

Meeting No. 789

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

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December 2-3, 1982

Austin, Texas

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MEETING NO. 789

THURSDAY, DECEMBER 2, 1982.--The members of the Board of Regents of The University of Texas System convened in regular session at 1:20 p.m. on Thursday, December 2, 1982, in the Regents' Meeting Room on the ninth floor of Ashbel Smith Hall in Austin, Texas, with the following in attendance:

ATTENDANCE.--

<u>Present</u>	<u>Absent</u>
Chairman Powell, presiding	
Vice-Chairman Fly	
Vice-Chairman Rhodes	
Regent (Mrs.) Blumberg	
Regent (Mrs.) Briscoe	
Regent Hay	
Regent (Mrs.) Milburn	
Regent Newton	
Regent Richards	

Executive Secretary Dilly

Chancellor Walker
Executive Vice Chancellor Jordan
Executive Vice Chancellor Mullins

Chairman Powell announced a quorum present and called the meeting to order.

RECESS FOR COMMITTEE MEETINGS.--Chairman Powell announced that the Board would recess for the meetings of the Standing Committees (Finance and Audit, Academic Affairs, Health Affairs, Buildings and Grounds and Land and Investment) and, if time permitted following these meetings, the Board would reconvene in open session for the sole purpose of recessing to Executive Session and would not reconvene as a Board until Friday morning, December 3, 1982.

At 4:00 p.m., the Board reconvened in open session and immediately thereafter recessed to meet in Executive Session in the Regents' Committee Room pursuant to V.T.C.S., Article 6252-17, Sections 2(e), (f) and (g) to discuss:

1. Pending and/or Contemplated Litigation - Section 2(e)
 - a. U. T. System - Permanent University Fund Lands: Settlement with Phillips Petroleum Company, Bartlesville, Oklahoma
 - b. U. T. Health Science Center - Houston: Settlement of Litigation - Estate of Roderick Adams
2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)
3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

U. T. El Paso: Report of Consideration of the Recommendations of the Hearing Tribunal Regarding the Dismissal of Tenured Faculty Member Professor Leonard S. Levitt

Friday, December 3, 1982

The Board reconvened in open session at 9:00 a.m. on Friday, December 3, 1982, at the same place and with the same attendance as at the meeting on Thursday, December 2.

U. T. BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING ON OCTOBER 7-8, 1982.--Upon motion of Regent (Mrs.) Blumberg, seconded by Regent Richards, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held on October 7-8, 1982, in Arlington, Texas, were approved as distributed by Executive Secretary Dilly. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XXX, Pages 5 - 700.

INTRODUCTION OF FACULTY AND STUDENT REPRESENTATIVES.--Chairman Powell called on the chief administrative officers of the component institutions to introduce their respective faculty and student representatives:

U. T. Arlington

President Nedderman introduced:

Faculty Representative: Dr. Pedro Lecca, Vice-Chairman, Faculty Senate

U. T. Austin

President Flawn introduced:

Faculty Representative: Dr. John Durbin, Chairman Faculty Senate

Student Representatives: Ms. Julie Tindall, President Senior Cabinet
Mr. Jimmy Munoz, General Reporter, The Daily Texan

U. T. Dallas

President Rutford introduced:

Faculty Representative: Professor Dennis Kratz
Speaker of the Faculty

Student Representative: Mr. Mike Sullins, President Student Congress

U. T. Permian Basin

Acting President Rippey introduced:

Faculty Representative: Dr. Sean Kelleher, President Faculty Senate

U. T. San Antonio

In the absence of President Wagener, who was attending a meeting of the Coordinating Board, Texas College and University System, Vice President for Business Affairs Hammon introduced:

Faculty Representative: Dr. Daniel O. Hogenauer
Secretary, University Assembly and General Faculty

Student Representative: Ms. Elizabeth Bostic, President, Alpha Omicron Pi Sorority

U. T. Tyler

President Hamm introduced:

Faculty Representative: Dr. W. Allen Martin, Associate Professor, Department of Sociology

Student Representative: Mr. Andre Hall, Secretary Student Association and President, Student Foundation

U. T. Medical Branch - Galveston

President Levin introduced:

Faculty Representative: Dr. Yvonne Russell, Associate Dean for Community Affairs, School of Medicine

U. T. Health Science Center - Houston

President Bulger introduced:

Faculty Representatives: Dr. R. W. (Bill) Butcher, Dean U. T. G.S.B.S. - Houston
Dr. Robert White, Chairman Interfaculty Council, U. T. Dental Branch - Houston

Student Representative: Mr. Alan Coleman, President Student Intercouncil, U. T. Medical School - Houston

U. T. Health Science Center - San Antonio

In the absence of President Harrison, who was attending a meeting of the Coordinating Board, Texas College and University System, Executive Vice President for Administration and Business Affairs Price introduced:

Faculty Representative: Jay H. Stein, M.D., Professor and Chairman, Department of Medicine

U. T. Cancer Center

President LeMaistre introduced:

Faculty Representative: Dr. Gerald Bodey, Director of the Office of Protocol Research

Student Representative: Dr. Ibrahim Garcia, Fellow in Developmental Therapeutics

RECESS FOR EXECUTIVE SESSION.--At 9:10 a.m., Chairman Powell announced that the Board would recess for an Executive Session to continue its discussion of matters in accordance with Article 6252-17, Sections 2(e), (f) and (g) of Vernon's Texas Civil Statutes: Litigation, Land Acquisition, and Personnel Matters.

RECONVENE.--At 1:10 p.m., the Board reconvened in open session and Chairman Powell called for the reports and recommendations of the Standing Committees.

REPORTS AND RECOMMENDATIONS OF STANDING COMMITTEES

REPORT OF EXECUTIVE COMMITTEE (Pages 4 - 8).--In compliance with Section 7.14 of Chapter I of Part One of the Regents' Rules and Regulations, Regent Fly, Vice-Chairman of the Executive Committee, reported to the Board for ratification and approval all actions taken by that Committee since the last meeting. Unless otherwise indicated, the recommendations of the Executive Committee were in all things approved as set forth below:

1. U. T. System Administration: Reappointment of Dr. George Kozmetsky, Executive Associate for Economic Affairs, with Salary Increase that Under Budget Rules and Procedures No. 2 Required Advance Regental Approval (Exec. Com. Letter 83-5).--The Board concurred in the recommendation of the Executive Committee and reappointed Dr. George Kozmetsky, Executive Associate for Economic Affairs for The University of Texas System, 50% time at an annual salary rate of \$80,000 effective September 1, 1982. The source of funds is the System Administration Unallocated Operating Account.

Dr. Kozmetsky holds a concurrent appointment at U. T. Austin as Director of the Institute for Constructive Capitalism 50% time at an annual salary rate of \$80,000 and also holds the J. Marion West Chair for Constructive Capitalism in the Department of Management at an academic salary rate of \$60,000.

2. U. T. Arlington: Reappointment with Salary Increase that Under Budget Rules and Procedures No. 2 Required Advance Regental Approval (Exec. Com. Letter 83-5).--Upon recommendation of the Executive Committee, the Board approved the following reappointment and salary increase at The University of Texas at Arlington:

Architecture and Environmental Design

Reappoint Douglas P. Fontana, Assistant Professor (Non-Tenure) at an academic salary rate of \$27,000 effective September 1, 1982.
1981-82 Rate: \$18,000
Source of Funds: Departmental Faculty Salaries (RBC# 51)

3. U. T. Arlington - Renovation of Indoor and Outdoor Swimming Pools (Project No. 301-518): Award of Construction Contract to Trinity Contractors, Inc., Arlington, Texas, and Revised Total Project Cost (Exec. Com. Letter 83-7).--The Board concurred in the recommendation of the Executive Committee and awarded a construction contract for the Renovation of Indoor and Outdoor Swimming Pools at The University of Texas at Arlington to the lowest responsible bidder, Trinity Contractors, Inc., Arlington, Texas, as set out on Page 5.

Further, the Board approved a revised total project cost of \$700,000 to cover the contract award, fees, and related project expenses. This revised total project cost reflects a reduction of \$140,000 from the previously authorized amount.

Trinity Contractors, Inc.
Arlington, Texas

Base Bid	\$506,000
Alternate No. 1 (Drain System Indoor Pool)	15,000
Alternate No. 2 (Drain System Outdoor Pool)	22,500
Alternate No. 3 (Outdoor Pool Lighting)	18,700
Alternate No. 4 (Paint Ceiling of Indoor Pool)	23,600
Alternate No. 5 (Access Ramps)	13,750
Alternate No. 6 (Aquavac System)	<u>2,200</u>
Total Contract Award	<u>\$601,750</u>

4. U. T. Austin: Reappointment with Salary Increase that Under Budget Rules and Procedures No. 2 Required Advance Regental Approval (Exec. Com. Letter 83-5).--Upon recommendation of the Executive Committee, the Board approved the following reappointment and salary increase at The University of Texas at Austin:

Home Economics

Reappoint Mary Helen Pratte, Instructor (Non-Tenure) at an academic salary rate of \$23,500 effective September 1, 1982.
1981-82 Rate: \$18,500
Source of Funds: Departmental Faculty Salaries (RBC# 208)

5. U. T. Austin: Appropriations for Certain Construction Projects - Partial Change in Source of Funds (Exec. Com. Letter 83-6).--The Board concurred in the recommendation of the Executive Committee and approved the transfer of \$7,814,047.04 from the 1981-82 appropriation for The Centennial Teachers and Scholars Program to replace funding from Permanent University Fund Bond Proceeds for The University of Texas at Austin construction projects as set forth below:

102-201, College of Fine Arts/ Performing Arts Center	\$ 197,809.06
102-330, Law School Remodeling	2,497,824.91
102-351, Addition to Pharmacy Building	1,023,009.94
102-407, Renovation of Welch Hall	1,967,547.25
102-453, Utility Tunnel	630,456.10
102-491, Dockside Utility Building, Marine Science Institute at Galveston	981,495.25
102-493, Auditorium Facility, Marine Science Institute at Port Aransas	515,904.53
Total	<u>\$7,814,047.04</u>

Approval was also given to appropriate \$7,814,047.04 from the 1982-83 allocation for Operations and Capital Improvements to replace the funds transferred from the 1981-82 appropriation for The Centennial Teachers and Scholars Program.

It was noted that these changes in U. T. Austin appropriations would make available funds that could be used in making payments on the Central Library Building at The University of Texas at El Paso. The delay in the issuance of additional Permanent University Fund Bonds has necessitated this transfer of funds.

6. U. T. Austin - Facilities Improvements for School of Architecture (Project No. 102-389) - Modification of Music Recital Hall West: Award of Contracts for Furniture and Furnishings to American Desk Manufacturing Company, Temple, Texas; Carpet Services, Inc., Austin, Texas; and Clegg/Austin, Austin, Texas (Exec. Com. Letter 83-7). -- Upon recommendation of the Executive Committee, the Board awarded contracts for furniture and furnishings for the Facilities Improvements for School of Architecture - Modification of Music Recital Hall West at The University of Texas at Austin to the lowest responsible bidders as follows:

American Desk Manufacturing
Company, Temple, Texas

Base Proposal "A" (Theatre Seating) \$69,100.00

Carpet Services, Inc.,
Austin, Texas

Base Proposal "B" (Carpet) 11,340.00

Clegg/Austin, Austin,
Texas

Base Proposal "C" (Stage Furniture) 6,551.48

Total Contract Awards \$86,991.48

7. U. T. Austin - Student Family Housing - Phase IIA (Project No. 102-445): Award of Construction Contract to Kunz Construction Company, Inc., San Antonio, Texas (Exec. Com. Letter 83-7). -- The Executive Committee recommended and the Board awarded a construction contract for the Student Family Housing - Phase IIA at The University of Texas at Austin to the lowest responsible bidder, Kunz Construction Company, Inc., San Antonio, Texas, as follows:

Base Bid \$3,206,323

Alternate No. 1 (Five Additional Apartments) 195,500

Alternate No. 2 (Five Additional Apartments) 195,500

Total Contract Award \$3,597,323

Regent Milburn abstained from voting on this item.

8. U. T. Dallas: Transfer from Unappropriated Educational and General Fund Balance that Under Budget Rules and Procedures No. 2 Required Advance Regental Approval (Exec. Com. Letter 83-8).--Upon recommendation of the Executive Committee, the Board approved the following transfer of funds at The University of Texas at Dallas:

Callier Center

Amount of Transfer - \$75,000

From: Unappropriated Balance (via Estimated Income)

To: Speech Pathology - \$7,000
 Educational Programs - \$5,282
 Deaf - Blind Program - \$22,434
 Business Office - \$40,284

(RBC# 63)

9. U. T. Health Science Center - Dallas: Reappointments with Salary Increases that Under Budget Rules and Procedures No. 2 Required Advance Regental Approval (Exec. Com. Letter 83-5).--The Board concurred in the recommendation of the Executive Committee and approved the following reappointments and salary increases at The University of Texas Health Science Center at Dallas:

Internal Medicine

4a. Reappoint Dr. Ron J. Anderson, Chief Executive Officer of Parkland Memorial Hospital and Associate Professor of Internal Medicine (Tenure) at an annual salary rate of \$97,500 effective September 1, 1982.
 1981-82 Rate: \$87,500

Source of Funds:

Other than State: Paid Direct-Parkland Memorial Hospital - \$87,500
 MSRDP - \$10,000

(RBC# 125)

Pathology

4b. Reappoint Dr. Vinay Kumar, Associate Professor (Tenure) at an annual salary rate of \$62,500 effective September 1, 1982.

1981-82 Rate: \$57,500

Source of Funds:

Other than State: MSRDP Grant - \$47,500
 NIH Grant - \$15,000

(RBC# 94)

Radiology

4c. Reappoint Dr. Edward A. Armstrong, Assistant Professor of Clinical Radiology (Non-Tenure) at an annual salary rate of \$70,000 effective September 1, 1982.

1981-82 Rate: \$60,000

Source of Funds:

State Funds: Radiology Faculty Salaries - \$3,415
 Other than State: Parkland Hospital Radiology - \$6,446
 Texas Scottish Rite - \$5,868
 MSRDP Grant - \$54,271

(RBC# 55)

Surgery

4d. Reappoint Dr. Stephen C. Hill, Assistant Professor of Surgery (Non-Tenure) and Director of Residency Training in Oral Surgery at an annual salary rate of \$62,000 effective September 1, 1982.

1981-82 Rate: \$49,500

Source of Funds:

State Funds: Surgery Faculty Salaries - \$32,610

Other than State: MSRDP Grant - \$18,418

MSRDP Funds - \$10,972

(RBC# 101)

10. U. T. Health Science Center - Dallas - Parking Structure on Parking Lot No. 4 (Project No. 303-541): Award of Construction Contract to Rogers-O'Brien Construction Company, Dallas, Texas (Exec. Com. Letter 83-7).--Upon recommendation of the Executive Committee, the Board awarded a construction contract for the Parking Structure on Parking Lot No. 4 at The University of Texas Health Science Center at Dallas to the lowest responsible bidder, Rogers-O'Brien Construction Company, Dallas, Texas, as follows:

Base Bid "A" (Post Tensioned Concrete Structure)	\$ 992,795
Alternate Bid "A1" (Post Tensioned Structure to Support Future Fourth Level)	<u>34,392</u>
Total Contract Award	<u>\$1,027,187</u>

11. U. T. Health Science Center - Dallas: Permission to Apply for a Beer and Wine Permit and an After Hours Permit for Skillern Union Building (Exec. Com. Letter 83-9).--The Board concurred in the recommendation of the Executive Committee and approved the request to apply for a Beer and Wine Permit and an After Hours Permit for sale of beer and wine in the Skillern Union Building at The University of Texas Health Science Center at Dallas.
12. U. T. Medical Branch - Galveston: Salary Increases that Under Budget Rules and Procedures No. 2 Required Advance Regental Approval (Exec. Com. Letter 83-8).--Upon recommendation of the Executive Committee, the Board approved the following salary increases at The University of Texas Medical Branch at Galveston:

Surgery

2a. Increase the total compensation of Dr. John R. Derrick, Professor (Tenure) from \$89,197 to \$95,000 effective November 1, 1982.

Source of Funds:

State Funds: Surgery Faculty Salaries - \$61,077

Other than State: MSRDP Fund - \$33,923

(RBC# 13)

2b. Increase the total compensation of Dr. Vincent R. Conti, Associate Professor (Tenure) and Chief of the Division of Cardiothoracic Surgery from \$103,500 to \$120,000 effective November 1, 1982.

Source of Funds:

State Funds: Surgery Faculty Salaries - \$61,926

Other than State: MSRDP Fund - \$58,074

(RBC# 12)

REPORT AND RECOMMENDATIONS OF THE FINANCE AND AUDIT COMMITTEE (Pages 9-14).--Committee Chairman Rhodes reported that the Finance and Audit Committee had met in open session on Thursday, December 2, 1982, to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Finance and Audit Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Docket No. 7 of the Office of the Chancellor (Catalog Change).--Upon the recommendation of the Finance and Audit Committee, the Board approved Docket No. 7 of the Office of the Chancellor in the form distributed by the Executive Secretary. It is attached following Page 90 in the official copies of the Minutes and is made a part of the record of this meeting.

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

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

2. U. T. Board of Regents - Regents' Rules and Regulations, Part Two: Amendments to Chapter VI, Sec. 5 (Group Dental Insurance) and Sec. 6 (Health Maintenance Organizations).--Approval was given to amend Chapter VI of Part Two of the Regents' Rules and Regulations as set forth below:

a. Section 5 was amended to read as follows:

Sec. 5. Group Dental Insurance.

- 5.1 An employee covered by group hospitalization and medical insurance is also covered by group dental insurance under a System-wide contract approved by the Office of the Chancellor and the U.T. Board of Regents.
- 5.2 Dependents' dental coverage is available but may be discontinued only if dependents' group hospitalization and medical coverage is discontinued.
- 5.3 Reinstatement of discontinued dependents' dental coverage shall require evidence of insurability.
- 5.4 Effective September 1, 1983, and thereafter, Subsections 5.1 through 5.3 shall also apply to employees and dependents covered as health maintenance organization participants.

b. A new Section 6 was added to read as follows:

Sec. 6. Health Maintenance Organizations.

- 6.1 In accordance with conditions approved by the U.T. Board of Regents, the Office of the Executive Director for Finance and Administration, with the

concurrence of the Executive Vice Chancellor for Health Affairs, may approve qualified organizations to provide services as a health maintenance organization.

