texas, being all of the land leased by the University from G. C. Mitchell Estate for McDonald Observatory's radio telescope except for approximately 350 acres actually used as the telescope site. The

grazing lease will be for five years beginning January 1, 1977. Rental for the first year will be \$26,344 at the rate of 80¢ per acre; and the lease will provide for upward adjustment in rental for increases in beef prices provided that rental for any lease year will not be more than 90¢ or less than 80¢ per acre.

6. University Cancer Center: Sale of Houston General Hospital Property (Lots 3 and 4, Schuller's First Addition and Adjoining Tract Out of S. M. Harris Survey, Houston, Harris County, Texas) to Mental Health and Mental Retardation Authority of Harris County, Texas. --As Trustees of the University Cancer Foundation, and upon recommendation of President Clark and System Administration, authorization was given to sell the former Houston General Hospital property (Lots 3 and 4, Schuller's First Addition and adjoining tract out of S. M. Harris Survey in the 2800 block of Jensen Drive, Houston, Texas) to the Mental Health and Mental Retardation Authority of Harris County, Texas, for a cash consideration of \$20,000.
  
7. University Cancer Center (M. D. Anderson): Quit Claim Deed to C. W. Reed and Wife on Strip of Land in Orofino, Idaho. --The Administration reported that in making the arrangements to sell a lot in Orofino, Idaho, given to the University Cancer Foundation by Mr. William L. Minter and authorized for sale to William E. Cox and wife on July 9, 1976, the survey disclosed that a strip on one side of the lot had been under fence and other improvements by Mr. C. W. Reed for several years. It had been determined that the description of the property in Mr. Reed's chain of title overlapped the description of the property in the Minter deed. This had occurred with other lots in the subdivision. From the information obtained, it appeared that Mr. Reed acted in good faith and that litigation of the matter would probably be in his favor.

Based upon this report and upon the recommendation of the Administration, the Land and Investment Committee authorized the execution of a quit claim deed to C. W. Reed and wife, Orofino, Idaho, covering a strip of ground in the SE/4 SW/4 of Section 4, Township 36N, Range 2E, on the outskirts of Orofino, Idaho, for \$175 cash.

### III. OTHER MATTERS

Report of Securities Transactions for Permanent University Fund and for Trust and Special Funds for the Months of August and September 1976. --The Report of Securities Transactions for Permanent University Fund and Trust and Special Funds for the months of August and September 1976, submitted by the Office of Investments, Trusts and Lands, was received. It is attached (Attachment No. 2) following Page CC-45 of Attachment No. 1 and made a part of these Minutes.

COMMITTEE OF THE WHOLE - OPEN SESSION  
(Pages 147 - 161)

The Report of the Committee of the Whole in Open Session set out below was adopted by unanimous vote:

**BOARD OF REGENTS: APPOINTMENT OF COMMITTEE WITH DELEGATED AUTHORITY TO EACH MEMBER TO ACCEPT GIFTS THROUGH DECEMBER 31, 1976.** --Approval was given to Chairman Shivers' recommendation that the following committee be appointed with delegated authority to each member of the committee to accept on behalf of the Board of Regents of The University of Texas System gifts tendered after this meeting through December 31, 1976, with authority to the Chairman to execute any and all documents necessary in the acceptance of the gifts. A full and complete report will be made to the Board of Regents for ratification at its meeting on February 11, 1977:

Regent Allan Shivers (Chairman of the Committee)  
Regent Edward Clark  
Regent (Mrs.) Lyndon B. Johnson  
Chancellor Charles A. LeMaistre  
Deputy Chancellor E. D. Walker

**U. T. AUSTIN: APPROVAL OF OUTSIDE EMPLOYMENT FOR PROFESSOR JOHN ARCHIBALD WHEELER (REGENTS' R&R, ONE, III, 13.11).** --President Rogers reported that Dr. John Archibald Wheeler, who joined the faculty at The University of Texas at Austin as a Professor of Physics in September 1976, was a member of President Ford's General Advisory Committee on Arms Control at the time of his appointment.

Upon the recommendation of President Rogers and System Administration, Dr. Wheeler was granted permission to continue his service on this committee. This employment is of benefit and interest to the U. T. System. It is in compliance with the Regents' Rules and Regulations, Part One, Chapter III, Section 13.10 and was submitted for approval by the Board of Regents in accordance with Section 13.11.