- 6.2 A person eligible to enroll in the group hospitalization and medical benefit plan may, as an option, elect to enroll in a health maintenance organization under a contract approved by the Executive Director for Finance and Administration pursuant to conditions approved by the U. T. Board of Regents.
 - 6.3 Employees who do not enroll within 60 days of eligibility may do so only in the annual enrollment period during the month of September.
 - 6.4 The anniversary date of the contract is September 1 of each year.
 - 6.5 An employee enrolled in a health maintenance organization is automatically enrolled for group dental coverage.
- c. Present Sections 6 through 16 were renumbered as Sections 7 through 17, respectively.

3. U. T. Board of Regents - Approval to: (a) Issue and Sell Board of Regents of The University of Texas System, The University of Texas at San Antonio Combined Fee Revenue Bonds, Series 1983, in the Approximate Amount of \$6,000,000; (b) Appoint McCall, Parkhurst & Horton, Bond Counsel, and Rotan Mosle, Inc., Bond Consultant; (c) Authorize the Office of Investments and Trusts to Advertise for Bids; and (d) Establish an Account to Pay Fees of Bond Counsel, Bond Consultant, Printing of Bonds and Other Miscellaneous Costs.--Upon the recommendation of the Finance and Audit and Academic Affairs Committees, the Board granted approval to:

- a. Issue and sell Board of Regents of The University of Texas System, The University of Texas at San Antonio Combined Fee Revenue Bonds, Series 1983, in the approximate amount of \$6,000,000
- b. Appoint McCall, Parkhurst & Horton, Bond Counsel, and Rotan Mosle, Inc., Bond Consultant
- c. Authorize the Office of Investments and Trusts to advertise for bids for the bonds, paying agency and printing of bonds, to be submitted to the U. T. Board of Regents at a subsequent meeting
- d. Establish an account at The University of Texas at San Antonio out of bond proceeds in the amount of \$50,000 to pay fees of Bond Counsel, Bond Consultant, printing of bonds and other miscellaneous costs

It was noted that the proceeds of this bond issue will be used to construct a University Center (Student Union Building) and for other projects as approved by the U. T. Board of Regents.

4. U. T. System: Adoption of Certification Requirement and Conditions or Standards for Certification of Health Maintenance Organizations Seeking Authorization to Provide Services to Employees.--Upon the recommendation of the Finance and Audit Committee, the Board approved the following certification requirement and conditions or standards for certification of health maintenance organizations seeking authorization to provide health care services to employees of The University of Texas System:

CERTIFICATION REQUIREMENT

The President or General Counsel of any health maintenance organization seeking authorization to provide health care services to employees of The University of Texas System must certify with its application for approval or otherwise include in its contract for approval, evidence that the company meets all conditions and standards for certification as listed below.

The certification and application for approval are to be addressed to the Chancellor of The University of Texas System, Attention: System Personnel Director, 201 West 7th Street, Austin, Texas, 78701, and must be received on or before 180 days prior to the first day of The University of Texas System annual group health insurance enrollment period (currently September 1).

The certification must respond specifically with appropriate documentation, to each condition or standard listed. The University of Texas System reserves the right to request such additional documentation as it deems necessary to establish that the organization can qualify for approval. Additional documentation requested must be provided on or before 90 days before the annual group health insurance enrollment period for the organization to receive consideration for approval for that enrollment period.

Specific Conditions or Standards:

1. The health maintenance organization will observe the Rules and Regulations of the Administrative Council, Texas State College and University Employees Uniform Insurance Benefits Act (Article 3.50-3 of the Texas Insurance Code), Rules and Regulations of the Board of Regents of The University of Texas System, Attorney General's Opinions, and such administrative rulings, specifications and requirements as may be necessary for effective administration by The University of Texas System.
2. The health maintenance organization shall provide, in the organization's proposed contract, specific release and indemnification of The University of Texas System, its component institutions, and the State of Texas from:
 - a. Any liability arising from unpaid medical and hospitalization claims, including any and all services furnished by providers upon prescription by a participating organizational physician.
 - b. Any liability involving medical malpractice claims.

3. The health maintenance organization's request is for approval to offer for a specific institution and must include evidence that the organization is capable of enrolling and servicing all employees, retirees and dependents of that institution of The University of Texas System. The organization may apply separately for more than one component institution.
4. The health maintenance organization will not limit or discourage enrollment of any employee, retiree or dependent of an institution of The University of Texas System by "quota" or other enrollment restrictions.
5. The health maintenance organization will not practice discriminatory selection or encourage segregation of the total group of eligible employees, retirees or dependents of any institution of The University of Texas System by excluding, seeking to exclude, or otherwise discriminating against any of the following classes:
 - a. Women: Title VII of the Civil Rights Act of 1964, as amended, and Executive Order 11246 of 1965, as amended
 - b. Pregnant women: Pregnancy Discrimination Act of 1978, PL95-555
 - c. Racial minorities: Title VII of the Civil Rights Act of 1964, as amended
 - d. Aged and retired: Age Discrimination in Employment Act of 1967, as amended
 - e. Handicapped and those with catastrophic and terminal illnesses: Sections 503 and 504 of the Rehabilitation Act of 1978
6. The health maintenance organization shall provide in the organization's proposed contract a "Hold Harmless and Indemnity" clause regarding any and all claims, demands or judgments which might result from discriminatory organizational practices. The organization shall also provide a statement of its plans for affirmative action to enroll women, pregnant women, racial minorities, aged and retired, handicapped and those with catastrophic or terminal illnesses to diminish segregation within the eligible group.
7. The health maintenance organization shall not limit the choice of any employee, retiree or dependent of The University of Texas System or any component institution by denying treatment by any type of physician or other health care practitioner authorized to treat such covered individuals under Article 3.50-3, Texas Insurance Code, and must certify that it shall not deny the covered individual access to treatment by any class or category of such physicians or practitioners which would have been provided the covered individual under the insured group health insurance plan.

8. The health maintenance organization must certify, with appropriate evidence, that it is qualified to do business as a health maintenance organization under Federal and State statutes and regulations.
9. The health maintenance organization must provide evidence that it has achieved financial stability and has remained solvent under the same basic organizational document of the applicant, such as articles of incorporation or association, partnership agreement, trust agreement or other applicable legal documents for the last three organizational fiscal years immediately preceding the date on which employees of The University of Texas System or component institutions are to be offered enrollment and that the organization has:
 - 9.1 Total assets greater than total unsubordinated liabilities.
 - 9.2 Sufficient cash flow and adequate liquidity to meet obligations as they become due.
 - 9.3 A net operating surplus during the three most recent fiscal years and a positive net worth.
 - 9.4 Statements of revenue and expense on an accrual basis.
 - 9.5 A plan for handling insolvency which allows for continuation of benefits for the duration of the contract period for which payment has been made, continuation of benefits to members who are confined on the date of insolvency in an inpatient facility until their discharge, and payments to unaffiliated providers for services rendered.
10. The health maintenance organization must agree to provide such audited statements and other financial information as reasonably may be requested by representatives of The University of Texas System.

It was noted that in accordance with Federal guidelines, organizations will submit formal requests for approval prior to February 1, 1983, for the annual health insurance enrollment period which begins on September 1, 1983.

With regard to the following items which required consideration by the Finance and Audit Committee prior to formal action by the Buildings and Grounds Committee, Committee Chairman Rhodes reported the following recommendations:

1. U. T. Austin: Balcones Research Center - Commons Building
See Page 59, Item 3.
(Approved subject to award of contract being conditioned on availability of funds)
2. U. T. Austin: George Kozmetsky Center for Business Education - Phase II
See Page 60, Item 4.
(Approved subject to award of contract being conditioned on availability of funds)

3. U. T. Austin: Power Plant Expansion
See Page 61, Item 6. (Approved)
4. U. T. Health Science Center - Dallas: Biomedical Research Building
See Page 62, Item 9.
(Approved subject to award of contract being conditioned on availability of funds)
5. U. T. Health Science Center - Dallas: Reroofing of Green Science Building and Gooch Auditorium & Cafeteria Building and Repairing of McDermott Plaza
See Page 63, Item 10. (Approved)
6. U. T. Cancer Center: New Research Building
See Page 65, Item 15.
(Since the bids for this project are within previously authorized amounts, no further approval of this item was necessary.)

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 15-46).--Committee Chairman (Mrs.) Blumberg reported that the Academic Affairs Committee had met in open session on Thursday, December 2, 1982, to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Academic Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Board of Regents: Amendments to Part One, Chapter IV, Section 2.7 of the Regents' Rules and Regulations (Faculty Minutes).--Approval was given to amend Part One, Chapter IV, Section 2.7 of the Regents' Rules and Regulations as shown below to delete the Office of the Board of Regents from the distribution list where copies of institutional faculty minutes are required to be filed:
 - 2.7 Faculty Minutes.--Copies of institutional faculty minutes, or of their legislative bodies, shall be available for use of members of the particular faculties individually, if desired; and shall be filed (1) in the offices of the secretaries to the faculty, (2) in the office of the chief administrative officers, (3) in the office of the appropriate Executive Vice Chancellor, and (4) in the institutional libraries.

2. U. T. System: Acceptance of the Report of the U. T. System Task Force on Teacher Education and Adoption of Resolution by the U. T. Board of Regents.--On December 11, 1981, The University of Texas System Board of Regents directed that the Office of Academic Affairs conduct a study of the teacher education programs in the general academic components of The University of Texas System and report its findings to the Board. Pursuant to this directive, the U. T. System Task Force on Teacher Education, chaired by Executive Vice Chancellor Bryce Jordan, provided the Academic Affairs Committee and the Board with a full report. A summary of the report is set forth at the conclusion of this Minute Order, and the complete text of the report is on file in the Office of the Board of Regents.

Following discussion of the report and upon the recommendation of the Academic Affairs Committee, the Board accepted and endorsed the Report of the U. T. System Task Force on Teacher Education. Further, the Board adopted a Resolution as set forth below which included a request by Regent Milburn that the initial follow-up report by the general academic components be received by the U. T. Board of Regents.

RESOLUTION

- a. The U. T. Board of Regents acknowledges the significant involvement of all academic component institutions of the U. T. System in the preparation of elementary and secondary teachers and reaffirms its commitment to achievement of the highest quality in teacher education programs.

- b. The U. T. Board of Regents accepts the report of the special Task Force on Teacher Education and commends its findings to all U. T. System academic component institutions as a guide to be used by those institutions in reviewing their teacher education programs and in taking specific steps to improve the quality of teacher preparation programs.

Institutional evaluations and improvements of teacher preparation programs are to include but not necessarily be limited to consideration of the following:

- 1) Entrance and exit requirements for teacher education programs.
- 2) Curriculum requirements, both general education requirements and professional coursework.
- 3) Faculty development and involvement in service to elementary and secondary schools.
- 4) Special efforts to recruit and retain talented students, particularly in high need areas such as mathematics and science.
- 5) The development and funding of teacher education research efforts within the institution and cooperatively throughout the system.
- 6) Establishment of appropriate liaisons with business and industry to the aim of improving curriculum and increasing private financial support for teacher education.

An initial report of the results of these evaluation efforts is to be made to the Office of Academic Affairs not later than October 1, 1983, for conveyance to the U. T. Board of Regents through the Academic Affairs Committee. These reports are to include specific steps taken to improve the quality of teacher preparation within the institution, assessment of the results of those steps and future actions contemplated toward the aim of continued improvement of teacher preparation.

- c. Further, the U. T. Board of Regents goes on record as supporting several reforms proposed by other state agencies and official committees studying needs in teaching and teacher education and strongly encourages continued efforts in these areas. Recommended reforms that this Board specifically supports include: salary increases for teachers, particularly for beginning teachers and teachers in high need areas; curricular reforms; raised standards for admission to and graduation from teacher preparation programs; and improved working conditions for teachers.

- d. Finally, the U. T. Board of Regents expresses its gratitude to all members of the Task Force on Teacher Education and U. T. System staff involved in this study effort and commends them on the quality of their final product.

SUMMARY REPORT: U. T. SYSTEM TASK FORCE ON TEACHER EDUCATION

In December 1981, James L. Powell, Chairman of the U.T. Board of Regents, called for action in addressing pressing problems in the field of teacher education, challenging U.T. System academic component institutions to become leaders among institutions of higher education in developing ways to revitalize university programs for the education of elementary and secondary school teachers. Accordingly, on December 11, 1981, The University of Texas System Board of Regents directed the Office of Academic Affairs of the U.T. System to study teacher education programs in the general academic components of the U.T. System and to report to the Board the findings of that study.

From this directive, a broadly representative Task Force chaired by Dr. Bryce Jordan, Executive Vice Chancellor for Academic Affairs, and under the staff direction of Dr. James P. Duncan, Executive Director, Office of the Chancellor, began, in the Spring of 1982, to review issues related to upgrading teacher education throughout the U.T. System.

Following a review of extensive data and information from a variety of sources, the Task Force identified for study several key issues related to the quality of teacher education and to the performance of teachers in elementary and secondary schools. Individual Task Force members were assigned specific topics for study, and the resultant reports were then deliberated by the entire Task Force. Information concerning the variety and complexity of teacher education programs in the U.T. System was gained through reports from the Presidents of the component institutions and presentations by teacher education representatives from each U.T. System component at a special "hearing" held for that purpose. Specific topics which guided both the studies of individual Task Force members and the institutional reports included the following: teacher prestige, teacher compensation, promotion of the profession, pre-college and college connections, the shortage of teachers of science and mathematics, student scholarships and support, teacher education curricula, and research in education.

The evidence gathered by the Task Force clearly supports the reality of a quality crisis in teaching and teacher preparation. More than any single factor, the declining quality of high school graduates has directed the attention of critics toward teachers and teacher preparation programs as the forces responsible for this national crisis. In addition to the declining quality of high school graduates and a resultant decline in the quality of students entering teacher education programs, a decline in the number of students choosing teaching as a career is evident, further compounding the quality problem.

The evidence of declining quality among teachers and teacher candidates suggests a strong need to reassess recruitment methods and the ways in which teachers are trained, both factors over which U.T. System component teacher preparation programs can exercise a fair degree of control. However, there are other factors over which the U.T. System has little or no control. These include factors such as expanding

job markets for women and minorities, inadequate salaries for teachers, poor working conditions in elementary and secondary schools, declining prestige for teachers, and serious national lags in pre-college preparation in science and mathematics. Combined, these factors present a vastly complex interrelationship of cause and effect, requiring that efforts be directed at these problems simultaneously and from several fronts -- by professional organizations, state agencies, legislatures, colleges and universities, school districts, and other public and private organizations. The crisis seems acute enough to require such a broad-based effort.

The Task Force found clear evidence that the crisis is recognized nationally. It also found that an encouraging number of innovative programs, both within and outside the U.T. System, have been designed and implemented to improve the quality of teaching and teacher preparation. Yet it is clear that much remains to be done if the quality of education so vital to us as individuals and to our national purpose is to be achieved.

With the benefit of a national perspective on issues in teaching and teacher education, it becomes evident that the Texas scene mirrors issues at the national level, with the added dimensions in Texas of a growing state population and projected teacher shortages in all subject areas during this decade.

It should be noted that the Task Force directed its focus on problems and recommendations for action largely to issues primarily internal to U.T. System component institutions, recognizing that the major responsibility for addressing the issues identified by this study rests with the component institutions and their teacher education faculties. It is also appropriate to note that some individual institutions have already addressed a number of the issues most adequately. However, all of the actions recommended are believed to be of sufficient importance to suggest the need for a System-wide commitment to action. Thus, it is the hope of the Task Force that the U.T. Board of Regents, on receipt of this report, will reaffirm its commitment to quality teacher education within the U.T. System and offer these findings as a guide to establishing specific expectations of component institutions, furnishing guidelines by which the institutions are to proceed with evaluating and upgrading their teacher education programs.

Task Force recommendations for action are summarized below. More detailed recommendations and the accompanying rationale for these recommendations are contained in Chapter IV of the Task Force Report.

Teacher Education

A. Evaluation Standards

ADMISSION STANDARDS TO TEACHER EDUCATION PROGRAMS, AS WELL AS STANDARDS FOR ACCEPTANCE INTO STUDENT TEACHING AND FOR SUCCESSFUL COMPLETION OF THE PROGRAM AT ALL U.T. SYSTEM INSTITUTIONS, SHOULD BE SET AT A LEVEL THAT WILL INSURE QUALITY.

B. Curriculum Content

GENERAL EDUCATION REQUIREMENTS FOR TEACHER EDUCATION STUDENTS AT EACH U.T. SYSTEM INSTITUTION SHOULD BE AT LEAST EQUAL TO THOSE REQUIRED OF ALL OTHER STUDENTS AT THAT INSTITUTION.

ALL STUDENTS SEEKING SECONDARY CERTIFICATION SHOULD RECEIVE PREPARATION IN THEIR SUBJECT MATTER FIELDS AT LEAST EQUAL TO THAT RECEIVED BY STUDENTS SEEKING MAJORS IN THOSE SUBJECT MATTER FIELDS AND ALL STUDENTS SEEKING ELEMENTARY CERTIFICATION SHOULD RECEIVE SUBJECT MATTER PREPARATION AND TEACHING METHODS COURSEWORK IN MATH, SCIENCE, LANGUAGE ARTS, READING AND SOCIAL STUDIES WITH PARTICULAR EMPHASIS AT THIS TIME PLACED ON ACHIEVEMENT IN SCIENCE AND MATH.

ALTERNATIVE APPROACHES SHOULD BE CONSIDERED IN PROVIDING ACADEMIC PREPARATION FOR TEACHERS TO INCLUDE: 1) REQUIRING THAT ALL STUDENTS SEEKING SECONDARY CERTIFICATION PURSUE AN ACADEMIC MAJOR IN THE DISCIPLINE IN WHICH THEY PLAN TO TEACH, 2) EXPANDING THE REQUIRED NUMBER OF HOURS FOR A DEGREE TO ALLOW FOR ADEQUATE PREPARATION IN THE SUBJECT MATTER FIELD, OR 3) MAKING PROFESSIONAL PREPARATION IN TEACHER EDUCATION (TO INCLUDE TEACHING METHODS COURSES) PART OF A POST BACCALAUREATE PROGRAM.

A SYSTEMATIC APPROACH TO STUDENT TEACHING SHOULD BE DEVELOPED IN ALL U.T. SYSTEM INSTITUTIONS, INCLUDING: EXPOSURE TO THE CLASSROOM PRIOR TO FORMAL STUDENT TEACHING EXPERIENCE; CLOSE SUPERVISION BY HIGHLY QUALIFIED FACULTY; AND CAREFUL SELECTION AND REGULAR REVIEW OF COOPERATING CLASSROOM TEACHERS.

COMPETENCE IN COMPUTER APPLICATIONS TO EDUCATION SHOULD BE REQUIRED OF ALL TEACHER EDUCATION STUDENTS. METHODS OF UTILIZING COMPUTERS IN CLASSROOM INSTRUCTION SHOULD BE INCORPORATED INTO REQUIRED PROFESSIONAL EDUCATION COURSES.

C. Range of Teacher Preparation Options

U.T. SYSTEM INSTITUTIONS SHOULD REVIEW THEIR OFFERINGS IN RELATION TO SUCH FACTORS AS DEMAND, PRODUCTIVITY, AND PROGRAM QUALITY, WITH CONSIDERATION GIVEN TO POSSIBLE DISCONTINUATION OR CONSOLIDATION OF SOME PROGRAMS.

ALL U.T. ACADEMIC INSTITUTIONS SHOULD IDENTIFY PROBLEMS RELATED TO PROLIFERATION OF COURSES AND LESS-THAN-RIGOROUS PROGRAMS AND TAKE STEPS TO ELIMINATE THOSE PROBLEMS.

THE TEXAS EDUCATION AGENCY SHOULD BE ENCOURAGED TO COLLECT AND ANALYZE TEACHER MANPOWER DATA FROM VARIOUS REGIONS IN TEXAS FOR USE BY ALL HIGHER EDUCATION INSTITUTIONS IN THE STATE.

TEACHER EDUCATION UNITS AT EACH U.T. SYSTEM ACADEMIC COMPONENT SHOULD INSTITUTE PROGRAMS TO TRACK GRADUATES AND EVALUATE THE PERFORMANCE OF THESE GRADUATES, USING THE RESULTS TO MODIFY AND IMPROVE TEACHER PREPARATION PROGRAMS.

D. Unique Requirements of Teacher Education Programs

FACULTY WORKLOAD POLICIES FOR U.T. SYSTEM INSTITUTIONS SHOULD BE REVIEWED AND ADJUSTED, IF NECESSARY, TO PROVIDE ADEQUATE WORKLOAD CREDIT FOR REQUIRED SUPERVISORY AND ADMINISTRATIVE ASSIGNMENTS OF TEACHER EDUCATION FACULTY.

THE COORDINATING BOARD AND ITS FORMULA REVIEW COMMITTEE SHOULD BE ENCOURAGED TO ADJUST RECOMMENDED FORMULA FUNDING RATES TO PROVIDE ADEQUATE SUPPORT FOR THE ADMINISTRATIVE AND TRAVEL REQUIREMENTS ASSOCIATED WITH TEACHER EDUCATION PROGRAMS, AND THE LEGISLATURE SHOULD BE URGED TO FUND THESE PROGRAMS AT FULL FORMULA LEVELS.

E. Faculty Qualifications

ALL U.T. SYSTEM INSTITUTIONS MUST BE COMMITTED TO HIRING ONLY THE HIGHEST QUALITY FACULTY TO FILL VACANT POSITIONS IN TEACHER EDUCATION. CONSIDERABLE EFFORT SHOULD BE DEVOTED TO THEIR PERFORMANCE EVALUATION AND CONTINUED DEVELOPMENT.

U.T. SYSTEM COMPONENT INSTITUTIONS SHOULD ENCOURAGE EDUCATION FACULTY TO PARTICIPATE IN PROFESSIONAL ACTIVITIES THAT CLEARLY CONTRIBUTE TO THEIR DEVELOPMENT AND ACTIVITIES THAT ALLOW CLOSE INTERACTION BETWEEN THE FACULTY MEMBER AND THE SCHOOLS.

SPECIAL EFFORTS SHOULD BE UNDERTAKEN AT ALL U.T. SYSTEM COMPONENT INSTITUTIONS TO ASSIST FACULTY IN ACQUIRING SKILLS IN COMPUTER AND OTHER RELEVANT TECHNOLOGIES.

F. Recruitment of Students

THE TEXAS LEGISLATURE SHOULD BE ENCOURAGED TO PROVIDE SCHOLARSHIP FUNDING FOR STUDENTS WHO PLAN TEACHING AS A CAREER.

THE COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM, SHOULD BE ASKED TO SEEK LEGISLATIVE FUNDING TO ESTABLISH A STATE-WIDE PROGRAM OF LOANS TO STUDENTS WHO AGREE TO ENTER THE TEACHING PROFESSION.

ALL U.T. SYSTEM INSTITUTIONS SHOULD INTENSIFY EFFORTS TO ATTRACT TALENTED STUDENTS INTO TEACHING AS A CAREER. HONORS PROGRAMS AND OTHER ACADEMIC INDUCEMENTS SHOULD BE CONSIDERED AS A MEANS OF CHALLENGING THE ACADEMIC POTENTIAL OF THESE STUDENTS ONCE THEY ENTER THE PROGRAM.

U.T. SYSTEM INSTITUTIONS SHOULD BE ENCOURAGED TO CONSIDER RECRUITING POTENTIAL TEACHERS FROM NON-TRADITIONAL AREAS AND AMONG INDIVIDUALS SEEKING A SECOND CAREER.

G. Research in Teacher Education

A SPECIAL COORDINATED RESEARCH PROGRAM SHOULD BE ESTABLISHED FOR THE U.T. SYSTEM. THIS PROGRAM SHOULD 1) BRING TOGETHER MAJOR RESEARCH FINDINGS IN TEACHER EDUCATION AND DISSEMINATE THEM TO U.T. SYSTEM COMPONENT INSTITUTIONS, 2) INITIATE RESEARCH RELATED TO THE EFFECTIVENESS OF VARIOUS TEACHER EDUCATION METHODS AND STRUCTURES, AND 3) PROVIDE ASSISTANCE TO U.T. SYSTEM COMPONENT INSTITUTIONS IN EVALUATING THE EFFECTIVENESS OF THEIR TEACHER EDUCATION PROGRAMS.

H. Organization of Teacher Education Programs

INSTITUTIONS OF THE U.T. SYSTEM SHOULD DESIGNATE ASSESSMENT OF THEIR TEACHER EDUCATION PROGRAMS AS A HIGH PRIORITY IN THE STRATEGIC PLANNING PROCESS CURRENTLY UNDERWAY AT THE INSTITUTION. EVALUATION OF ORGANIZATIONAL AND MANAGEMENT ASPECTS OF THESE PROGRAMS SHOULD BE INCLUDED IN THAT ASSESSMENT.

ALL U.T. COMPONENT INSTITUTIONS ARE ENCOURAGED TO ESTABLISH MECHANISMS FOR INCREASING AND/OR IMPROVING THE EFFECTIVENESS OF INTERACTION BETWEEN TEACHER EDUCATION AND SUBJECT MATTER FACULTY.

I. Interaction of Teacher Education Professionals

INTERACTION AMONG TEACHER EDUCATION PROFESSIONALS AT ALL ACADEMIC INSTITUTIONS IN THE U.T. SYSTEM SHOULD BE ENCOURAGED AND SUPPORTED. PURPOSES FOR SUCH INTERACTION MAY INCLUDE CONSIDERATION OF THE EXCHANGE OF FACULTY AMONG CAMPUSES, THE DEVELOPMENT OF JOINT PROGRAMS AND RESEARCH PROJECTS, AND JOINT SEMINARS FOR EXCHANGE OF IDEAS.

REGULARLY SCHEDULED MEETINGS OF ADMINISTRATORS OF TEACHER EDUCATION UNITS SHOULD BE PLANNED AS A WAY TO FACILITATE AND COORDINATE SUCH INTERACTION.

THE TEXAS EDUCATION AGENCY AND THE COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM, SHOULD BE ENCOURAGED TO SPONSOR SIMILAR COOPERATIVE OPPORTUNITIES FOR THE SELECTIVE EXCHANGE OF IDEAS AND PLANNING FOR TEACHER EDUCATION STATEWIDE.

J. Interaction Between Teacher Education and School Personnel

U.T. SYSTEM COMPONENTS WITHOUT AN EFFECTIVE MEANS OF COOPERATIVE PLANNING BETWEEN THE ELEMENTARY AND SECONDARY SCHOOLS AND TEACHER EDUCATION PERSONNEL SHOULD DEVELOP AND IMPLEMENT COOPERATIVE PLANNING WITH AREA SCHOOLS.

ALL U.T. SYSTEM TEACHER PREPARATION PROGRAMS SHOULD SERIOUSLY CONSIDER IMPOSING A REQUIREMENT FOR A PERIODIC FIELD EXPERIENCE IN AN ELEMENTARY OR SECONDARY SCHOOL SETTING FOR ALL FACULTY MEMBERS DIRECTLY INVOLVED IN TEACHER EDUCATION.

The Teaching Profession

A. Recruitment and Retention of Teachers

THE UNIVERSITY OF TEXAS SYSTEM SHOULD LEND ITS FULL SUPPORT TO ACTIONS TAKEN BY OTHER AGENCIES RECOMMENDING SALARY INCREASES FOR TEACHERS IN THE STATE, PARTICULARLY FOR BEGINNING TEACHERS AND FOR TEACHERS IN AREAS OF SHORTAGE. LEGISLATIVE FUNDING OF BASE TEACHERS' SALARIES AT A LEVEL THAT WILL ATTRACT AND RETAIN THE MOST QUALIFIED INDIVIDUALS IN THE FIELD IS ESSENTIAL, AND REVISION OF THE SCHOOL FOUNDATION PROGRAM IS NEEDED TO INSURE QUALITY EDUCATION FOR EVERY SCHOOL DISTRICT.

DIFFERENTIAL PAY FOR SELECTED FIELDS AND EFFECTIVE MERIT PAY ARE OPTIONS THAT SHOULD BE CONSIDERED BY THE TEXAS LEGISLATURE, TEXAS EDUCATION AGENCY AND LOCAL SCHOOL DISTRICTS.

ELEMENTARY AND SECONDARY SCHOOLS MUST EVALUATE TEACHER WORKING CONDITIONS AND IMPLEMENT PLANS FOR IMPROVING THOSE CONDITIONS THAT APPEAR TO BE DETRIMENTAL TO THE RETENTION OF QUALIFIED TEACHERS.

STATE AGENCIES AND TEACHER PROFESSIONAL ASSOCIATIONS SHOULD DEVELOP PUBLIC INFORMATION CAMPAIGNS AND OTHER PROGRAMS DESIGNED TO PROMOTE POSITIVE ASPECTS OF TEACHING.

B. Continuing Professional Development of Teachers

U.T. SYSTEM COMPONENT INSTITUTIONS SHOULD ACCEPT AS ONE OF THEIR MAJOR RESPONSIBILITIES THE PROVISION OF CONTINUING EDUCATIONAL OPPORTUNITIES, BOTH CREDIT AND NON-CREDIT, TO TEACHERS EMPLOYED IN AREA SCHOOLS.

PARTICIPATION OF TEACHER EDUCATION FACULTY IN SERVICE ACTIVITIES WITH ELEMENTARY AND SECONDARY SCHOOLS SHOULD BE ENCOURAGED.

U.T. SYSTEM INSTITUTIONS SHOULD EVALUATE CURRENT GRADUATE AND UNDERGRADUATE PROGRAMS TO DETERMINE THEIR APPROPRIATENESS IN MEETING THE NEEDS OF THE LARGE NUMBER OF TEACHERS EXPECTED TO RETURN TO THE CAMPUSES FOR ADDITIONAL COURSEWORK.

Special Issues Common to Schools and Teacher Preparation Programs

A. Equipment Needs and Technological Developments

THE U.T. SYSTEM SHOULD ENCOURAGE THE TEXAS EDUCATION AGENCY AND THE COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM, TO SUPPORT A HIGH-PRIORITY LEGISLATIVE FUNDING REQUEST TO MEET CRITICAL EQUIPMENT NEEDS, PARTICULARLY COMPUTER HARDWARE AND SOFTWARE, FOR ELEMENTARY AND SECONDARY SCHOOLS AND TEACHER PREPARATION PROGRAMS.

THE TEXAS EDUCATION AGENCY SHOULD EXPLORE THE POTENTIAL FOR USING TELECOMMUNICATIONS TECHNOLOGY AS A MEANS OF IMPROVING STUDENT ACADEMIC PREPARATION.

U.T. SYSTEM INSTITUTIONS AND OTHER STATE INSTITUTIONS PREPARING TEACHERS SHOULD EXPLORE SPECIFIC APPLICATIONS OF TELECOMMUNICATIONS TECHNOLOGY TO IMPROVE TEACHER PREPARATION.

B. Relations With Business and Industry

LOCAL SCHOOLS AND TEACHER PREPARATION UNITS ARE ENCOURAGED TO FORM LIAISONS WITH AREA BUSINESS AND INDUSTRIAL LEADERS TO ADDRESS EDUCATIONAL NEEDS THAT CAN BE EFFECTIVELY MET THROUGH PRIVATE SUPPORT.

THE TEXAS LEGISLATURE SHOULD CONSIDER SPECIAL STATE AND LOCAL TAX INCENTIVES TO ENCOURAGE PRIVATE GIFTS TO ELEMENTARY AND SECONDARY SCHOOLS AND TEACHER PREPARATION UNITS.

SCHOOLS AND TEACHER TRAINING PROGRAMS SHOULD WORK WITH THE PRIVATE SECTOR IN CURRICULUM PLANNING TO INSURE THAT GRADUATES ARE ADEQUATELY PREPARED TO MEET THE FUTURE NEEDS OF BUSINESS AND INDUSTRY.

3. U. T. Arlington: Memorandum of Understanding with the United States Air Force Regional Hospital, Carswell Air Force Base, Fort Worth, Texas.--The Board approved the Memorandum of Understanding set out on Pages 23-30 by and between The University of Texas at Arlington and the United States Air Force Regional Hospital, Carswell Air Force Base, Fort Worth, Texas, to be effective upon approval by the U. T. Board of Regents.

This agreement will provide training opportunities for students in U. T. Arlington's School of Nursing.

MEMORANDUM OF UNDERSTANDING

BETWEEN

USAF REGIONAL HOSPITAL CARSWELL (SAC)

and

THE UNIVERSITY OF TEXAS AT ARLINGTON

SCHOOL OF NURSING

I. Background

1. The University of Texas at Arlington School of Nursing, hereafter referred to as UTA, and the USAF Regional Hospital Carswell, Carswell Air Force Base, Texas, hereafter referred to as Carswell Hospital, hereby form an affiliation for the development of an educational program in nursing.
2. The administration of UTA has established an approved professional program in the nursing field. UTA is accredited by the Southern Association of Colleges and Schools, the Association of Texas Colleges and Universities, the National League for Nursing and the Board of Nurse Examiners for the State of Texas.
3. Carswell Hospital is accredited by the Joint Commission on Accreditation of Hospitals, a member of the American Hospital Association, a member of the Texas Hospital Association and has an ANA and AOA approved residency program in Family Practice.
4. There continues to be a critical shortage of baccalaureate and masters prepared nurses in the United States and a great need exists for formally educated nurses to alleviate this acknowledged shortage. The training of civilian students to provide quality nursing care is in the best interest of the United States and serves as a potential recruiting resource to the Nurse Corps of the military services. There exists a critical shortage in this regional area of community health/pediatric/maternal care clinic and ward environments in which to facilitate and foster the academic and clinical objectives.

5. Carswell Hospital possesses specialty staffing, a therapeutic environment, facilities, equipment and educational materials used for the training of military nursing personnel which can be made available to enhance the educational objectives of students engaged in similar UTA training programs without any detrimental effects on our military mission.

6. Carswell abides by the training policies and standards of the Surgeon General of the United States Air Force and the Joint Commission on the Accreditation of Hospitals.

7. The number and assignment of students to Carswell Hospital will be agreed upon by UTA and Carswell Hospital, however, the number of students will not exceed thirty-six (36) during each clinical rotation, with a Faculty-Student ratio not to exceed 1:12.

II. Status of Students on Carswell Air Force Base

1. It is understood that there will be no expense to the United States Air Force for non-military UTA nursing students other than expenses incidental to their supervision. The use of government property by the students is primarily for the purpose of furthering their training and any benefits that the United States Air Force receives are incidental to this training and no compensation will be paid for these benefits.

2. There will be no financial obligations on the part of either UTA or the United States Air Force to the other party and no payment will be made to the students by the Federal Government.

3. While at Carswell Hospital, UTA students will be under the supervision of Carswell Hospital officials for training purposes and will follow Carswell Hospital rules.

4. Although no meals, accommodations or remunerations will be afforded civilian students, students are permitted to purchase meals at the hospital cafeteria.

5. Emergency dental and medical care will be available to civilian students; the cost of this care to be paid by the students.

III. Responsibilities

1. Carswell Hospital will:

a. Provide a patient care oriented environment in maternal care, pediatrics, medical-surgical, and community health nursing, in which students from UTA will have an opportunity to fulfill clinical practicum requirements leading to a Baccalaureate or Masters degree in nursing.

b. Make available the clinical and related facilities needed for obtaining the experience in nursing by students enrolled in UTA and who are designated by UTA faculty to receive clinical training at Carswell Hospital.

c. In consultation with UTA faculty, determine the number of students to be assigned, the dates and hours they will be assigned and arrange schedules to meet curriculum requirements.

d. Designate a Nurse Corps officer (Nursing Service Education Coordinator) to coordinate the training experience at Carswell Hospital. This will involve planning with UTA faculty for assignment of students to specific clinical/ward experiences, including their attendance at selected conferences, clinics, courses and programs at Carswell Hospital.

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

f. Assure presence of students does not interfere with official duties of training of military personnel.

g. Provide instruction to UTA students of rules and regulations governing persons at Carswell Hospital.

2. UTA will:

a. Provide Carswell Hospital with the number of students to be assigned, the dates and hours they will be assigned, the name of the clinical service

they will be assigned by the beginning of each clinical rotation.