**U. T. AUSTIN: AUTHORIZATION FOR PROFESSOR CHARLES E. LANKFORD TO SERVE ON LABORATORY ADVISORY COMMITTEE FOR TEXAS DEPARTMENT OF HEALTH RESOURCES (REGENTS' R&R, ONE, III, 13.11).** --Upon recommendation of President Rogers and System Administration, approval was given for Professor Charles E. Lankford of the Department of Microbiology at The University of Texas at Austin to serve on the Laboratory Advisory Committee for the Texas Department of Health Resources. This assignment will be of benefit to the University and to the State of Texas. It is in compliance with the Regents' Rules and Regulations, Part One, Chapter III, Section 13.10 and was submitted for approval by the Board of Regents in accordance with Section 13.11.

U. T. AUSTIN: REPORT ON HARRY RANSOM MEMORIAL RARE BOOK FUND INCLUDING ACCEPTANCE OF GIFTS THERETO, BOOKPLATE, AND COMMITTEE TO ADMINISTER.--The following report on the Harry Ransom Memorial Rare Book Fund at The University of Texas at Austin was received. The contributions from the donors listed therein were accepted. Chairman Shivers named the following committee from The University of Texas at Austin to administer this fund:

Dr. William H. Goetzmann, Stiles Professor of American Studies and Professor of History, Chairman  
 Dr. Thomas M. Cranfill, Professor of English  
 Dr. G. Karl Galinsky, Professor of Classics

### Report

At the May 14, 1976, meeting of the Board of Regents, there was established the Harry Ransom Memorial Rare Book Fund in memory of the late Chancellor Emeritus, Harry Ransom. As of November 30, 1976, this fund totaled \$30,326.77 and also contained book collections valued at approximately \$17,100.00.

Below is a bookplate with the names of the donors through November 30 which will appear in each book and manuscript acquired by the Harry Ransom Memorial Rare Book Fund. On June 1 and December 1 of each year, this bookplate will be revised to include all donors:

### HARRY RANSOM MEMORIAL RARE BOOK FUND



Argosy Book Store  
 Mr. and Mrs. Hines H. Baker  
 Mr. Rex G. Baker  
 Mr. Rex G. Baker, Jr.  
 Mr. and Mrs. L. T. Barrow  
 Dr. James E. Bauerle  
 Mr. D. L. Bibby  
 Prof. E. T. Bowden  
 Mr. Henri L. Bromberg, Jr.  
 Miss Mina Bromberg  
 The Brown Foundation, Inc.  
 Mr. William Broyles  
 Ms. Liz Carpenter  
 Mr. William C. Cawthon  
 Ambassador Edward Clark  
 Mrs. Ernest Cockrell, Jr.  
 Mrs. Louis Henry Cohn

Mr. L. L. Colbert  
 Mr. and Mrs. Marvin K. Collie  
 Dr. H. F. Connally, Jr.  
 Mr. C. W. Cook  
 Dr. Denton A. Cooley  
 Mr. B. W. Crain, Jr.  
 Mr. John W. Crain  
The Dallas Times Herald  
 Mr. Joe M. Dealey  
 Mr. Franklin W. Denius  
 Mr. and Mrs. Charles Devall  
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 Mr. Lindley Eberstadt  
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 Mr. Herbert J. Frensley  
 Mr. Jenkins Garrett  
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 Garwood  
 Mr. E. A. Gillis  
 Mr. Maurice F. Granville  
 Mr. Richard A. Gump  
 Hamill & Barker  
 Mr. and Mrs. Hall S. Hammond  
 Mrs. Alice N. Hanszen  
 Mr. and Mrs. Lynn Harris  
 Mr. Chris Harte  
 Mr. Hayden W. Head  
 Mr. Erwin Heinen  
 Mr. John Henderson  
 Mr. J. Carl Hertzog  
 Mr. Estill S. Heyser, Jr.  
 Miss Mary Claire Heyser  
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 The Hobby Foundation  
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 Mr. Joe J. King  
 Mrs. G. Moses Knebel  
 Mrs. Ronya Kozmetsky  
 Mr. Thos. H. Law  
 Mr. Oscar C. Lindemann  
 Mr. Lee Lockwood  
 Mr. Ben F. Love  
 Mr. G. L. MacGregor  
 Mr. and Mrs. Wales Madden  
 Mr. Mauricio B. Madero  
 Mr. Mark Martin  
 Mr. J. Mark McLaughlin  
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 Mr. E. M. Schiwetz  
 Mr. Benno C. Schmidt  
 Scott & Douglass  
 Mr. and Mrs. Tom Sealy  
 Governor Allan Shivers  
 Mrs. Betty Smedley  
 Mr. C. R. Smith  
 Southwestern Bell Telephone  
 Company  
 Mr. and Mrs. Ralph Spence  
 Mr. and Mrs. Walter G. Sterling  
 Mr. Bartlett Strayhorn  
 Mr. O. Pendleton Thomas  
 Mr. and Mrs. Clark W. Thompson  
 Ms. H. E. Thompson  
 Dr. Frank E. Vandiver  
 Mrs. C. W. Voyles  
 Dr. Charls E. Walker  
 Mr. Frank H. Wardlaw  
 Mr. Harvey Webster  
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 Mr. Gail Whitcomb  
 Dr. Logan Wilson  
 Mr. Gus S. Wortham  
 Mr. Jack Wrather

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U. T. AUSTIN: WAIVER OF REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTIONS 31.3 AND 31.(10) TO CONSIDER PROFESSOR JOHN ARCHIBALD WHEELER FOR MODIFIED SERVICE UPON REACHING RETIREMENT AGE. --Upon recommendation of President Rogers, concurred in by System Administration, Sections 31.3 and 31.(10) of Chapter III, Part One of the Regents' Rules and Regulations were waived in order for John Archibald Wheeler, Professor of Physics at The University of Texas at Austin, to be eligible for formal review for modified service when he reaches seventy years of age. Any request for modified service for Professor Wheeler will be submitted to the Board of Regents for approval at the time he reaches seventy.

U. T. AUSTIN: WAIVER OF REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER VIII, SECTION 1, TO CHANGE NAME OF PENICK TENNIS COURTS TO PENICK-ALLISON TENNIS COURTS. --Section 1 of Chapter VIII of Part One of the Regents' Rules and Regulations was waived and the recommendation of Athletics Director Darrell Royal and the Athletics Council, concurred in by President Rogers and System Administration, to change the name of Penick Tennis Courts at The University of Texas at Austin to the Penick-Allison Tennis Courts in honor of Mr. Wilmer Allison was approved.

Mr. Allison, who was a noted University tennis player, served as assistant to Dr. D. A. Penick and then as head coach of tennis at U. T. Austin for 16 years. Among many of Mr. Allison's outstanding achievements during his distinguished career were the Southwest Conference and NCAA singles championship and the winning of the U. S. National singles crown. He is enshrined in the University's Longhorn Hall of Honor, the Texas Sports Hall of Fame, the U. S. Lawn Tennis Association's Hall of Fame and the Helms Foundation Hall of Fame.

U. T. AUSTIN: WAIVER OF REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 16 FOR FIFTH AND FINAL YEAR LEAVE OF ABSENCE FOR MILLARD H. RUUD. --Section 16 of Chapter III of Part One of the Regents' Rules and Regulations was waived and approval was given to President Rogers' recommendation, concurred in by System Administration, to grant Millard H. Ruud, Professor at the Law School of The University of Texas at Austin, an extension of his leave of absence without pay for another year in order for him to continue as Executive Director of the Association of American Law Schools. Professor Ruud was granted a 3-year leave of absence for this purpose beginning with the 1973-74 academic year, which was extended to a fourth year by the Board of Regents on December 12, 1975.

U. T. AUSTIN: APPROVAL OF THE ESTABLISHMENT OF A BRYANT SMITH CHAIR (1) AS TO POLICY; (2) FISCAL ARRANGEMENTS AS TO FUNDING; AND (3) AGREEMENT ON FUNDING THEREFOR. --Upon the recommendation of President Rogers and Dean Ernest Smith, concurred in by System Administration, the Board of Regents:

1. Approved a \$400,000 funding level for establishment of the Bryant Smith Chair in Law at The University of Texas at Austin;

2. Accepted the benefits under the gift made by Adele Sidney Burleson Smith to The University of Texas Law School Foundation in trust for the establishment of such Chair (under instrument executed November 21, 1975 by Adele Sidney Burleson Smith, and accepted by said Law School Foundation on December 17, 1975) subject to execution or approval by all parties of the Agreement on Funding said Chair described below; and
3. Approved the Agreement on Funding of said Chair (effective December 12, 1976) by and between the Board of Regents, the Law School Foundation, and Adele Sidney Burleson Smith for the purpose of effectuating and securing the funding of said Chair.