- b. Where indicated and upon mutual agreement, provide faculty or staff members as preceptors to assure responsibility for instruction and supervision of the specific clinical/ward learning experience.
- c. Designate an education coordinator to coordinate students clinical experience, conferences, programs and schedules.
- d. As necessary, provide and maintain personnel records and reports developed during clinical training.
- e. Enforce rules and regulations governing students mutually agreed upon by UTA and Carswell Hospital.
- f. Be responsible for health examinations and other medical examinations and protective measures as UTA and Carswell Hospital find necessary.
- g. Instruct students, faculty and staff members on the prohibition against releasing any material relative to the clinical experience at Carswell Hospital, that has not been approved for release for publication by both Carswell Hospital and UTA. This release will be in writing.
- h. Require each of its students, faculty members and staff members who operate a motor vehicle on Carswell Air Force Base, to carry bodily injury and property damage liability insurance that meets requirements of the State of Texas and Carswell Air Force Base regulations.
- i. Assure that each civilian student complies with all regulations pertinent to security, safety and order, proper dress and personal conduct. Carswell Hospital reserves the right to dismiss students for not fulfilling their obligations.
- j. Not use Carswell Hospital's name in any of UTA's publicity or advertising, however, UTA may inform students of the existence and scope of the program.

k. Agree that the United States, its agents and employees are in no way liable for any injury that occurs to a UTA student, faculty or staff member while engaged in educational programs at Carswell Hospital. UTA further agrees to the extent provided by law to indemnify and hold harmless the United States, its agents and employees against any and all liabilities for personal injury resulting in death or damage to property, or both, resulting directly or indirectly from the use of UTA or its designated students, of Carswell Hospital, and also agrees to reimburse the United States Government in defending any such claims. Such liability includes, but is not limited to, any and all liability for an injury occurring to or caused by a student, faculty member or staff member while involved in the performance of duties under this agreement, but does not include injury, death or property damage or loss resulting from the willful or gross negligence of the United States, its agents or employees. The United States Government will be designated as an additionally named insured on any liability insurance policy carried by UTA students, faculty members or staff members in connection with the performance of this agreement.

l. Agree that its students, faculty members and staff members participating in this program of nursing education must be insured for any liability however caused, resulting from, arising out of or in any way connected with the execution of this agreement. The United States Government must be designated as an insured party on the applicable insurance.

m. Require each UTA student who will receive training at Carswell Hospital to provide the Carswell Hospital with the following:

Agreement to Hold Harmless

In consideration of being allowed to use the facilities of Carswell Air Force Base, Texas, in connection with my training at the University of Texas at Arlington, I hereby agree to assume full responsibility for my own safety and to indemnify, save and hold harmless and defend the Government of the United States and all of its employees and agents,

acting officially or otherwise, from any and all liability, claims, demands, actions, debts and attorney fees arising out of, claimed on account of or in any manner predicated on loss or damage to the property of or injuries to or death or any persons whatsoever, which may occur resulting from my presence within the limits of Carswell Air Force Base, in connection with my aforesaid training and do hereby waive forever any demands or claims therefor.

Date

Signature

Typed or printed name

3. Carswell Hospital and UTA, jointly, will:

a. Develop a curriculum to be provided at Carswell Hospital.

b. Agree upon the number and distribution of students between the divisions of Carswell Hospital at the beginning of each semester or training period. Carswell Hospital specifically reserves the right to make any and all changes it feels necessary to insure mission accomplishment. Carswell Hospital will keep UTA informed of all changes but its decision in this matter is final and not subject to review.

IV. Condition of Affiliation

1. This affiliation between UTA and Carswell Hospital is for training and is not intended to result in and will not result in the replacement of USAF employees or the impairment of existing contracts for services to Carswell Hospital.

2. Carswell Hospital may deny clinical training to any student designated by UTA to receive such training and need not state reasons for doing so, provided however, no student shall be denied training by either UTA or Carswell Hospital on the basis of race, color, religion, sex, age or national origin.

3. Carswell Hospital reserves the right to bar any UTA student in this training facility who, in its determination, is not fulfilling the terms of this agreement. Carswell Hospital will keep UTA informed of any actions

taken to bar a UTA student, but the decision of Carswell Hospital is final and not subject to review by UTA.

4. This memorandum of understanding represents the entire agreement of UTA and Carswell Hospital regarding their affiliation for nursing education.

V. Termination of Agreement

1. This agreement will be effective on _____.
2. Either UTA or Carswell Hospital may terminate this agreement. Such termination will be preceded by written notification to the other party sent by certified mail at least 90 days prior to the termination date. However, both parties may agree to terminate this memorandum at any time. Either party has the option to terminate this memorandum for cause, such as loss of accreditation by either party, upon one month notice to the other.
3. It is understood that the Surgeon General, Headquarters, United States Air Force, has the right to terminate this agreement.
4. In the event of termination by either party, other than for cause, it is anticipated students already enrolled in the program will be permitted to complete all requirements unless impractical under the circumstances.
5. Carswell Hospital will, within ten workdays of termination of this agreement, notify HQ AFMPC/SGE or other office as required by regulation.
6. Carswell Hospital will submit this agreement through channels to HQ AFMPC/SGE or other office as required by regulation for review every three years from the date of last approval of this agreement by such office.

Date Signed: 9-13-82

Myrna Pickard
 MYRNA PICKARD, Dean
 The University of Texas at
 Arlington, School of Nursing

Date Signed:

7 SEP 82

FACILITY:

Jack L. Saylor
 JACK L. SAYLOR, COL, USAF, MC
 Commander, USAF Regional Hospital
 Carswell

ATTEST:

UNIVERSITY:

(Title)

By

W. Neederman
President

FORM APPROVED

M. Lynn Taylor
 General Counsel of The System

Bryce Jordan
 Executive Vice Chancellor for Academic Affairs

Chancellor
 Chairman, Board of Regents

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the ___ day of ___, 19__.

Executive Secretary, Board of Regents
 The University of Texas System

4. U. T. Austin: Initial Appointments to Endowed Academic Positions in the (a) School of Architecture; (b) College of Business Administration and Graduate School of Business; (c) College of Communication; (d) College of Engineering; (e) College of Fine Arts; (f) College of Liberal Arts; (g) Lyndon B. Johnson School of Public Affairs; (h) College of Natural Sciences; and (i) School of Nursing.--Upon the recommendation of the Academic Affairs Committee, the Board approved the following initial appointments to endowed academic positions at The University of Texas at Austin with the understanding that the professors would vacate any currently held endowed positions on the effective date of the new appointments:
- a. School of Architecture, effective the Spring Semester 1983
 - (1) Professor J. Harold Box, Dean of the School of Architecture, to The W. L. Moody, Jr. Centennial Professorship in Architecture
 - (2) Professor Drury B. Alexander, School of Architecture, to The Margaret McDermott Centennial Teaching Fellowship in Architecture

- (3) Professor Martin S. Kermacy, School of Architecture, to The Paul Phillippe Cret Centennial Teaching Fellowship in Architecture
 - (4) Associate Professor Lawrence W. Speck, School of Architecture, to The Cass Gilbert Centennial Teaching Fellowship in Architecture
- b. College of Business Administration and Graduate School of Business, effective immediately
- (1) Dr. Allen Bizzell, Lecturer in the Department of Accounting and Assistant Dean for Undergraduate Programs, to the Fayez Sarofim & Co. Centennial Fellowship

See Page 79 for establishment of this Fellowship.
 - (2) Dr. Ernest W. Walker, Professor, College of Business Administration, to the Lawrence D. Gale Chair in Small Business Management and Entrepreneurship
- c. College of Communication, effective the Spring Semester 1983
- Dr. Dwight L. Teeter, Jr., Professor and Chairman, Department of Journalism, to the William P. Hobby Centennial Professorship in Communication
- d. College of Engineering
- (1) Dr. Morris E. Fine, currently the Walter P. Murphy Professor of Materials Science and Engineering at Northwestern University, Visiting Professor to the Dula D. Cockrell Centennial Chair in Engineering for the period February 7, 1983 through March 7, 1983
 - (2) Dr. Ben G. Streetman, Professor, Department of Electrical Engineering, to the Janet S. Cockrell Centennial Chair in Engineering, effective the Spring Semester 1983
- e. College of Fine Arts, effective the Spring Semester 1983
- Dr. Walter E. Ducloux, Ashbel Smith Professor, Department of Music, to the Frank C. Erwin, Jr. Centennial Professorship in Opera
- See Page 75 for establishment of this Professorship.

f. College of Liberal Arts, effective immediately

Dr. Lester L. Faigley, Assistant Professor, Department of English, to the President's Associates Teaching Fellowship in English Composition

g. Lyndon B. Johnson School of Public Affairs, effective the 1983 Spring and 1984 Fall Semesters

Dr. Norman J. Glickman, Professor, Department of Regional Science, University of Pennsylvania, Visiting Professor to the Mike Hogg Professorship of Urban Policy

h. College of Natural Sciences, effective the Spring Semester 1983

(1) Dr. Gerard de Vaucouleurs, Ashbel Smith Professor, Department of Astronomy, to the Jane and Roland Blumberg Centennial Professorship in Astronomy

(2) Dr. David V. Hinkley to the Jane and Roland Blumberg Centennial Professorship in Mathematics

It was reported that Dr. Hinkley will join the faculty at U.T. Austin in January 1983.

i. School of Nursing, effective the Spring Semester 1983

Dr. Billye J. Brown, Dean of the School of Nursing, to the La Quinta Motor Inns, Inc. Centennial Professorship in Nursing

5. U. T. Austin: Approval of Increase in Texas Union Fee Effective Spring Semester 1983 (Catalog Change).-- Approval was given to increase the Texas Union Fee at The University of Texas at Austin from \$12 to \$14 for each regular semester and from \$6 to \$7 for each term of the summer session effective with the Spring Semester 1983. It was noted that the additional revenue from this increase will be used to support the student programs conducted by the Texas Union.

Authorization was given to amend the next published catalog at U. T. Austin to conform to this action.

6. U. T. Austin: Memorandum of Agreement with the Darnall Army Community Hospital, Fort Hood, Texas.--Upon the recommendation of the Academic Affairs Committee, the Board approved the Memorandum of Agreement set out on Pages 33-35 by and between The University of Texas at Austin and the Darnall Army Community Hospital, Fort Hood, Texas.

This agreement, executed by the appropriate officials of the institution and facility to be effective upon approval by the U. T. Board of Regents, will allow graduate students in the School of Social Work to participate in social work clinical learning experiences with the Department of Psychiatry at the Darnall Army Community Hospital.

MEMORANDUM OF AGREEMENT
BETWEEN
UNIVERSITY OF TEXAS AT AUSTIN
AND
DARNALL ARMY COMMUNITY HOSPITAL

I. BACKGROUND

1. The Board of Regents of the University of Texas at Austin, have established an approved professional program of special training in preparation for a Master's Degree in Social Work. 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, Darnall Army Community Hospital, has the needed clinical facilities for social work students at the University of Texas at Austin, to obtain part of the clinical learning experience required. It is to the benefit of the University of Texas at Austin, for Social Work students to use the clinical facilities of the U. S. Army medical facility, Darnall Army Community Hospital, to obtain their clinical learning experience.
3. The U. S. Army medical facility, Darnall Army Community Hospital, and the Department of the Army will benefit from making clinical facilities available for Social Work students of the University of Texas at Austin. The Army will obtain the students' clinical learning experience while contributing to the educational preparation of a future supply of Social Workers.
4. Clinical students, 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. This affiliation is controlled by and subject to Title 5, U. S. 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 Social Work by students enrolled in the professional Social Work Graduate Program at the University of Texas at Austin, and who are designated by the University of Texas at Austin, for such learning experience under the supervision of the University of Texas at Austin.
 - b. Arrange clinical learning experience schedules that will not conflict with those of the educational institutions.
 - c. Designate an Army Social Work Officer (MOS 68R) or Department of Army civilian with a MSW to supervise and coordinate the students' clinical learning experience in Social Work Service and the Department of Psychiatry. This will involve planning with faculty or staff members for the assignment of trainees to specific clinical cases and experiences, including their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

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

e. Permit, in reasonable request, the inspection of clinical and related facilities by agencies charged with the responsibility for accreditation of the University of Texas at Austin and the School of Social Work.

f. Prior to commencing clinical training, the Chief, Social Work Service or Department of Psychiatry as appropriate will be responsible for obtaining the Social Work students' signature on the "Notification of Acceptance" form. These signed forms, which outline the terms of assignment at this medical facility, will be forwarded to the Comptroller's Office for retention.

g. Have the authority to terminate the assignment of trainees for unacceptable/incompetent performance. The appropriate department head at the University of Texas at Austin, will be notified as to the reasons for termination of the student's training immediately upon dismissal.

h. Meals will be provided on a reimburseable basis at authorized rates for civilian employees or guests if the training schedule requires students at the medical facility during mealtime.

2. The University of Texas at Austin, 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 responsibility for instruction and supervision of the trainees' clinical learning experiences.

c. Have the faculty or staff member, if any, coordinate with designated supervisors 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 to 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 find mutually necessary.

g. Prohibit the publication by the trainees, faculty, or staff members of any material relative to their clinical learning experience that has not been reviewed by the Army medical facility to insure 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 the trainee which has been based on information acquired through his/her clinical 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 article written: "The opinions 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."

h. Other special provisions as mutually agreed upon by the parties in writing.

III. TRAINING

The agreement is established from 1 September through 31 August. This agreement may be terminated by either institution upon written notification. Except under unusual conditions, such information will be submitted prior to the beginning of a particular training period. The individual trainee may terminate his/her particular clinical training with the providing institution through written notification to all parties concerned.

August 11, 1982
(DATE)

William W. Burgin, Jr.
WILLIAM W. BURGIN, JR., M.D.
Colonel, Medical Corps
Commanding

September 27, 1982
(DATE)

Peter T. Flawn
PETER T. FLAWN
President
The University of Texas at Austin

FORM APPROVED:

M. Kevin Taylor for
General Counsel of the UT System

CONTENT APPROVED:

Bryce Jordan
Executive Vice Chancellor for
Academic Affairs

Ed Ball
Chancellor

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of the University of Texas System on the _____ day of _____, 1982.

Secretary, Board of Regents
The University of Texas System

7. U. T. El Paso: Dr. Jack Smith Appointed Initial Holder of the Schellenger Professorship in Electrical Research, College of Engineering, Effective Immediately.--Approval was given to appoint Dr. Jack Smith, Professor of Electrical Engineering at The University of Texas at El Paso, the initial holder of the Schellenger Professorship in Electrical Research in the Department of Electrical Engineering, College of Engineering, effective immediately.
8. U. T. El Paso: Cross-Town Agreement with New Mexico State University and the Commandant, Air Force ROTC, El Paso, Texas (Supersedes Agreement Approved by the U. T. Board of Regents on December 12, 1980).--The Board approved the Cross-Town Agreement set out on Pages 36-37 by and among The University of Texas at El Paso, the

New Mexico State University and the Commandant, Air Force ROTC, El Paso, Texas. This agreement, which continues the extension of New Mexico State University's Air Force ROTC program on the U. T. El Paso campus, will provide an opportunity for qualified students at U. T. El Paso to participate in an Air Force ROTC program.

It was noted that this agreement supersedes the agreement approved by the U. T. Board of Regents on December 12, 1980.

OFF-CAMPUS INSTRUCTION
CROSS-TOWN AGREEMENT TO EXTEND AFROTC INSTRUCTION
TO STUDENTS AT INSTITUTIONS NOT HOSTING AFROTC

This agreement is among the governing authorities of New Mexico State University (hereinafter known as Institution A) which hosts Air Force ROTC Detachment 505, the governing authorities of The University of Texas at El Paso (hereinafter known as Institution B) which does not host an AFROTC unit, and the Commandant, Air Force ROTC. It is the purpose of this agreement to make the Air Force ROTC General Military Course XXX and/or the Professional Officer Course XXXXX available to qualified students of Institution B who desire to earn appointments as commissioned officers in the United States Air Force.

AGREEMENT

1. Contingent upon acceptance of this agreement and upon the initial and continuing fulfillment of all the conditions enumerated in paragraphs 2, 3, 4, and 5 following, the Commandant, Air Force ROTC, will:

a. Provide AFROTC instruction in the General Military Course and the Professional Officer Course to qualified and selected applicants who are students of Institution B. Air Force ROTC instruction will be provided those selected students of Institution B on the campus of Institution B.

b. Enroll qualified students of Institution B who are selected for the General Military Course XXXX and/or the Professional Officer Course XXXX as members of the Air Force ROTC detachment at Institution A.

c. Provide uniforms, in accordance with the existing contract agreement between Institution A and the Secretary of the Air Force, to Institution A for all Air Force ROTC cadets who are enrolled as members of the Air Force ROTC detachment at Institution A.

d. Provide subsistence allowance, in accordance with existing policies, to all Air Force ROTC cadets who are enrolled as members of the Air Force ROTC detachment at Institution A.

e. Provide tuition and fees, in accordance with existing policies:

(1) To Institution A for all Air Force ROTC cadets on scholarship status who are enrolled as members of the Air Force ROTC detachment at Institution A.

(2) To Institution B for all Air Force ROTC cadets on scholarship status who are enrolled as members of the Air Force ROTC detachment at Institution A if a separate education service agreement exists between the Department of the Air Force and Institution B.

2. Contingent upon the acceptance of this agreement and upon fulfillment of the conditions enumerated in paragraph 1 above, the governing authorities of Institution A agree to:

a. Furnish necessary uniforms and accessories to all enrolled members of the Air Force ROTC unit which it hosts.

b. This agreement may be terminated at the end of any school year by any party giving the other two parties at least six months' notice of such intent.

c. This agreement supersedes all existing agreements between the Secretary of the Air Force or his designee and the above institutions pertaining to the establishment of an Air Force Reserve Officers' Training Corps detachment crosstown.

FOR THE INSTITUTIONS

Institution A

(Name) Samuel W. Thomas

(Title) President

(Institution) New Mexico State University

(Date) July 20, 1982

Institution B

(Name) Harold M. Moore

(Title) PRESIDENT

(Institution) THE UNIVERSITY OF TEXAS AT EL PASO

(Date) AUGUST 16, 1982

Ellen Ball
Chancellor

Bryce Jordan /pmw
Executive Vice Chancellor for
Academic Affairs

Robert Sidman
General Counsel of the System

Executive Secretary, Board of Regents
The University of Texas System

FOR AIR FORCE ROTC

(Name) Richard H. Merrill
Professor of Aerospace Studies

(Date) 29 JULY 1982

FOR THE COMMANDANT, AIR FORCE ROTC

(Name) _____

(Title) _____

(Date) _____



Chairman, Board of Regents
The University of Texas System

9. U. T. El Paso: Memorandum of Agreement with William Beaumont Army Medical Center, El Paso, Texas.--Upon recommendation of the Academic Affairs Committee, the Board approved the Memorandum of Agreement set out on Pages 38-41 by and between The University of Texas at El Paso and the William Beaumont Army Medical Center, El Paso, Texas.

This agreement, executed by the appropriate officials of the institution and facility to be effective upon approval by the U. T. Board of Regents, will provide training opportunities for students at U. T. El Paso who are enrolled in the medical laboratory technology program.



DEPARTMENT OF THE ARMY
WILLIAM BEAUMONT ARMY MEDICAL CENTER
EL PASO, TEXAS 79920

MEMORANDUM OF AGREEMENT

I. BACKGROUND

1. The Board of Regents of the University of Texas System have established an approved professional program of special training in preparation for Medical Laboratory Technologists. The program requires clinical facilities where the student technologists can obtain the clinical learning experience required in the curriculum.
2. The US Army medical facility, William Beaumont Army Medical Center, has the needed clinical facilities for Medical Laboratory Technology trainees at the University of Texas at El Paso to obtain part of the clinical learning experience required. It is to the benefit of the University of Texas at El Paso for Medical Laboratory Technology trainees to use the clinical facilities of the US Army medical facility, William Beaumont Army Medical Center, to obtain part of their clinical learning experience.
3. The US Army medical facility, William Beaumont Army Medical Center, and the Department of the Army will benefit from making clinical facilities available to Medical Laboratory Technology trainees of the University of Texas at El Paso. The Army will obtain the trainees' clinical learning experience while contributing to the educational preparation of a future supply of Medical Laboratory Technologists.
4. The 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 US Army medical facility will --
 - a. Make available the clinical and related facilities needed for the clinical learning experience in medical laboratory technology by students enrolled in the basic professional Medical Laboratory Technologist Program at the University of Texas at El Paso and who are designated by the University of Texas at El Paso for such learning experience under the supervision of the University of Texas at El Paso.
 - b. Arrange a clinical learning experience schedule that will not conflict with those of the educational institution.