The Chairman of the Board of Regents was authorized to acknowledge acceptance of the benefits under the November 21, 1975 instrument by signing same in the space provided therein, and to execute the Agreement on Funding dated December 12, 1976 on behalf of the Board.

U. T. EL PASO: RESOLUTION OF SEPTEMBER 20, 1974 SUPERSEDED AND BUILDING USE AND GENERAL FEES AGGREGATE DECREASED (CATALOG CHANGE). --The Resolution of September 20, 1974 (Permanent Minutes, Volume XXII, Page 120) was superseded by the following resolution upon the recommendation of President Templeton, concurred in by System Administration, whereby the aggregate Building Use and General Fees at The University of Texas at El Paso were decreased from \$6.50 per semester credit hour to \$6.00 per semester credit hour.

It was ordered that the next catalog published at U. T. El Paso be amended to conform to this change in Building Use and General Fees.

#### RESOLUTION

WHEREAS, It is hereby found and determined that the Student Union Building Use Fee hereinafter fixed will be more than sufficient to produce the amounts which, together with other pledged revenues, are required to pay all debt service, reserve, and other requirements and expenses in connection with Board of Regents of The University of Texas System, The University of Texas at El Paso Student Union Building Revenue Bonds, Series A and B of 1967;

WHEREAS, It is hereby found and determined that the Student Building Use Fee hereinafter fixed will be more than sufficient to produce the amounts which, together with other pledged revenues, are required to pay all debt service, reserve, and other requirements and expenses in connection with Board of Regents of The University of Texas System, The University of Texas at El Paso Building Revenue Bonds, Series 1969; and

WHEREAS, It is hereby found and determined that the General Fee hereinafter fixed will be more than sufficient to produce the amounts which, together with other pledged revenues, are required to pay all debt service, reserve, and other requirements and expenses in connection with the Board of Regents of The University of Texas System, The University of Texas at El Paso Combined Fee Revenue Bonds, Series 1970, Series 1971, Series 1973, and Series 1974; now, therefore, be it

RESOLVED, That (1) Commencing with the registration for the regular Fall Semester 1977, the following Student Union Building Use Fee, which, together with other revenues, is pledged to the payment of the aforesaid Board of Regents of The University of Texas System, The University of Texas at El Paso, Student Union Building Revenue Bonds, Series A and B of 1967, is hereby fixed, levied, charged, and ordered to be collected from each student enrolled at The University of Texas at El Paso for the use and availability of facilities on the campus of The University of Texas at El Paso, as follows:

Student Union Building Use Fee of \$0.68 cents per semester credit hour at each of the regular fall and spring semesters, and for each term of each summer session;

(2) Commencing with the registration for the regular Fall Semester of 1977, the following Student Building Use Fee, which, together with other revenues, is pledged to the payment of the aforesaid Board of Regents of The University of Texas System, The University of Texas at El Paso Building Revenue Bonds, Series 1969, is hereby fixed, levied, charged, and ordered to be collected from each student enrolled at The University of Texas at El Paso for the use and availability of the Gymnasium Facilities and the Library Facilities, as follows:

\$1.62 per semester credit hour at each of the regular fall and spring semesters, and for each term of each summer session; and

(3) Commencing with the registration for the regular Fall Semester 1977, a General Fee for the general use and availability of the University facilities is hereby fixed and shall be collected from each student regularly enrolled at The University of Texas at El Paso as follows:

\$3.70 per semester credit hour for each of the regular fall and spring semesters, and for each term of each summer session.

U. T. SAN ANTONIO: WAIVER OF REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 5.32 (NEPOTISM) TO PERMIT PART-TIME EMPLOYMENT OF MRS. FLORENCE JUANITA SAGIK. --Upon recommendation of President Flawn, concurred in by System Administration, Section 5.32, Chapter III, Part One of the Regents' Rules and Regulations was waived to permit the part-time employment of Mrs. Florence Juanita Sagik as a Technical Staff Assistant IV in the College of Sciences and Mathematics at The University of Texas at San Antonio effective December 15, 1976. Mrs. Sagik is the wife of Dr. Bernard P. Sagik who is Dean of the College of Sciences and Mathematics at U. T. San Antonio.

U. T. SAN ANTONIO: AUTHORIZATION FOR PRESIDENT PETER T. FLAWN TO SERVE ON COAL ADVISORY COMMITTEE OF THE U. S. DEPARTMENT OF THE INTERIOR (REGENTS' R&R, ONE, III, 13.11). --Approval was granted to Dr. Peter T. Flawn, President of The University of Texas at San Antonio, to serve on the Coal Advisory Committee of the U. S. Department of the Interior. This appointment is of benefit to the State of Texas and creates no conflict with Dr. Flawn's position at U. T. San Antonio. It is in compliance with Regents' Rules and Regulations, Part One, Chapter III, Section 13.10 and was submitted for approval by the Board of Regents in accordance with Section 13.11.

GALVESTON MEDICAL BRANCH: AUTHORIZATION FOR DR. J. PALMER SAUNDERS TO SERVE ON CANCER CENTER SUPPORT GRANT REVIEW COMMITTEE OF NATIONAL CANCER INSTITUTE (REGENTS' R&R, ONE, III, 13.11). --Upon the recommendation of President Levin and System Administration, approval was given for Dr. J. Palmer Saunders, Professor of Pharmacology and Dean of the Graduate School at The University of Texas Medical Branch at Galveston, to be a member of the Cancer Center Support Grant Review Committee of the National Cancer Institute. This appointment is of benefit and interest to the U. T. System. It is in compliance with the Regents' Rules and Regulations, Part One, Chapter III, Section 13.10 and was submitted for approval by the Board of Regents in accordance with Section 13.11.

DEVELOPMENT MATTERS. --The following items relating to development matters were received and in all things ratified and confirmed:

1. U. T. System: Membership of The University of Texas Foundation, Inc., Board of Directors. --On October 1, 1976 the Board of Regents approved the reappointment of those individuals indicated by an asterisk to membership on the Board of Directors of The University of Texas Foundation, Inc. Their acceptances have been received, and the complete membership is listed below. The maximum authorized membership of this Board is 25; however, the 15 members listed below represent the current Board of Directors:

	Term Expires December 31
Mr. Rex G. Baker, Jr., Sugar Land	1977
Mr. E. Philip Cannon, Houston	1978
Mr. Edward Clark, Austin	Regent Representative
Mr. Marvin K. Collie, Houston	1977
Mr. Hayden W. Head, Corpus Christi	1978
Mr. B. K. Johnson, San Antonio	1978
Mr. Jack S. Josey, Houston	1977
Mr. Thos. H. Law, Fort Worth	Regent Representative
Mr. E. G. Morrison, Austin	1977
*Mr. Benno C. Schmidt, New York, New York	1979
Mr. Preston Shirley, Galveston	1977
Mr. Robert Strauss, Dallas	1978
Mr. Jack C. Vaughn, Dallas	1978
*Mr. Gail Whitcomb, Houston	1979
*Mr. Gene M. Woodfin, Houston	1979

2. U. T. Arlington: Reappointment of W. N. McKinney to College of Business Administration Advisory Council. --President Nedderman reported that through an administrative oversight, Mr. W. N. McKinney, who had been an extremely active and helpful member of the College of Business Administration Advisory Council at The University of Texas at Arlington, was not renominated as a member of the Council when the other nominees were processed last spring. To correct this oversight, and upon the recommendation of President Nedderman and Chancellor LeMaistre, Mr. McKinney was reappointed to an available unfilled term on this advisory council expiring August 31, 1978.

3. U. T. Arlington: Membership of The University of Texas at Arlington School of Nursing Advisory Council. --On October 1, 1976 the Board of Regents established The University of Texas at Arlington School of Nursing Advisory Council and approved nominees for the initial membership of the advisory council. Upon the recommendation of Chancellor LeMaistre, the authorized membership of this advisory council was set at 16.

Further, upon Chancellor LeMaistre's recommendation, the name of Mrs. J. Clark Nowlin, Fort Worth, Texas, was substituted for the name of her husband, Mr. J. Clark Nowlin (originally nominated for membership), who had indicated his inability to serve at this time.