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

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

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

2. The University of Texas at El Paso will --

a. Provide the Commanding Officer of the facility with the name of the trainee to be assigned, the dates and hours he/she will be assigned, and the clinical service to which he/she 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 Medical Corps officer, the assignment that will be assumed by the trainee while participating in his/her clinical learning experience, and his/her 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 trainee and faculty or staff members of any material relative to his/her 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 this trainee which has been based on information acquired through his/her 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 opinions 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 1 July through 30 June of each year. This agreement may be terminated by either institution or the 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.

DATE 09 March 1982 Chester L. WardCHESTER L. WARD
BG, MC, USA
CommandingDATE 9/2/82 Haskell MonroeHASKELL MONROE
President, University of Texas at El Paso

CONTENT APPROVED:

DATE 11/3/82 Boyer JordanExecutive Vice-Chancellor for
Academic Affairs, University of Texas
SystemDATE _____ Chancellor

Chancellor, University of Texas System

FORM APPROVED:

General Counsel
General Counsel The University of
Texas System

ATTEST:

THE BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM:Executive Secretary, Board of Regents
The University of Texas SystemChairman, Board of Regents
The University of Texas SystemDEPARTMENT OF THE ARMY
WILLIAM BEAUMONT ARMY MEDICAL CENTER
EL PASO, TEXAS 79920

NOTIFICATION OF ACCEPTANCE

We are glad to welcome you to William Beaumont Army Medical Center, El Paso, TX, and to inform you that you have been selected to train at our facility from _____ to _____, or for a lesser period should this arrangement not prove satisfactory to you, your sponsoring institution or this treatment facility.

During the period of affiliation with our hospital, you are authorized to perform services as directed by the Chief, Allergy/Immunology Service.

Under terms of this agreement, you will receive no monetary compensation and will not be entitled to the benefits which normally accrue to employees of the Department of the Army such as leave and retirement.

Please note that cash cannot be paid in lieu of any of the cited benefits.

You will receive medical and dental care as required for illness or injury contacted while on duty at a military installation. Normally you will not be charged for care, however, if hospitalized for injury or disease not related to employment, you will be charged for subsistence.

If these terms are agreeable to you, please sign the statement below and return in the inclosed envelope which requires no postage.

Sincerely,

for 

WARREN N. OTTERSON, M.D.
Colonel, Medical Corps
Director, Medical Education

I agree to serve in the training affiliation indicated above in accordance with the conditions stated.

DATE

10. U. T. Permian Basin: Authorization to Establish a Master of Science Degree in Geology and to Submit to the Coordinating Board for Approval (Catalog Change).-- Authorization was given to establish a Master of Science Degree in Geology at The University of Texas of the Permian Basin and to submit the proposal to the Coordinating Board, Texas College and University System for approval. This program will provide advanced training in specializations within the field of geology, including geophysics, petroleum geology, paleontology, stratigraphy, sedimentology and mineral resources. There is a high demand for master's degree holders in this field and it is anticipated that it will remain so in the foreseeable future.

Current library resources, facilities and funding are available to implement this program. Present full-time and adjunct earth sciences faculty have the necessary research expertise and experience to initiate this program.

Chairman Powell remarked that he had received a telegram from the Friends of U. T. Permian Basin endorsing the establishment of this program, and that the action by the Academic Affairs Committee and the Board would be welcomed news to this group.

If this program is approved by the Coordinating Board, the next appropriate catalog published at U. T. Permian Basin will be amended to conform.

11. U. T. San Antonio: Cross-Town Agreement Among Southwest Texas State University, Trinity University and the Commandant, Air Force ROTC, San Antonio, Texas (Supersedes Agreement Approved by the U. T. Board of Regents on February 13, 1981).--The Board approved the Cross-Town Agreement set out on Pages 42-45 by and among The University of Texas at San Antonio, Southwest Texas State University, Trinity University and the Commandant, Air Force ROTC.

It was noted that this agreement, which supersedes the agreement approved by the U. T. Board of Regents on February 13, 1981, will extend to qualified students at Trinity University the Air Force ROTC General Military Course and the Professional Officer Course provided at U. T. San Antonio.

CROSS-TOWN AGREEMENT TO EXTEND AIR FORCE ROTC INSTRUCTION TO STUDENTS AT INSTITUTIONS NOT HOSTING AIR FORCE ROTC

This agreement is made by and between Southwest Texas State University (hereinafter referred to as "SWT", which hosts Air Force ROTC Detachment 840), The University of Texas at San Antonio (hereinafter referred to as "UTSA"), which is an Air Force ROTC Nonhost Teaching Location, Trinity University (hereinafter referred to as "Trinity") which does not host an Air Force ROTC unit, and the Commandant, Air Force ROTC. It is the purpose of this agreement to make the Air Force ROTC General Military Course and the Professional Officer Course available to qualified students at Trinity who desire to earn appointments as commissioned officers in the United States Air Force.

AGREEMENT

1. Contingent upon acceptance of this agreement and upon the initial and continuing fulfillment of all the conditions enumerated in paragraphs 2, 3, 4, and 5 following, the Commandant, Air Force ROTC will:
 - a. Provide Air Force ROTC instruction in the General Military Course and the Professional Officer Course to qualified and selected applicants who are students at Trinity. Air Force ROTC instruction will be provided those selected students at Trinity on the UTSA campus.

b. Enroll qualified students at Trinity who are selected for the General Military Course and the Professional Officer Course as members of the Air Force ROTC Nonhost Teaching Location at UTSA.

c. Provide uniforms, in accordance with the existing contract agreement between SWT and UTSA, and the Secretary of the Air Force, for all Air Force ROTC cadets who are enrolled as members of the Air Force ROTC Nonhost Teaching Location at UTSA.

d. Provide subsistence allowance, in accordance with existing policies, to all Air Force ROTC cadets who are enrolled as members of the Air Force ROTC Nonhost Teaching Location at UTSA.

e. Provide tuition and fees, in accordance with existing policies:

(1) To UTSA for all Air Force ROTC cadets on scholarship status who are enrolled as members of the Air Force ROTC Nonhost Teaching Location at UTSA.

(2) To Trinity for all Air Force ROTC cadets on scholarship status who are enrolled as members of the Air Force ROTC Nonhost Teaching Location at UTSA under the terms and conditions of a separate education service agreement between the Department of the Air Force and Trinity.

2. Contingent upon the acceptance of this agreement and upon fulfillment of the conditions enumerated in paragraph 1 above, SWT agrees:

To pay out of its Commutation Fund sums due for necessary uniforms and accessories provided to all members of the Air Force ROTC unit at UTSA, to the extent such funds are made available by the Department of the Air Force; provided, however, no sums shall be paid out of said Commutation Fund prior to acknowledgment of receipt of such uniforms and accessories by an authorized representative of Air Force ROTC Detachment 840.

3. Contingent upon the acceptance of this agreement and upon fulfillment of the conditions enumerated in paragraph 1 above, UTSA agrees:

a. To provide adequate classroom and related administrative

facilities to support the Aerospace Studies instruction of all enrolled members of its Air Force ROTC unit who receive instruction on its campus.

b. To report estimated and actual costs of tuition and fees for each fiscal year to the Air Force ROTC Nonhost Teaching Location at UTSA. This report will be the basis for funding obligations for each fiscal year.

4. Contingent upon the acceptance of this agreement and upon fulfillment of the conditions enumerated in paragraph 1 above, Trinity agrees:

a. To include an appropriate publications announcement of the Aerospace Studies courses of Air Force ROTC available to its students.

b. To grant appropriate academic credit applicable toward graduation for the successful completion of courses offered by the Department of Aerospace Studies at UTSA.

c. To report estimated and actual costs of tuition and fees for each fiscal year to the Air Force ROTC Nonhost Teaching Location at UTSA under a separate education service agreement between the Department of the Air Force and Trinity. This report will be the basis for funding obligations for each fiscal year.

5. Trinity affirms and represents that:

a. It is accredited to award baccalaureate degrees and two-year non-baccalaureate degrees by the following regional association: Southern Association of Colleges and Schools.

b. For good and valid mutual consideration, and as a condition precedent to acceptance and continuation of this agreement, Trinity warrants and represents that it does not, and will not, discriminate in any way with respect to the admission or subsequent treatment of students on the basis of race, color, sex, or national origin. It is further mutually agreed that a violation of this covenant, as determined by the Secretary of the Air Force or a designee, may be regarded as a breach of this agreement, justifying termination thereof, at no cost to the government, by the Secretary or designee.

6. All parties agree that:

a. This agreement becomes effective _____, 19____.

b. This agreement may be terminated on the 31st day of May of any year by any party giving the other parties at least six months' written notice of such intent.

c. This agreement between SWT, UTSA, Trinity and AFROTC does not change or influence the separate agreement now in effect between SWT, UTSA, and AFROTC.

SOUTHWEST TEXAS STATE UNIVERSITY

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

By: T. J. Marek
T. J. Marek, Vice President for Finance and Management

By: James W. Wagener
James W. Wagener, President

Date: 8/23/82

Date: 10/26/82

TRINITY UNIVERSITY

FOR AIR FORCE ROTC Detachment 840

By: _____

By: JACKIE D. BRYANT, Colonel, USAF
Professor of Aerospace Studies

Date: _____

Date: _____

FOR THE COMMANDANT, AIR FORCE ROTC

FORM APPROVED:

BY: _____

BY: _____
OT System Office of General Counsel.

Date: _____

CONTENT APPROVED:

By: Executive Vice Chancellor for Academic Affairs

By: _____
Chairman, Board of Regents of The University of Texas System

By: Chancellor of the University of Texas System

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing AGREEMENT was approved by the Board of Regents of The University of Texas System on _____ date of _____, 19____.

BY: _____
Executive Secretary to the Board of Regents of The University of Texas System

12. U. T. Tyler - Initial Appointments to Nonendowed Positions: (a) Dr. Stephen R. Lefevre to the J. S. Hudnall Professorship for American Affairs and (b) Dr. David C. Riddle to the J. S. Hudnall Professorship in Energy and Technology Effective January 1, 1983.--Upon the recommendation of the Academic Affairs Committee, the Board approved the following initial appointments to two nonendowed positions at The University of Texas at Tyler effective January 1, 1983:
- a. Dr. Stephen R. Lefevre, Associate Professor of Political Science, to the J. S. Hudnall Professorship for American Affairs
 - b. Dr. David C. Riddle, Associate Professor of Chemistry, to the J. S. Hudnall Professorship in Energy and Technology.
13. U. T. Institute of Texan Cultures - San Antonio: Nominee to Development Board.--A nominee for membership on the Development Board of The University of Texas Institute of Texan Cultures at San Antonio was approved for a term to expire in 1984. The name of the nominee will be reported for the record after acceptance of this appointment.

Committee Chairman Blumberg reported that the following items which required consideration by the Academic Affairs Committee prior to formal action by the Finance and Audit and Buildings and Grounds Committees were approved as recommended:

- 1. U. T. Board of Regents: Approval to Issue and Sell Board of Regents of The University of Texas System, The University of Texas at San Antonio Combined Fee Revenue Bonds, Series 1983
See Page 10, Item 3.
- 2. U. T. Austin: Athletic Facilities South of Memorial Stadium
See Page 58, Item 2.
- 3. U. T. Austin: Expansion of Physical Plant Facilities
See Page 60, Item 5.
- 4. U. T. Institute of Texan Cultures - San Antonio: Remodeling Phase II
See Page 62, Item 8.

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 47-57).--Committee Chairman Newton reported that the Health Affairs Committee had met in open session on Thursday, December 2, 1982, to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Health Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Medical Branch - Galveston: Agreement with The Moody Foundation, Galveston, Texas, for Participation in the Shearn Moody Center for Biomedical Research, Health and Physical Fitness.--On behalf of the Health Affairs Committee, Committee Chairman Newton moved that the agreement set out on Pages 47-52 by and between The University of Texas Medical Branch at Galveston and The Moody Foundation, Galveston, Texas, for the operation of the Shearn Moody Center for Biomedical Research, Health and Physical Fitness be preliminarily approved in principle, contingent upon a positive financial feasibility study by a reputable consulting firm paid for by University funds. Regent Hay seconded the motion which carried by unanimous vote.

Final Regental approval of this agreement will depend upon the U. T. Board of Regents being satisfied as to the financial viability of the project.

AGREEMENT

THIS AGREEMENT made the _____ day of _____, 1982, by and between THE UNIVERSITY OF TEXAS-MEDICAL BRANCH AT GALVESTON ("University"), a component institution of THE UNIVERSITY OF TEXAS SYSTEM ("System"), and THE MOODY FOUNDATION ("Foundation"), a non-profit charitable organization having its principal office in Galveston, Texas;

WHEREAS, The Foundation is committed to participating in the creation of an innovative new program in the field of biomedical research including health promotion, physical fitness, human performance to be centered in Galveston, Texas; and,

WHEREAS, The Foundation desires and intends to provide funds necessary to construct and equip a modern building designed for community physical fitness activities and medical research for use by The University and the community of Galveston but desires that the ongoing support of said facility be assumed by The University and the community; and,

WHEREAS, Foundation shall have no responsibility or obligation for any expenses (operational, maintenance or otherwise) of the Center after completion of construction and creation of the Center; and,

WHEREAS, The University, through its health care delivery mission, shares in the objectives of establishing a program that will support education, research, and service in biomedical research, health promotion, and prevention of disease and disability; and,

WHEREAS, The Foundation and The University desire to combine their resources in a cooperative program in furtherance of their mutual objectives;

NOW, THEREFORE, in consideration of the premises and of the benefits derived therefrom and from the programs established and implemented by said parties, University and Foundation agree that the cooperative relationship shall be covered and subject to the following terms and conditions:

1. As a part of Foundation's efforts in the field of biomedical research, including health promotion, physical fitness and human performance, Foundation shall create in Galveston, Texas, the Shearn Moody Center for Biomedical Research, Health and Physical Fitness (hereinafter called "Center").
2. Foundation may transfer governance and ownership of Center to a separate nonprofit tax-exempt corporation(s) organized under the laws of the State of Texas, or if satisfactory arrangements can be negotiated and State legislation permits, Foundation may transfer ownership and governance to University.
3. The Foundation has granted to University the sum of \$500,000.00 for purposes of hiring a medical director and developing and implementing the cooperative program in health promotion, physical fitness and human performance, which will be integrated with the Center pursuant to this Agreement.

4. The operational relationship between the University and the Foundation, its successors and assigns, shall be governed by the following provisions:

- a. Center will include facilities for research and treatment acceptable to University;
- b. The Director of Center will be appointed to the faculty of University, provided that he or she meets all criteria for such appointment pursuant to the Rules and Regulations of the Board of Regents of The University of Texas System and all applicable institutional requirements.
- c. University will supply sufficient faculty and support personnel for developing and implementing biomedical and research programs within the Center. University faculty assigned to the Center will have complete authority and responsibility for medical treatment and research with the Center;
- d. University will pay or contribute to Center each year a sum sufficient to cover a portion of University's pro rata cost of all maintenance expenses (hereinafter called "Maintenance Contribution") of Center. Such pro rata costs shall be determined by taking the total maintenance costs for the Center and multiplying same by a fraction, the numerator of which shall be the square footage used by the University in its biomedical and research programs and the denominator of which shall be the total square footage enclosed in the Center building. For purposes of this agreement, maintenance expenses include utilities, building and mechanical maintenance and upkeep, and security. Maintenance expenses do not include salaries and attendant expenses provided by University, salaries and attendant expenses related to Center's physical fitness operations provided to members, membership recruitment, and food and beverage services. The Maintenance contribution or payment shall be negotiated annually during the month of October of each year hereafter based upon the actual maintenance expenses of the Center for the previous twelve-month period (or lesser period, if any, for the first year of the Center's operation from the date of opening of the Center through September 30th).

Maintenance contribution or payment shall be paid to Center no later than December 31st of each year hereafter as reimbursement for the above-described expenses for the previous twelve-month period.

- e. Any professional fees generated by University personnel at Center or incident to operations at the Center will be subject to the regulations of The University of Texas-Medical Branch at Galveston and the Rules and Regulations of the Board of Regents of The University of Texas System;
- f. University will use its best efforts to secure grants, gifts, donations or bequests for the Center to be used for research, experimentation or other innovative programs at the Center in order to aid and assist the Center in its efforts to become a national or world-renowned institution in the field of Biomedical Research, Health Promotion, Physical Fitness and Human Performance;
- g. All facilities of Center, including those operated as a physical fitness resource for the community, will be open and available to faculty and staff of University subject to dues and operational rules to be promulgated by Center. Physical fitness resources of Center will be open to patients or research subjects of University physicians subject to operational rules and reasonable user fees to be promulgated by Center.
- h. University will guarantee 200 memberships in the Center (hereinafter called "University memberships"), which shall be subject to the following conditions:
- (1) No payment related to University memberships shall be due until the Center is fully operational.
 - (2) The yearly fee charged for the University memberships for the first year of Center's operation shall be a sum equal to 200 multiplied by the lowest adult membership fee offered by Center. The University memberships will be family memberships. Fees will be prorated if the Center is operational for only a portion of the year before September 30th. The per-membership fee for the first year shall be no more than \$50 per month.
 - (3) For each succeeding year, the University membership fees shall be no more than ten (10) percent greater than the fees charged from the preceding year and in no event shall be higher than the lowest membership fee offered by the Center.
 - (4) Should Center levy assessments upon Center memberships, University memberships shall be assessed no more than the lowest membership assessment made and in no event shall exceed five (5%) percent of the University membership fee for the preceding year. No more than one assessment shall be levied for any fiscal year, and assessments shall be levied for no more than two succeeding years.