The names of the nominees accepting the appointments are listed below:

	<u>Term Expires</u>
Mrs. Gordon Appleman, Fort Worth	1979
Frank C. Council, M.D., Arlington	1978
Mr. R. E. Cox, III, Fort Worth	1979
Mr. Arthur I. Ginsburg, Fort Worth	1979
Mr. Rex C. McRae, Arlington	1979
Mr. Harry A. Noah, Arlington	1979
Mrs. J. Clark Nowlin, Fort Worth	1978
Fred Rehfeldt, M.D., Fort Worth	1978
Mr. Sterling Steves, Fort Worth	1979
Mr. Bill Wagner, Euless	1978

6 Unfilled Terms (Terms to be determined as filled)

4. U. T. Austin: Recognition of the Baker and Botts Professorship in Law. --The following report is presented with the request that it be spread on the Minutes of this meeting and that the Professorship involved be in all things approved and confirmed:

#### Report

On June 7, 1968 a grant from the Houston law firm of Baker, Botts, Shepherd & Coates to the Law School Foundation of The University of Texas at Austin for the establishment of the Baker and Botts Professorship in Law was accepted administratively. Subsequently, the first appointment to this Professorship was made in 1968.

Through an administrative oversight, the recognition and approval of this endowed Professorship was not processed to the Board of Regents. In order that the official records of the Board of Regents may be complete, it is herewith reported for the record that the Baker and Botts Professorship in Law at The University of Texas at Austin was established through the Law School Foundation effective June 7, 1968.

5. U. T. Austin: Membership of The University of Texas at Austin School of Nursing Advisory Council. --On October 1, 1976 the Board of Regents established The University of Texas at Austin School of Nursing Advisory Council and approved nominees for the initial membership of the advisory council. The names of the nominees accepting the appointments are listed below. Upon the recommendation of Chancellor LeMaistre, the membership of this advisory council was set at 9:

	<u>Term Expires</u>
Mr. Cleve Bachman, Beaumont	1979
Mrs. Joe Christie, Austin	1979
Mrs. J. E. Connally, Abilene	1979
Ted Forsythe, M.D., Lubbock	1978
Max E. Johnson, M.D., San Antonio	1977
Mr. Ike S. Kampmann, Jr., San Antonio	1978
Mrs. Patrick J. Nugent, Austin	1978
Mrs. John R. Rainey, Jr., Austin	1979
Unfilled Term	1977

6. U. T. Dallas: Establishment of Advisory Council for Arts and Humanities and Nominees Thereto. --Authorization was given to establish an Advisory Council for Arts and Humanities at The University of Texas at Dallas. The purpose of this advisory council will be to advise and assist the President, the Vice-President for Academic Affairs and the Dean of Arts and Humanities in the interaction of the program in Arts and Humanities with the needs of the Dallas community.

The membership of this advisory council was set at not more than 25 members, and nominees thereto were approved. The names of those nominees accepting the appointments will be reported for the record at a subsequent meeting of the Board of Regents. (See Page 32.)

7. U. T. Dallas: Amendment to Development Board Bylaws. -- Upon the recommendation of President Jordan, concurred in by Chancellor LeMaistre, Section 4 of Article IV of the Bylaws of The University of Texas at Dallas Development Board was amended to read as follows:

Section 4. Officers shall be elected annually at the regular spring meeting of the Board.

8. U. T. Permian Basin: Membership for Development Board. -- Through action of the System Administration Committee approved in report of even date (Page 35), the Board of Regents established the Development Board for The University of Texas of the Permian Basin and approved the Bylaws and the nominees for the initial membership thereof. The authorized membership for this development board as indicated in the Bylaws is 25; however, the names of the nominees accepting the appointments are set out below and represent the complete membership at this time:

	<u>Term Expires</u>
Mr. James N. Allison, Jr., Midland	1977
Mr. Claude W. Brown, McCamey	1979
Mr. J. Conrad Dunagan, Monahans	1977
Mr. Mel Z. Gilbert, Snyder	1978
Mr. Norvell W. Harris, Odessa	1979
Mr. Ray F. Herndon, Jr., Midland	1979
Mr. Stanley C. Moore, Midland	1979
Mr. W. D. Noel, Odessa	1978
Mr. Charles R. Perry, Odessa	1979
Mr. Joe Pickle, Big Spring	1978
Mr. Charles H. Priddy, Midland	1978
Mr. James Roberts, Andrews	1978
Mr. Louis Rochester, Odessa	1977
Mr. W. F. Roden, Midland	1979
Mr. E. M. Schur, Odessa	1977
Mrs. Richard C. Slack, Pecos	1977

REPORT BY PRESIDENT JORDAN OF SPECIAL COMMITTEE TO STUDY THE UNIVERSITY OF TEXAS SYSTEM. --The Board of Regents reconvened as a Committee of the Whole immediately following the Executive Session and received a formal report by President Jordan of the Special Committee to Study The University of Texas System.