- (5) Except as provided above, the University memberships shall be subject to the same conditions as memberships offered to the general public.
- i. Center will comply with all federal, state and municipal laws, ordinances, rules and regulations applicable to performance by Center of its obligations under the Agreement, and all applicable accreditation requirements, and to certify such compliance to University or other entity when requested to do so by University;
 - j. Center will permit the authority responsible for accreditation of University's curriculum to inspect Center's facilities, services and other things provided by Center pursuant to agreement with University as are necessary for accreditation evaluation.
 - k. Center will allow University to place at its discretion faculty, residents, students and employees in Center for purposes of medical and scientific instruction or education.
 - l. If requested by Center, and if appropriate physical and financial arrangements can be negotiated, the medical personnel assigned to the Center by University may provide medical examinations and recommended programs to Center members.
 - m. It is understood that the overall operational and maintenance expenses of the Center are expected to exceed \$1 million per year.
 - n. It is recognized by parties to this agreement that except as specifically provided herein, the University shall have no responsibility or obligation for expenses of the Center, but that payments and contributions made by the University may be increased to maintain a first-class operation within the Center if approved by the University of Texas Board of Regents.
5. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided, however, that no assignment by either party shall be effective without prior written notice to the other party. A delay in or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

6. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending eight (8) years after the date and year of execution by Foundation and University, and after such initial term, from year to year unless one party shall have given one year's prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate on the day following the end of the one-year period.

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

ATTEST:

E. Douglas McLeod

ATTEST:

Elizabeth A. Hermann

THE MOODY FOUNDATION

By

[Signature]
Trustee

THE UNIVERSITY OF TEXAS-MEDICAL
BRANCH AT GALVESTON

By

William C. Levin
President

By

Charles B. Mullins
Executive Vice Chancellor for
Health Affairs

By

[Signature]
Chancellor, The University of
Texas System

APPROVED AS TO FORM:

[Signature]
Office of the General Counsel,
The University of Texas System

By

[Signature]
Chairman, The University of
Texas System Board of Regents

2. U. T. Health Science Center - Houston (U. T. Medical School - Houston): Appointment of Robert E. Jordon, M.D., First Holder of the Josey Professorship in Dermatology Effective January 1, 1983.--Upon recommendation of the Health Affairs Committee, the Board approved the appointment of Robert E. Jordon, M.D., Professor and Chairman of the Department of Dermatology, as the first holder of the Josey Professorship in Dermatology at the U. T. Medical School - Houston of The University of Texas Health Science Center at Houston effective January 1, 1983.

3. U. T. Health Science Center - Houston (U. T. Dental Branch - Houston): Approval to Name the Pavilion Adjacent to the Southwest Corner of the Dental Branch The John Victor Olson Pavilion (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1).--In accordance with Section 1 of Chapter VIII of Part One of the Regents' Rules and Regulations, the pavilion adjacent to the southwest corner of The University of Texas Dental Branch at Houston of The University of Texas Health Science Center at Houston was named The John Victor Olson Pavilion in honor of Dr. Olson for his thirty years of service as Dean of the U. T. Dental Branch - Houston.

4. U. T. Health Science Center - Houston and U. T. Cancer Center: Large Conference Room on the 10th Floor of the Houston Main Building Named the Dr. Murray M. Copeland Memorial Conference Room (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1).--Approval was given to name the large conference room on the 10th floor of the Houston Main Building at The University of Texas Health Science Center at Houston and The University of Texas System Cancer Center the Dr. Murray M. Copeland Memorial Conference Room in honor of Dr. Copeland's long and distinguished service at the U. T. Cancer Center. This authorization was given in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1.

5. U. T. Health Science Center - San Antonio (U. T. Medical School - San Antonio): Carl Pauerstein, M.D., Appointed Initial Holder of the H. Frank Connally, Jr. Professorship in Obstetrics and Gynecology Effective Immediately.--Carl Pauerstein, M.D., Professor and Chairman, Department of Obstetrics and Gynecology at the U. T. Medical School - San Antonio of The University of Texas Health Science Center at San Antonio, was appointed the initial holder of the H. Frank Connally, Jr. Professorship in Obstetrics and Gynecology effective immediately.

6. U. T. Cancer Center: Agreement with the Board of Directors of the Kelsey-Seybold Clinic, P.A., Houston, Texas.--The agreement set out on Pages 54-57 by and between The University of Texas System Cancer Center and the Board of Directors of the Kelsey-Seybold Clinic, P.A., Houston, Texas, was approved.

This agreement, executed by the appropriate officials of the institution and facility to be effective upon approval by the U. T. Board of Regents, will enable the

U. T. Cancer Center and the Kelsey-Seybold Clinic to fulfill a mutual desire to establish a closer working relationship and to share a common commitment to the people of Texas for a program of excellence in cancer prevention, treatment, education, and research.

AGREEMENT

THE STATE OF TEXAS
COUNTY OF HARRIS

This AGREEMENT made and entered into this 3rd day of December, 1982 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 Directors of The Kelsey-Seybold Clinic, P.A., of Houston, Texas, hereinafter sometimes called "K-S Clinic,"

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 likely future requirements, Cancer Center and K-S Clinic agree on the desirability of establishing a closer working relationship between the two institutions, who share a common commitment to the people of Texas for a program of excellence in cancer prevention, treatment, education and research.

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 K-S Clinic hereby agree as follows:

1. EXTENT OF AFFILIATION

The purpose of this agreement is to establish a broad framework of policy to facilitate cooperation between Cancer Center and K-S Clinic. 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 K-S Clinic. It is further understood that individual departments of Cancer Center may or may not establish affiliations with K-S Clinic, depending upon their needs and circumstances and subject to appropriate action by the respective administrative and governing bodies.

2. PROVISION FOR CANCER CENTER FACULTY APPOINTMENTS
FOR K-S CLINIC STAFF MEMBERS

Both parties agree that academic status is a strong inducement for attracting well-qualified individuals to practice and teaching positions at the Clinic. Mutual agreement between the K-S Clinic and Cancer Center is required for appointment of K-S Clinic Staff to Cancer Center faculty. Definition of faculty title, duties, and compensation (if any) must precede approval of the appointment by both parties. The term of appointment shall be annual unless otherwise agreed upon.

Candidates for appointment pursuant to this agreement shall be subject to the procedure applicable to all Cancer Center appointments. All criteria and requirements for Cancer Center faculty appointment shall apply. Appointments are subject to the Rules and Regulations of the Board of Regents of The University of Texas System and institutional rules of the Cancer Center.

3. PROVISION FOR K-S CLINIC STAFF APPOINTMENTS
TO CANCER CENTER FACULTY

Both parties agree that appointment of Cancer Center faculty to the K-S Clinic Staff may contribute to a closer working relationship at the department level. Mutual agreement between the Cancer Center and the K-S Clinic is required for the appointment of Cancer Center faculty to the K-S Clinic Staff. Title, duties, and compensation (if any) must be defined prior to approval by both parties. The term of appointment shall be annual unless otherwise specified.

4. JOINT SPONSORSHIP OF EDUCATIONAL AND RESEARCH ACTIVITIES

K-S Clinic will provide educational and research facilities for physicians who are geographically full-time in its facilities. Educational and research projects at the K-S Clinic may be jointly sponsored by Cancer Center. In such cases there will be prior agreement as to the extent of the responsibility of

each institution in the administration of educational and research funds, provision of staff and facilities and ownership of equipment purchased with educational and research funds.

5. 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 departmental 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 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.

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 180 days written notice to the other party.

EXECUTED this the 3rd day of December, 19 82.

ATTEST:

Michelle Lawson
(Title)

ATTEST:

Marie T. Epps
(Title)

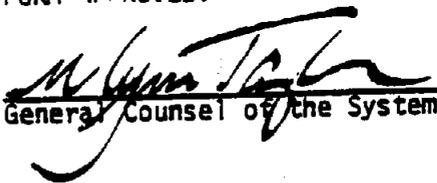
THE UNIVERSITY OF TEXAS SYSTEM
CANCER CENTER

By: Charles A. LeMaistre MD
President

BOARD OF DIRECTORS OF KELSEY-SEYBOLD
CLINIC

By: Stanton P. Luterms
(Title)

FORM APPROVED:


General Counsel of the System

CONTENT APPROVED:


Executive Vice Chancellor for
Health Affairs


Chancellor

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the 3rd day of December 1982.


Arthur H. Dilly
Executive Secretary to the Board
The University of Texas System

Committee Chairman Newton reported that the following item which required consideration by the Health Affairs Committee prior to formal action by the Buildings and Grounds Committee was approved as recommended:

U. T. Cancer Center: Additional Outpatient Clinic
Facilities - Phase I Electrical Transformer Vault
Facility
See Page 64, Item 14.

REPORT AND RECOMMENDATIONS OF THE BUILDINGS AND GROUNDS COMMITTEE (Pages 58-65).--Committee Chairman Richards reported that the Buildings and Grounds Committee had met in open session on Thursday, December 2, 1982, to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Buildings and Grounds Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Arlington - Renovation of Cooper Center (Project No. 301-549): Approval of Preliminary Plans, Submission to Coordinating Board, Authorization to Prepare Final Plans and Additional Appropriation Therefor.--Mr. Key Kolb, representing the Project Architect, Omniplan Architects, Dallas, Texas, presented the preliminary plans and specifications for the Renovation of Cooper Center at The University of Texas at Arlington to the Buildings and Grounds Committee on Thursday, December 2.

Based on this presentation, the Buildings and Grounds Committee recommended and the Board:

- a. Approved the preliminary plans and specifications for the Renovation of Cooper Center at an estimated total project cost of \$1,500,000
- b. Authorized submission of the project to the Coordinating Board, Texas College and University System
- c. Authorized the Project Architect to prepare final plans and specifications for consideration of the U. T. Board of Regents at a future meeting
- d. Appropriated \$50,000 from Appropriations of the Special Session of the 67th Legislature for fees and miscellaneous expenses through completion of final plans (Previous appropriations had been \$20,000 from Ad Valorem Tax Proceeds.)

The scope of this project will be to renovate the fifty year old, five-building complex for the Graduate School of Social Work.

2. U. T. Austin - Athletic Facilities South of Memorial Stadium (Project No. 102-494): Authorizations for Projects for (a) Football Facility and (b) Tennis Center, Appointment of O'Connell, Probst & Grobe, Inc., Austin, Texas, Project Architect to Prepare Preliminary Plans for the Football Facility and Barnes, Landes, Goodman & Youngblood, Austin, Texas, Project Architect to Prepare Preliminary Plans for the Tennis Center, Authorization for Department of Intercollegiate Athletics for Men to Initiate Fund Raising Activities for Football Facility and Appropriations Therefor.--At the October 8, 1982 meeting, the U. T. Board of Regents received the feasibility study for Athletic Facilities South of Memorial Stadium at The University of Texas at Austin, but no further action was taken. Upon recommendation of the Academic Affairs and Buildings and Grounds Committees, the Board:
 - a. Authorized construction of a Football Facility immediately South of Memorial Stadium at an estimated total project cost of \$7,290,000

- b. Appointed the firm of O'Connell, Probst & Grobe, Inc., Austin, Texas, Project Architect for the Football Facility with authorization to prepare the preliminary plans and detailed estimate of construction cost
- c. Authorized the Department of Intercollegiate Athletics for Men to initiate fund raising activities for the Football Facility
- d. Appropriated \$68,000 from balances of Men's Intercollegiate Athletics for fees and related expenses through preparation of preliminary plans for the Football Facility
- e. Authorized construction of a Tennis Center to include 12 courts and a single grandstand on a site along Waller Creek between 15th and 18th Streets at an estimated total project cost not to exceed \$3,000,000
- f. Appointed the firm of Barnes, Landes, Goodman & Youngblood, Austin, Texas, Project Architect for the Tennis Center with authorization to prepare the preliminary plans and detailed estimate of construction cost
- g. Appropriated \$29,000 from Pooled Interest on Bond Proceeds and other Construction Funds for fees and related expenses through preparation of preliminary plans for the Tennis Center

The Football Facility will provide modern, new dressing and training facilities and a new practice field that can be operated jointly with Memorial Stadium. It was understood that the Department of Intercollegiate Athletics for Men will have the responsibility for developing funds for this facility prior to the authorization for bids.

The Tennis Center will provide 12 courts and a grandstand with a capacity to seat approximately 1,500 and the space under the grandstand will be used for ancillary support facilities.

3. U. T. Austin - Balcones Research Center - Commons Building (Project No. 102-526): Approval of Final Plans, and Subject to the Determination of Funding Availability, Authorization to Advertise for Bids and for Executive Committee to Award Construction Contract Within Authorized Total Project Cost and Additional Appropriation Therefor.--Upon recommendation of the Finance and Audit and Buildings and Grounds Committees, the Board:

- a. Approved the final plans and specifications for the Commons Building at the Balcones Research Center of The University of Texas at Austin at an estimated total project cost of \$6,787,789
- b. Subject to determination of funding availability, authorized the Office of Facilities Planning and Construction to advertise for bids upon completion of final review

- c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost
 - d. Appropriated \$4,466,422 from proceeds of Permanent University Fund Bonds and \$2,019,367 from proceeds of Combined Fee Bonds for total project funding (Previous appropriations had been \$117,000 from the Available University Fund and \$185,000 from proceeds of Permanent University Fund Bonds.)
4. U. T. Austin - George Kozmetsky Center for Business Education - Phase II (Project No. 102-481): Approval of Final Plans, and Subject to the Determination of Funding Availability, Authorization to Advertise for Bids and for Executive Committee to Award Construction Contract Within Authorized Total Project Cost and Additional Appropriation Therefor.--The Finance and Audit and Buildings and Grounds Committees recommended and the Board:
- a. Approved the final plans and specifications for the George Kozmetsky Center for Business Education - Phase II at The University of Texas at Austin at an estimated total project cost of \$19,000,000, exclusive of departmental equipment
 - b. Subject to the determination of funding availability, authorized the Office of Facilities Planning and Construction to advertise for bids, subsequent to completion of design review
 - c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost
 - d. Appropriated \$17,750,000 from proceeds of Permanent University Fund Bonds for total project funding (Previous appropriations had been \$700,000 from the Available University Fund and \$550,000 from Pooled Interest on Bond Proceeds and other Construction Funds.)
5. U. T. Austin - Expansion of Physical Plant Facilities (Project No. 102-454): Acceptance of Feasibility Study; Authorization for Project; Appointment of Wilson Stoeltje Martin, Inc., Austin, Texas, Project Architect to Prepare Preliminary Plans for Phase I and Additional Appropriation Therefor.--The Academic Affairs and Buildings and Grounds Committees recommended and the Board:
- a. Accepted the feasibility study for Expansion of Physical Plant Facilities at The University of Texas at Austin which had been prepared by the Consulting Architect, Barnes, Landes, Goodman & Youngblood, Austin, Texas, and approved the phased plan in three stages to provide permanent facilities for the Physical Plant Department
 - b. Authorized a project (Phase I) for new construction on the site east of IH 35 at an estimated total project cost of \$12,500,000
 - c. Appointed the firm of Wilson Stoeltje Martin, Inc., Austin, Texas, Project Architect to prepare preliminary plans and a detailed cost estimate for new construction of approximately 217,000 gross square feet

- d. Appropriated \$108,000 from Pooled Interest on Bond and other Construction Funds for fees and related project expenses through the preparation of preliminary plans for Phase I (Previous appropriations had been \$20,000 from the same source for the feasibility study including fees and related expenses.)

It was noted that this project will be completed in three phases. Phase I will include the construction of a new building on the East IH 35 site. Phase II will include the remodeling and repair of the Service Building to accommodate those units to be permanently assigned there (Parking and Traffic Administration, Key Shop, Safety Office and similar units as well as the telephone switching equipment, operators and service personnel.) Phase III will include another building (or an addition to the Phase I Building) on the East IH 35 site whenever it becomes necessary to move the Physical Plant out of the Printing Building.

It was further noted that the Phase I Building construction will probably be a pre-engineered structural system with a metal roof and precast concrete exterior.

6. U. T. Austin - Power Plant Expansion: Authorization for Project; Appointment of Power Systems Engineering, Inc., Houston, Texas, Project Engineer to Prepare Preliminary Plans; and Appropriation Therefor.--Upon recommendation of the Finance and Audit and Buildings and Grounds Committees, the Board:

- a. Authorized a project for the Expansion of Power Plant Facilities on the northeast portion of the Taylor Hall site at The University of Texas at Austin at an estimated total project cost of \$27,506,200
- b. Appointed the firm of Power Systems Engineering, Inc., Houston, Texas, Project Engineer to prepare preliminary plans and a detailed construction cost estimate
- c. Appropriated \$255,000 from Pooled Interest on Bond Proceeds and other Construction Funds for fees and related expenses through the preparation of preliminary plans

This expansion will include the addition of a gas turbine generator with 35MW capacity and a steam boiler to produce 250,000 pounds per hour which would provide a maximum capability of 1.5 million pounds of steam per hour and a firm capacity of one million pounds per hour with the largest boiler out of service. It is anticipated that the project will be completed in mid-1986.

7. U. T. El Paso - Renovation and Addition to Administration Annex (Project No. 201-550): Approval of Final Plans and Subject to Coordinating Board Approval, Authorization to Advertise for Bids and for Executive Committee to Award Contract Within Authorized Total Project Cost.--The Board concurred in the recommendation of the Buildings and Grounds Committee and:

- a. Approved the final plans and specifications for the Renovation and Addition to Administration Annex at The University of Texas at El Paso at an estimated total project cost of \$215,000

- b. Subject to Coordinating Board approval, authorized the Office of Facilities Planning and Construction to advertise for bids, subsequent to completion of design review
- c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost which had been previously appropriated

This project involves the renovation and remodeling of the existing facility containing 4,259 square feet of space and an addition of 1,267 square feet of space.

8. U. T. Institute of Texan Cultures - San Antonio - Remodeling Phase II: Authorization for Project; Completion of Plans and Specifications, Bid Advertisement, Contract Award and Appropriation Therefor.--Upon recommendation of the Academic Affairs and Buildings and Grounds Committees, the Board:

- a. Authorized the Remodeling Phase II of office space and unassigned space within The University of Texas Institute of Texan Cultures at San Antonio at an estimated total project cost of \$183,810
- b. Authorized completion of plans and specifications, bid advertisement, contract awards and completion of the project in phases, by actions of the Office of Facilities Planning and Construction and the U. T. Institute of Texan Cultures - San Antonio Administration, Physical Plant Department, or contract services
- c. Appropriated \$183,810 from Acts of the 67th Legislature for total project funding

This remodeling project will include finishing the existing Business Office complex and the adjacent office complexes that had been constructed in undeveloped space as "temporary" offices and a new library/archive space will be created to consolidate the current library with the photographic archive which is currently housed in an undeveloped space.