In presenting the report, entitled The Mission of The University of Texas System: Directions for the Future, President Jordan explained that the Committee, appointed by Chairman Shivers in September 1975, had been charged with studying and recommending objectives and priorities for the future of the U. T. System.

Membership of this Committee included:

President Bryce Jordan, Chairman, The University of Texas  
at Dallas  
President Lorene L. Rogers, The University of Texas at Austin  
President Peter T. Flawn, The University of Texas at San Antonio  
President William C. Levin, The University of Texas Medical  
Branch at Galveston  
President Frank Harrison, The University of Texas Health Science  
Center at San Antonio

With deep gratitude Committee Chairman Jordan thanked the members for the substantial work they had accomplished.

As a framework for its study, the Committee concentrated on three areas of major importance to the System: generating monetary resources, societal responsibilities of U. T. components and governance of the System. To formulate its recommendations the Committee considered the pressures, concerns, problems and opportunities facing higher education nationally, and more specifically, as concerned the U. T. System within the context of national and state-wide issues.

Input for these recommendations was furnished in meetings with all component presidents, representative students, faculty, administrators and interested citizens. Basic to the thirty recommendations made concerning the future of the U. T. System are three points: (1) the U. T. System should provide vital leadership in emphasizing excellence and quality as primary goals of higher education in Texas; (2) the main function of higher education is to assist individuals in developing their intellectual potential, creative talents, professional skills and knowledge; professional or job training is an important, but not the only, value of a college education; and (3) contrary to current national trends, Texas higher education cannot realistically plan for a no growth or declining enrollment situation.

As President Jordan stated, the report is "not a master plan but a broad discussion intended to place the U. T. System in the context of higher education nationally and to supply specific recommendations for the System's continuing quest for excellence."

A complete copy of this report is on file in the Office of the Secretary to the Board of Regents.

Following this presentation, Regent Sterling, joined by Vice-Chairman Williams and Regent (Mrs.) Johnson, commended the Committee for its study.

#### COMMITTEE OF THE WHOLE - EXECUTIVE SESSION

Following the meeting of the Committee of the Whole in Open Session, the members of the Board of Regents convened in Executive Session of the Committee of the Whole in Room 209 pursuant to Article 6252-17, Sections 2(e), (f) and (g), V.T.C.S. Chairman Shivers reported that items regarding pending litigation, land acquisition and personnel matters were considered, but none of these items required action.

## OTHER MATTERS

STATEMENT OF POLICY BY THE BOARD OF REGENTS RELATING TO PERMANENT UNIVERSITY FUND.--Chairman Shivers announced that the Board of Regents was issuing the following policy statement relating to the Permanent University Fund:

STATEMENT BY THE BOARD OF REGENTS  
THE UNIVERSITY OF TEXAS SYSTEM

The Board of Regents of The University of Texas System views with concern some recent proposals to further divide the proceeds of the Permanent University Fund.

In our considered view, such a move would be unwise--and, in the long run, counterproductive.

This conclusion is based on a detailed study and review of the Permanent University Fund, its potential growth, and the future demands on its proceeds.

It is obvious, first of all, that the Permanent University Fund cannot continue indefinitely the phenomenal growth that it has experienced in recent years. Our minerals are depletable--and rapidly depleting. Even the most optimistic forecast we have seen envisions an annual growth rate a decade from now of only half of the current rate.

Second, the demand on the proceeds of the Permanent University Fund are going to continue to remain high, even when our new construction needs have leveled off. The servicing of outstanding bond issues, special building projects necessary to maintain up-to-date facilities for teaching and research, and the financing of enrichment and academic excellence at The University of Texas at Austin--these alone will require all the resources of the Permanent University Fund, based on current allocations.

To spread the proceeds even thinner by requiring that all new construction throughout the U. T. System be paid for out of the Permanent University Fund (eliminating the Building Use Fee Bonds and Skiles Act Bonds) would be totally unrealistic.

And, further, to require that all repair and rehabilitation projects throughout our System be paid for out of the Permanent University Fund, as some have suggested, would be stretching the Fund far beyond its capabilities.

It is our belief, therefore, that the current allocation of the Permanent University Fund resources should remain unchanged.

STATEMENT BY REGENT CLARK REGARDING PAYMENT FOR ACCRUED SICK LEAVE. --Following the Report of the Land and Investment Committee, Chairman Clark requested that he be allowed to speak to the Board about a matter that disturbed him--the payment to departing System employees for accrued sick leave.

The following statement is included in the Minutes to show the present legal policy concerning sick leave reimbursement for terminating employees:

"All state employees, including employees of institutions of higher education, have historically been entitled to one day of sick leave per month. The accrual of sick leave has been for the protection of the employee in case of catastrophic illness.

"Prior to the 64th Legislature, Regular Session, 1975, the General Appropriations Act did not contain a rider to authorize payment for accrued sick leave. The rider in Section 7(b) of Article V of S. B. 52, General Appropriations Act, 1975, reads as follows:

A state employee who resigns, is dismissed or separated from state employment shall be entitled to be paid for one-half of sick leave entitlement duly accrued.

"The Office of the Comptroller of Public Accounts issued on August 13, 1975, to all state agencies and departments the payroll procedures to be followed beginning on September 1, 1975, to implement the General Appropriations Act of the 64th Legislature, 1975. The Council of Presidents of the Public Senior Colleges and Universities became concerned with the fiscal implications in connection with making payments for sick leave to terminating employees. The Legislature did not make a separate appropriation for funding for this rider provision. Therefore, the Council of College Presidents requested the Coordinating Board to seek an official opinion from the Attorney General. It was felt by the institutions of higher education that possibly the new rider on payment for sick leave would not apply because of the historical authorization by the Legislature for institutions of higher education to establish and adopt their own sick leave policies.

"The Attorney General, in Opinion No. H-766 dated January 16, 1976, held that, 'The provision of the General Appropriations Act providing for payment of one-half of an employees' accumulated sick leave upon termination of employment is applicable to state institutions of higher education. . . . It may not draw a distinction between the accrual of sick leave for payment purposes in the event of separation and accrual for actual use in case of illness.' Therefore, it is an obligation of The University of Texas System to pay the employee for accrued sick leave, in accordance with the Appropriation Bill rider.

"To implement, the Board of Regents on July 9, 1976, adopted a change in the Regents' Rules and Regulations Part One, Chapter III, and Part Two, Chapter V, in accordance with the General Appropriations Act of 1975, the regulations of the State Comptroller, and the Attorney General Opinion H-766."

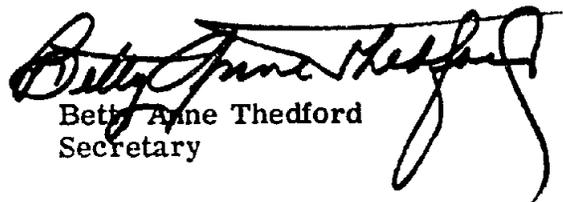
Regent Clark explained that he felt it was wrong to pay a person any amount, no matter how small, for sick leave he did not use or need. The whole matter had come to his attention when President Rogers asked for the transfer of approximately \$300,000 to another account in order to pay for accrued sick leave to individuals who were resigning. Stating that he is in favor of vacation leave for its intended purpose and does believe in accrued sick leave for catastrophic illness, Regent Clark reiterated that he was against the present payment policy and did not think it sound or in the best interest of the taxpayer. In bringing this matter before the Board, Regent Clark said he wanted to be shown as having voted against any use of funds for this purpose. As he did not consider it valid, he continued, he would want to be shown voting against such action in any future reference.

**SCHEDULED MEETINGS.** --In concluding the meeting, Chairman Shivers announced that this was the last meeting of the Board of Regents to be held in Main Building Room 212, The University of Texas at Austin, and future meetings would be held in Ashbel Smith Hall. The Regents' Suite in the Main Building will be used in the future for faculty conference rooms by U. T. Austin.

The following meetings have been previously scheduled:

Board of Regents	February 11, 1977, in Austin
66th Public Auction of Oil and Gas Leases on University Lands	April 7, 1977, in Midland

**ADJOURNMENT.** --The business on the agenda having been concluded, the meeting was duly adjourned at 12:45 p. m.

  
Betty Anne Thedford  
Secretary

December 14, 1976