9. U. T. Health Science Center - Dallas - Biomedical Research Building (Project No. 303-513): Approval of Final Plans, and Subject to the Determination of Funding Availability, Authorization to Advertise for Bids and for Executive Committee to Award All Contracts Within Authorized Total Project Cost and Additional Appropriation Therefor.--With the concurrence of the Finance and Audit Committee, the Buildings and Grounds Committee recommended and the Board:

- a. Approved the final plans and specifications for the Biomedical Research Building at The University of Texas Health Science Center at Dallas at an estimated total project cost of \$16,600,000
- b. Subject to the determination of funding availability, authorized the Office of Facilities Planning and Construction to advertise for bids upon completion of final review
- c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost

- d. Appropriated \$6,500,000 from U. T. Health Science Center - Dallas Unexpended Plant Funds and \$9,480,000 from proceeds of Permanent University Fund Bonds for total project funding (Previous appropriations had been \$620,000 from Unexpended Plant Funds.)

The Biomedical Research Building will contain approximately 109,000 gross square feet of space on four floors plus one level of mechanical equipment. This building has been designed to accommodate a future expansion of four additional floors.

This project was approved by the Coordinating Board, Texas College and University System at its October 29, 1982 meeting.

10. U. T. Health Science Center - Dallas - Reroofing of Green Science Building and Gooch Auditorium & Cafeteria Building and Repairing of McDermott Plaza: Authorization for Project; Submission to Coordinating Board; Completion of Final Plans; Subject to Coordinating Board Approval and Final Review of Bidding Documents, Authorization to Advertise for Bids, Award of Construction Contracts by U. T. Health Science Center - Dallas Administration, and Completion of Project; and Appropriation Therefor.--Upon recommendation of the Finance and Audit and Buildings and Grounds Committees, the Board:

- a. Authorized reroofing of the Green Science Building and the Gooch Auditorium & Cafeteria Building and repairing of McDermott Plaza at The University of Texas Health Science Center at Dallas at an estimated total project cost of \$640,000
- b. Authorized submission of the project to the Coordinating Board, Texas College and University System
- c. Subject to Coordinating Board approval, authorized completion of final plans and specifications by the U. T. Health Science Center - Dallas Physical Plant Staff, bid advertisement, award of construction contracts by the U. T. Health Science Center - Dallas Administration and subsequent completion of the project by U. T. Health Science Center - Dallas Physical Plant Staff with its own forces or contract services; all in consultation with the Office of Facilities Planning and Construction
- d. Appropriated \$640,000 from U. T. Health Science Center - Dallas Unexpended Plant Funds for estimated total project cost of reroofing and repairs

Construction contract awards will be reported at future meetings of the U. T. Board of Regents.

The scope of this project will include the replacement of (a) the entire roof of the Green Science Building, approximately 55,000 square feet; (b) the entire roof of the Gooch Auditorium & Cafeteria Building, approximately 33,000 square feet; and (c) 1,485 linear feet of expansion joints and 4,486 linear feet of control joints in the McDermott Plaza.

11. U. T. Medical Branch - Galveston - Remodeling Third Floor of the Gail Borden Building for Radiation Therapy (Project No. 601-542): Approval of Final Plans, Authorization to Advertise for Bids and for Executive Committee to Award Contract Within Authorized Total Project Cost.--The Buildings and Grounds Committee recommended and the Board:
- a. Approved the final plans and specifications for the Remodeling of the Third Floor of the Gail Borden Building for Radiation Therapy at The University of Texas Medical Branch at Galveston at an estimated total project cost of \$350,000
 - b. Authorized the Office of Facilities Planning and Construction to advertise for bids, subsequent to completion of design review
 - c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost

This project was approved by the Coordinating Board, Texas College and University System on July 23, 1982.

12. U. T. Health Science Center - San Antonio - Original Library Building - Renovation (Project No. 402-508): Approval of Final Plans, Authorization to Advertise for Bids and for Executive Committee to Award Construction Contract Within Authorized Total Project Cost.--Upon recommendation of the Buildings and Grounds Committee, the Board:
- a. Approved the final plans and specifications for the Renovation of the Original Library Building at The University of Texas Health Science Center at San Antonio at an estimated total project cost of \$2,280,000
 - b. Authorized the Office of Facilities Planning and Construction to advertise for bids upon completion of final review
 - c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost
13. U. T. Cancer Center - Biomedical Resources Building (Project No. 703-448): Authorization to Redesignate as The R. E. "Bob" Smith Research Building.--The Board, upon recommendation of the Buildings and Grounds Committee, redesignated the Biomedical Resources Building at The University of Texas System Cancer Center The R. E. "Bob" Smith Research Building.
- Mr. Smith, who died in 1973 at the age of 79, was one of Houston's most influential civic leaders and was a leader in the development of the Texas Medical Center, Inc., and its programs.
14. U. T. Cancer Center - Additional Outpatient Clinic Facilities (Project No. 703-459) - Phase I Electrical Transformer Vault Facility: Approval of Final Plans, Authorization to Advertise for Bids and for Executive Committee to Award Contract Within Authorized Total Project Cost.--The Board upon recommendation of the Health Affairs and Buildings and Grounds Committees:
- a. Approved the final plans and specifications for the Electrical Transformer Vault Facility, Phase I

of the Additional Outpatient Clinic Facilities at
The University of Texas System Cancer Center

- b. Authorized the Office of Facilities Planning and Construction to advertise for bids, subsequent to completion of design review
- c. Authorized the Executive Committee to award all contracts associated with this Phase I project within the authorized total project cost of \$39,380,000 which had been previously appropriated

The scope of the Phase I work will include vault construction, electrical transformer and switchgear equipment, distribution system and related site work.

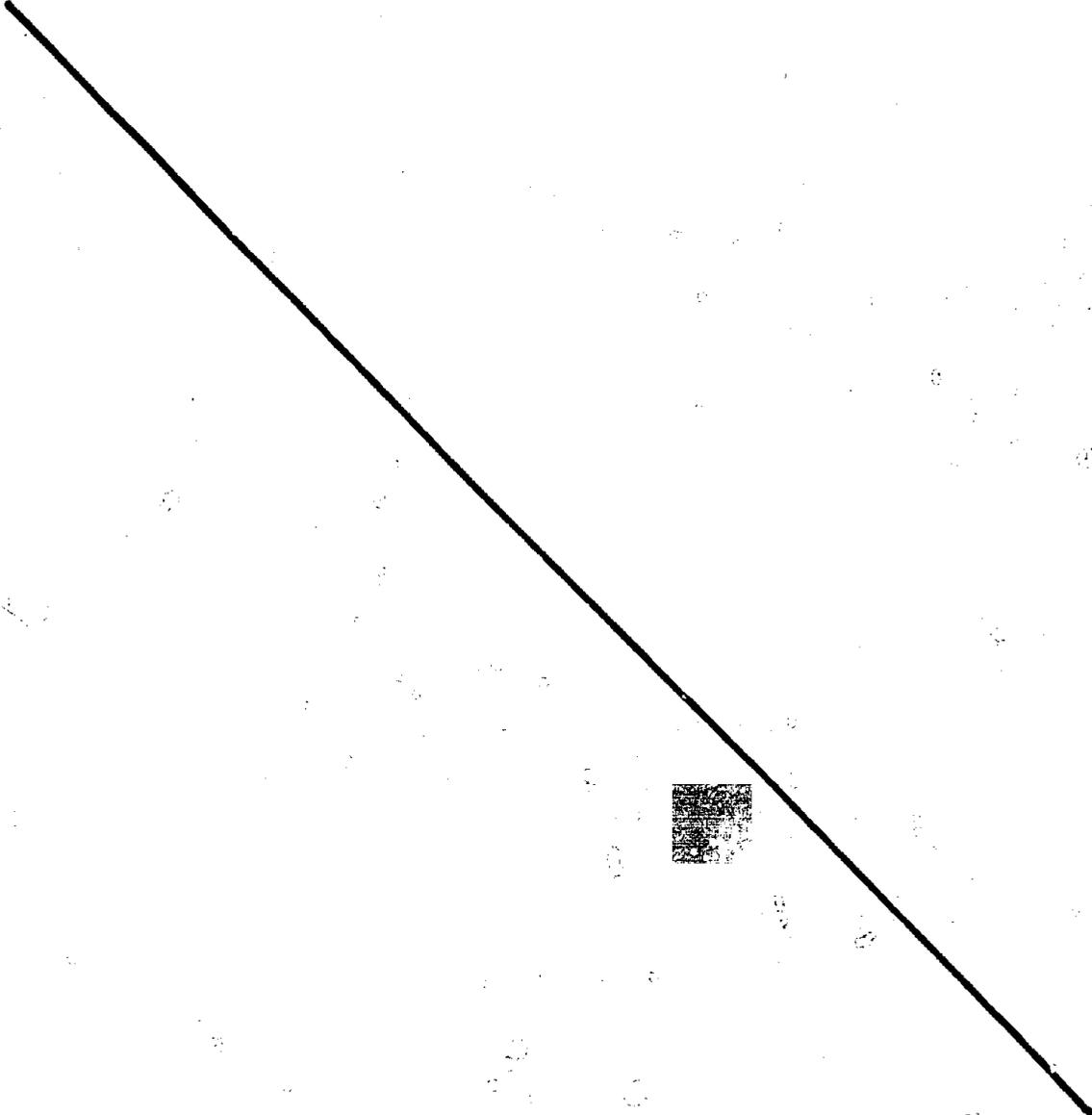
15. U. T. Cancer Center - New Research Building (Project No. 703-460): Award of Construction Contract to Starstone Construction Company, Pittsburgh, Pennsylvania.--Upon recommendation of the Finance and Audit and Buildings and Grounds Committees, the Board awarded a construction contract for the New Research Building at The University of Texas System Cancer Center to the lowest responsible bidder, Starstone Construction Company, Pittsburgh, Pennsylvania, as follows:

Base Bid	\$12,992,000
Alternate Bid No. 1 (Sixth Floor Completion)	848,000
Alternate Bid No. 2 (Environmental Rooms)	290,000
Alternate Bid No. 3 (Additional Environmental Rooms)	264,000
Alternate Bid No. 4 (Kitchen Equipment)	172,000
Alternate Bid No. 5 (Additional Kitchen Equipment)	158,000
Alternate Bid No. 6 (Hood Exhaust Ducts)	48,000
Alternate Bid No. 7 (Seamless Vinyl Flooring)	<u>84,000</u>
Total Contract Award	<u>\$14,856,000</u>

REPORT AND RECOMMENDATIONS OF THE LAND AND INVESTMENT COMMITTEE (Pages 66-88).--Committee Chairman Hay reported that the Land and Investment Committee had met in open session on Thursday, December 2, 1982, to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Land and Investment Committee and approved in open session and without objection by the U. T. Board of Regents:

The execution of documents authorized in this report will be in accordance with the Regents' Rules and Regulations, Part Two, Chapter IX, Section 1.3 as set forth below:

- 1.3 Authority to Execute Instruments Relating to Land and Mineral Interests.--The Chairman of the Board, the Vice-Chairmen, the Chancellor, or his delegate, are each authorized to execute conveyances, deeds, surface and/or mineral leases, easements, rights-of-way, oil and gas division orders, and transfer orders, geophysical and material source permits, water contracts, pooling and unitization agreements, and any other instruments as may be necessary or appropriate from time to time, relating to the handling, management, control, and disposition of any real estate or mineral interest held or controlled by the Board as a part of the PUF or as a part of any trust or special fund.



I. PERMANENT UNIVERSITY FUND

INVESTMENT MATTERS

1. Report on Clearance of Monies to Permanent University Fund for September 1982 and Report on Oil and Gas Development as of September 30, 1982.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for September 1982 and (b) Oil and Gas Development as of September 30, 1982, were submitted by the Executive Director for Investments and Trusts:

<u>Permanent University Fund</u>	<u>September, 1982</u>	<u>Cumulative Through September of This Fiscal Year (1982-1983)</u>	<u>Cumulative Through September of Preceding Fiscal Year (1981-1982)</u>	<u>Per Cent Change</u>
<u>Royalty</u>				
Oil	\$10,598,152.72	\$10,598,152.72	\$10,454,463.03	1.37%
Gas	3,503,148.55	3,503,148.55	3,914,037.98	(10.50%)
Sulphur	75,306.58	75,306.58	765,584.99	(90.16%)
Water	56,798.16	56,798.16	41,887.65	35.60%
Brine	2,373.99	2,373.99	6,513.04	(63.55%)
<u>Rental</u>				
Oil and Gas Leases	70,293.46	70,293.46	35,016.67	100.74%
Other	100.00	100.00	455.15	(78.03%)
Sale of Sand, Gravel, Etc.			1,290.00	(100.00%)
Gain or (Loss) on Sale of Securities	2,616,474.09	2,616,474.09	6,635.97	
Sub-Total	<u>16,922,647.55</u>	<u>16,922,647.55</u>	<u>15,225,884.48</u>	11.14%
<u>Bonuses</u>				
Amendments and Extensions to Mineral Leases	<u>78,650.26</u>	<u>78,650.26</u>	<u>88,601.77</u>	11.23%
TOTAL CLEARANCES	<u><u>\$17,001,297.81</u></u>	<u><u>\$17,001,297.81</u></u>	<u><u>\$15,314,486.25</u></u>	11.01%

Oil and Gas Development - September 30, 1982
Acres Under Lease - 994,355

Number of Producing Acres - 515,578 Number of Producing Leases - 2,122

2. Permanent University Fund: Report on Investments for the Fiscal Year Ended August 31, 1982.--Each member of the U. T. Board of Regents received prior to the meeting a report of the Permanent University Fund Investments for the Fiscal Year Ended August 31, 1982. Upon recommendation of the Land and Investment Committee, the Board approved this report for distribution to the Governor, members of the Legislature and other State Officials as required by H.B. 1198, passed at the regular session of the 62nd Legislature.

It was pointed out that the Permanent University Fund experienced significant gains in book value and earnings during the year as shown below:

	Fiscal Year Ended 8/31		Increase	
	1981	1982	Amount	%
Book Value	\$1,519,350,741	\$1,725,744,320	\$206,393,579	13.6
Investment Income	106,830,859	143,418,831	36,587,972	34.2

3. Permanent University Fund: Approval of Commonwealth Savings Association of Houston, Texas, as Seller-Servicer of FHA and VA Mortgages for the Permanent University Fund to Replace First Mortgage Company of Texas, Inc., Houston, Texas.--Upon recommendation of the Land and Investment Committee, approval was given for Commonwealth Savings Association of Houston, Texas, as a Seller-Servicer of FHA and VA mortgages for the Permanent University Fund to replace First Mortgage Company of Texas, Inc., Houston, Texas.

First Mortgage Company of Texas, Inc., will transfer its entire servicing portfolio to Commonwealth Savings Association of Houston, Texas, which meets all the criteria to qualify as a Seller-Servicer. Servicing procedures and personnel will remain the same.

4. Permanent University Fund Bonds, New Series 1982: Authorization to (a) Appoint Rotan Mosle, Inc., Bond Consultant and (b) Pay Bond Consultant's Fees.--The Land and Investment Committee recommended and the Board authorized the appointment of the firm of Rotan Mosle, Inc., Bond Consultant for the Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1982.

Authorization was given to increase the account for Miscellaneous Costs - Permanent University Fund Bonds, New Series 1982, from bond proceeds to the extent necessary to pay the fees of the Bond Consultant and to cover registration expenses.

If the New Series 1982 bonds are not issued prior to January 1, 1983, the bonds will have to be registered both as to principal and interest as required by the provisions of the "Tax Equity and Fiscal Responsibility Act of 1982," which amended the Federal Tax Code. These provisions will apply to all state and municipal bonds issued after January 1, 1983.

II. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

1. U. T. System: Selden Leavell Endowed Scholarship - Report of Receipt of the Final Distribution from the Estate of Ruth H. Leavell, Deceased.--The Land and Investment Committee reported the receipt of the final distribution of \$10,472.32 from the Estate of Ruth H. Leavell, deceased, Houston, Texas. The total distributions of \$562,344.32 and a real estate lien note in the principal amount of \$65,000 had been credited to the Selden Leavell Endowed Scholarship for The University of Texas System.

2. U. T. Austin: Acceptance of Gift and Pledge from Coopers & Lybrand, Dallas, Texas, and Establishment of the Coopers & Lybrand Employees and Alumni Centennial Fellowship and the Coopers & Lybrand Centennial Fellowship in the College of Business Administration and the Graduate School of Business and Eligibility for Matching Funds from The Centennial Teachers and Scholars Program.--Approval was given to accept a \$25,000 gift and a \$75,000 pledge from Coopers & Lybrand, Dallas, Texas, and to establish the Coopers & Lybrand Employees and Alumni Centennial Fellowship and the Coopers & Lybrand Centennial Fellowship in the Department of Accounting, College of Business Administration and the Graduate School of Business at The University of Texas at Austin. Each Fellowship will be funded with \$50,000 and the pledge will be paid \$25,000 annually over a three-year period beginning in 1982.

In accordance with the donor's wishes, the matching funds from The Centennial Teachers and Scholars Program will be added to the Fellowships for a total endowment of \$100,000 each.

Further, the Board approved the donor's request that the Fellowships may be combined to create a professorship or a chair, provided the funds which have been contributed are sufficient. The combination may occur after the Fellowships are fully funded, but no sooner than five years from the date that the second Fellowship is fully funded.

3. U. T. Austin: Acceptance of Gifts of Securities and Cash from Mr. Houston H. Harte, Jr., San Antonio, Texas, and Mr. Edward Harte, Corpus Christi, Texas, and Establishment of the Houston Harte Centennial Professorship in Communication in the College of Communication and Establishment of the Isabel McCutcheon Harte Centennial Professorship in Astronomy in the College of Natural Sciences with Matching Funds from The Centennial Teachers and Scholars Program.--The Board accepted gifts of 400 shares of Harte-Hanks Communications, Inc. common stock with a value of \$12,300; 1,000 shares of Texas Commerce Bancshares common stock with a value of \$37,125; and a cash gift of \$1,448.96 from Mr. Houston H. Harte, Jr., San Antonio, Texas; and 1,275 shares of Texas Commerce Bancshares common stock with a value of \$49,406.25; and a cash gift of \$564.96 from Mr. Edward Harte, Corpus Christi, Texas, for a total endowment of \$100,845.17 to establish the Houston Harte Centennial

Professorship in Communication in the College of Communication at The University of Texas at Austin.

Further, in accordance with the donors' wishes, the Isabel McCutcheon Harte Centennial Professorship in Astronomy was established in the Department of Astronomy, College of Natural Sciences, with matching funds from The Centennial Teachers and Scholars Program in the amount of \$100,845.17.

4. U. T. Austin: Acceptance of Gift and Pledges from the Family of Clifford L. Klinck, Jr., Deceased, McAllen, Texas, and the Pharmaceutical Foundation Advisory Council and Establishment of the Clifford L. Klinck, Jr. Centennial Professorship in Pharmacy Administration in the College of Pharmacy and Establishment of the SmithKline Centennial Professorship in Pharmacy in the College of Pharmacy with Matching Funds from The Centennial Teachers and Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$20,000 gift and a \$30,000 pledge from the family of Clifford L. Klinck, Jr., deceased, McAllen, Texas, and a \$30,000 pledge from the Pharmaceutical Foundation Advisory Council and established the Clifford L. Klinck, Jr. Centennial Professorship in Pharmacy Administration in the College of Pharmacy at The University of Texas at Austin. Additional funding in the amount of \$20,000 received since September 1, 1981, will be transferred from the College of Pharmacy's various donors current restricted account to complete the \$100,000 endowment. The pledges will be completed by August 31, 1985.

The Board authorized that the matching allocation from The Centennial Teachers and Scholars Program be used to establish the SmithKline Centennial Professorship in the College of Pharmacy.

5. U. T. Austin: Acceptance of Gift from The Peat, Marwick, Mitchell Foundation, New York, New York, to Permanently Endow the Peat, Marwick, Mitchell & Co. Centennial Professorship in Accounting in the College of Business Administration and the Graduate School of Business and Eligibility for Matching Funds from The Centennial Teachers and Scholars Program.--Approval was given to accept a \$125,000 gift from The Peat, Marwick, Mitchell Foundation, New York, New York, to permanently endow the Peat, Marwick, Mitchell & Co. Centennial Professorship in Accounting in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin. This endowment will supercede the Peat, Marwick, Mitchell Professorship in Accounting which has been funded on an annual basis since 1978.

The matching allocation from The Centennial Teachers and Scholars Program will be used to double the size of the endowment for a total of \$250,000, in accordance with the donor's wishes.

6. U. T. Austin: Acceptance of Gift and Pledge from the Gustavus and Louise Pfeiffer Research Foundation, Los Angeles, California, and Establishment of the Gustavus Pfeiffer Centennial Fellowship in Pharmacology in the College of Pharmacy and Establishment of the Louise Pfeiffer Centennial Fellowship in Pharmacy in the College of Pharmacy with Matching Funds from The Centennial Teachers and Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board accepted a gift of \$15,409 and a pledge of \$34,614 from the Gustavus and Louise Pfeiffer Research Foundation, Los Angeles, California, and established the Gustavus Pfeiffer Centennial Fellowship in Pharmacology in the College of Pharmacy at The University of Texas at Austin. The pledge will be completed prior to August 31, 1985.

In accordance with the donor's wishes, the matching allocation will be used to establish the Louise Pfeiffer Centennial Fellowship in Pharmacy in the College of Pharmacy.

7. U. T. Austin: Acceptance of Gift and Pledge from Sun Company, Inc., Radnar, Pennsylvania, and Establishment of the Sun Exploration and Production Company Centennial Fellowship #1 in Petroleum Engineering in the College of Engineering and Establishment of the Sun Exploration and Production Company Centennial Fellowship #2 in Petroleum Engineering in the College of Engineering with Matching Funds from The Centennial Teachers and Scholars Program.--The Board accepted a \$40,000 gift and a \$10,000 pledge from Sun Company, Inc., Radnar, Pennsylvania, and established the Sun Exploration and Production Company Centennial Fellowship #1 in Petroleum Engineering in the Department of Petroleum Engineering, College of Engineering, at The University of Texas at Austin. The pledge will be completed in 1983.

Further, the Board authorized the allocation of matching funds from The Centennial Teachers and Scholars Program to establish the Sun Exploration and Production Company Centennial Fellowship #2 in Petroleum Engineering in the Department of Petroleum Engineering, College of Engineering, in accordance with the donor's wishes.

8. U. T. Austin: Establishment of the Mary Lee Harkins Sweeney Centennial Professorship in Business in the College of Business Administration and Establishment of the H. Timothy "Tim" Harkins Centennial Professorship in Business in the College of Business Administration and the Graduate School of Business with Matching Funds from The Centennial Teachers and Scholars Program.--At the request of The Business School Foundation (an external foundation), the Mary Lee Harkins Sweeney Centennial Professorship in Business was established in the College of Business Administration at The University of Texas at Austin in accordance with the Regents' Rules and Regulations. This Professorship will be funded by The Business School Foundation and administered per the agreement with the Foundation.

The Board authorized the allocation of matching funds from The Centennial Teachers and Scholars Program in the amount of \$100,000 to establish the H. Timothy "Tim" Harkins Centennial Professorship in Business in the College of Business Administration and the Graduate School of Business. The matching allocation will be held and administered by the U. T. Board of Regents.

9. U. T. Austin: Acceptance of Gift and Pledge from Mr. Jack G. Taylor, Austin, Texas, and Establishment of the Jack G. Taylor Centennial Visiting Professorship and Eligibility for Matching Funds from The Centennial Teachers and Scholars Program.--Approval was given to accept a \$20,000 gift and a \$20,000 pledge from Mr. Jack G. Taylor, Austin, Texas, and to establish the Jack G. Taylor Centennial Visiting Professorship at The University of Texas at Austin. A transfer of \$10,000 will be made from the Jack G. Taylor Endowment Fund in the College of Business Administration and the Graduate School of Business to complete the \$50,000 funding. The pledge will be completed prior to August 31, 1985.

Appointments to this Professorship will be made at the discretion of the President of U. T. Austin, and initially, at the request of the donor, the appointment will be in creative writing.

Further, the Board, in accordance with the donor's wishes, authorized that the gift and pledge be matched from The Centennial Teachers and Scholars Program and added to the Visiting Professorship until such time as a specific recommendation is made by the donor.

10. U. T. Austin: Establishment of the A. W. Walker Centennial Professorship in Law in the School of Law and Establishment of the A. W. Walker Centennial Professorship in the School of Law with Matching Funds from The Centennial Teachers and Scholars Program.--At the request of the Law School Foundation (an external foundation), the A. W. Walker Centennial Professorship in Law was established in the School of Law at The University of Texas at Austin in accordance with the Regents' Rules and Regulations. The funds for this Professorship will be held and administered by the Law School Foundation per the agreement with the Foundation.

The matching allocation of \$150,000 from The Centennial Teachers and Scholars Program will be used to establish the A. W. Walker Centennial Professorship in the School of Law. The matching allocation will be held and administered by the U. T. Board of Regents.

11. U. T. Austin: Establishment of the Joe A. Worsham Centennial Professorship in Law in the School of Law and Establishment of the Annabel Irion Worsham Centennial Professorship in the College of Liberal Arts with Matching Funds from The Centennial Teachers and Scholars Program.--At the request of the Law School Foundation (an external foundation), the Joe A. Worsham Centennial Professorship in Law was established in the School of Law at The University of Texas at Austin in accordance with the Regents' Rules and Regulations. The funds for this Professorship will be held and administered by the Law School Foundation per the agreement with the Foundation.

Further, the Board authorized the establishment of the Annabel Irion Worsham Centennial Professorship in the College of Liberal Arts with matching funds in the amount of \$100,000 from The Centennial Teachers and Scholars Program. The matching allocation will be held and administered by the U. T. Board of Regents.

12. U. T. Austin: Establishment of the Jane and Roland Blumberg Centennial Professorship in Planetary Science in the College of Natural Sciences with Matching Funds from The Centennial Teachers and Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board established the Jane and Roland Blumberg Centennial Professorship in Planetary Science in the College of Natural Sciences at The University of Texas at Austin with matching funds from The Centennial Teachers and Scholars Program in the amount of \$100,000.

The matching allocation from The Centennial Teachers and Scholars Program results from the gifts which fund the Jane and Roland Blumberg Centennial Professorship in Mathematics in the College of Natural Sciences established by the Board on February 12, 1982.

Since there is currently no branch of learning at U. T. Austin dealing directly with the formation of the earth and its mineral distribution, the donors proposed that decisions about the use of the endowment income from this Professorship be made as follows: a four-man committee be appointed made up of nominees, one each from the Departments of Physics, Astronomy, Chemistry, and Geological Sciences. This committee will designate before each academic year how the earnings from the Professorship endowment might best be used to advance this field.

13. U. T. Austin: Report of Receipt of Final Distribution from the Estate of Dave P. Carlton, Deceased, and Eligibility for Matching Funds from The Centennial Teachers and Scholars Program.--A report on the receipt of the final distribution of \$90,739.79 from the Estate of Dave P. Carlton, deceased, Houston, Texas, was received. The total distributions of \$410,739.79 have been used to fund the Dave P. Carlton Centennial Professorship in Geophysics in the College of Natural Sciences at The University of Texas at Austin which was established on December 11, 1981. At the same meeting, approval was also given to match the bequest from The Centennial Teachers and Scholars Program to establish the Dave P. Carlton Centennial Professorship in Geology in the College of Natural Sciences. The final distribution of \$90,739.79 will be matched from The Centennial Teachers and Scholars Program and added to the Dave P. Carlton Centennial Professorship in Geology.
14. U. T. Austin: Approval to Use the Entire 1982 Cockrell Foundation Distribution to Fund Endowed Chairs and to Devote Subsequent Years' Contributions to Scholarships in Such Amounts as to Maintain the Balance Between the Chair and Scholarship Endowments, Subject to Approval by the Attorney General of Texas, and Eligibility for Matching Funds from The Centennial Teachers and Scholars Program (No Publicity).--The Board concurred in the proposal of the Cockrell Foundation to use the entire

1982 Cockrell Foundation distribution to The University of Texas at Austin to fund endowed chairs in lieu of the normal 50 - 50 split between the chair and endowed scholarship endowments, subject to the approval of the Attorney General of Texas, with the understanding that subsequent years' distributions be devoted to endow scholarships in such amounts as to maintain the balance between the chair and scholarship endowments as prescribed in the Will of the late Ernest Cockrell, Jr.

If this proposal is approved by the Attorney General of Texas, the 1982 Cockrell Foundation distribution will be eligible for matching funds from The Centennial Teachers and Scholars Program, and recommendations to name chairs created by the gift and the matching funds will be submitted for approval to the U. T. Board of Regents.

It was requested that no publicity be given to this matter.

15. U. T. Austin: Establishment of Eight College of Business Administration Foundation Advisory Council Centennial Fellowships and One College of Business Administration Foundation Advisory Council Centennial Lectureship in the College of Business Administration and the Graduate School of Business with Matching Funds from The Centennial Teachers and Scholars Program.--The Board authorized that \$842,000 in matching funds from The Centennial Teachers and Scholars Program be used to establish eight College of Business Administration Foundation Advisory Council Centennial Fellowships in the amount of \$100,000 each and one College of Business Administration Foundation Advisory Council Centennial Lectureship in the amount of \$42,000 in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin. A recommendation for renaming these positions will be made prior to August 31, 1985.

The matching allocation from The Centennial Teachers and Scholars Program results from transfer of the George Kozmetsky Centennial Chair in the Graduate School of Business from The Business School Foundation which was accepted on August 13, 1982. It was pointed out that \$1,000,000 was approved for matching from The Centennial Teachers and Scholars Program at that time but The Business School Foundation has reported that \$158,000 had been received prior to September 1, 1980, and does not qualify for matching under the guidelines of The Centennial Teachers and Scholars Program.

16. U. T. Austin: Acceptance of Additional Pledges from Ernst & Whinney, Houston, Texas, to be Added to the Ernst & Whinney Distinguished Centennial Professorship of Accounting in the College of Business Administration and the Graduate School of Business and Designation of Use for the Matching Funds from The Centennial Teachers and Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board accepted \$6,000 in additional pledges from Ernst & Whinney, Houston, Texas, to be added to the funding of the Ernst & Whinney Distinguished Centennial Professorship of Accounting in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

In accordance with the donor's wishes, the matching allocation from The Centennial Teachers and Scholars Program will be used to double the size of the endowment.

On August 13, 1982, the U. T. Board of Regents accepted the transfer of the Ernst & Whinney Distinguished Centennial Professorship of Accounting from The Business School Foundation and approved matching funds in the amount of \$100,000 from The Centennial Teachers and Scholars Program.

17. U. T. Austin: Authorization to Reallocate One-half of the Funding of the Frank C. Erwin, Jr. Centennial Chair in State Government to Establish the Frank C. Erwin, Jr. Centennial Chair in Government in the College of Liberal Arts and Establishment of the (a) Frank C. Erwin, Jr. Centennial Professorship in Opera in the College of Fine Arts, (b) Frank C. Erwin, Jr. Centennial Professorship in Music in the College of Fine Arts, (c) Frank C. Erwin, Jr. Centennial Professorship in Drama in the College of Fine Arts, (d) Frank C. Erwin, Jr. Centennial Professorship in Fine Arts in the College of Fine Arts, (e) Frank C. Erwin, Jr. Centennial Honors Professorship (Unrestricted School or College), (f) Frank C. Erwin, Jr. Centennial Professorship in Government in the College of Liberal Arts, and (g) Frank C. Erwin, Jr. Centennial Visiting Professorship in the Lyndon B. Johnson School of Public Affairs with Matching Funds from The Centennial Teachers and Scholars Program.--The Board authorized the reallocation of one-half of the \$1,084,280 funding of the Frank C. Erwin, Jr. Centennial Chair in State Government to establish the Frank C. Erwin, Jr. Centennial Chair in Government in the College of Liberal Arts at The University of Texas at Austin.

Further, the Board authorized that \$700,000 in matching funds from The Centennial Teachers and Scholars Program be used to establish the following:

College of Fine Arts

(a) Frank C. Erwin, Jr. Centennial Professorship in Opera	\$100,000
(b) Frank C. Erwin, Jr. Centennial Professorship in Music	100,000
(c) Frank C. Erwin, Jr. Centennial Professorship in Drama	100,000
(d) Frank C. Erwin, Jr. Centennial Professorship in Fine Arts (This Professorship will be administered by the Dean of the College of Fine Arts.)	100,000

School or College Unrestricted

(e) Frank C. Erwin, Jr. Centennial Honors Professorship (The holder of this Professorship shall be an individual actively involved in and committed to the honors program in any school or college of U. T. Austin. This Professorship will be administered by the President.)	100,000
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College of Liberal Arts

- (f) Frank C. Erwin, Jr. Centennial
Professorship in Government \$100,000

The Lyndon B. Johnson School of Public Affairs

- (g) Frank C. Erwin, Jr. Centennial
Visiting Professorship in the
Lyndon B. Johnson School of
Public Affairs 100,000
(The holder of this Professor-
ship shall be a distinguished
individual with a particular
interest in the Lyndon B.
Johnson School of Public Affairs
and the resources of the LBJ
Library. The holder shall give
public lectures and participate
in seminars which would enhance
the Lyndon B. Johnson School of
Public Affairs and the LBJ Library.)

The difference of \$61,733.84 between the \$700,000 required to fund these professorships and the \$638,266.16 eligible for matching as of September 30, 1982, as a result of contributions to the original Frank C. Erwin, Jr. Centennial Chair in State Government will be contributed to the endowment of the two Erwin Chairs by private donors or will be provided by the President of U. T. Austin from unrestricted monies.

See Page 31 for the initial appointment to the Frank C. Erwin, Jr. Centennial Professorship in Opera.

18. U. T. Austin: Eligibility for Matching Funds from The Centennial Teachers and Scholars Program for Pledge from Mr. George H. Fancher, Jr., Denver, Colorado, and Establishment of the George H. Fancher Centennial Teaching Fellowship in Petroleum Engineering in the College of Engineering.--The Board authorized that the \$50,000 pledge from Mr. George H. Fancher, Jr., Denver, Colorado, to partially fund the George H. Fancher Professorship in Petroleum Engineering in the College of Engineering at The University of Texas at Austin be approved for matching funds from The Centennial Teachers and Scholars Program. The pledge had been accepted by the U. T. Board of Regents on August 14, 1981, and will be paid prior to December 31, 1982.

In accordance with the donor's wishes, the matching allocation will be used to establish the George H. Fancher Centennial Teaching Fellowship in Petroleum Engineering in the College of Engineering at U. T. Austin.

19. U. T. Austin: Establishment of the (a) Jesse H. Jones Faculty Development Fund, (b) Jesse H. Jones Public Conferences Fund, (c) Jesse H. Jones Job Placement and Counseling Fund, (d) Mrs. Mary Gibbs Jones Centennial Chair in Communication, (e) Jesse H. Jones Centennial Professorship in Communication, (f) John A. Beck Centennial Professorship in Communication, (g) F. J. Heyne Centennial Professorship in Communication, and (h) John T. Jones, Jr. Centennial Professorship in Communication in the College of Communication with Previously Accepted Pledges from Houston Endowment, Inc., Houston, Texas, and Establishment of the (a) Everett D. Collier Centennial Chair in Communication, (b) Charles Sapp Centennial Professorship in Communication, (c) Frank A. Liddell, Sr. Centennial Professorship in Communication, (d) Ernest A. Sharpe Centennial Professorship in Communication, and (e) R. P. Doherty, Sr. Centennial Professorship in Communication in the College of Communication with Matching Funds from The Centennial Teachers and Scholars Program.--The Board established the following endowed academic positions in the College of Communication at The University of Texas at Austin with the 1982, 1983 and 1984 pledge payments in the amount of \$1,000,000 each from Houston Endowment, Inc., Houston, Texas:

	<u>1982</u> <u>Pledge</u> <u>Payment</u>	<u>1983</u> <u>Pledge</u> <u>Payment</u>	<u>1984</u> <u>Pledge</u> <u>Payment</u>
(a) Jesse H. Jones Faculty Development Fund (not eligible for matching)	\$400,000	\$	\$
(b) Jesse H. Jones Public Conferences Fund (not eligible for matching)	400,000		
(c) Jesse H. Jones Job Placement and Counseling Fund (not eligible for matching)	20,000		
(d) Mrs. Mary Gibbs Jones Centennial Chair in Communication	20,000	280,000	200,000
(e) Jesse H. Jones Centennial Professorship in Communication	100,000		
(f) John A. Beck Centennial Professorship in Communication	20,000	80,000	
(g) F. J. Heyne Centennial Professorship in Communication	20,000	80,000	
(h) John T. Jones, Jr. Centennial Professorship in Communication	20,000	80,000	
Total eligible for matching	<u>\$180,000</u>	<u>\$520,000</u>	<u>\$200,000</u>

Further, the Board established the following endowed academic positions in the College of Communication at U. T. Austin with matching funds from The Centennial Teachers and Scholars Program as indicated:

	1982 CT&SP Match	1983 CT&SP Match	1984 CT&SP Match
(a) Everett D. Collier Centennial Chair in Communication	\$ 20,000	\$280,000	\$200,000
(b) Charles Sapp Centennial Professorship in Com- munication	100,000		
(c) Frank A. Liddell, Sr. Centennial Professor- ship in Communication	20,000	80,000	
(d) Ernest A. Sharpe Cen- tennial Professorship in Communication	20,000	80,000	
(e) R. P. Doherty, Sr. Centennial Professor- ship in Communication	20,000	80,000	
Total	<u>\$180,000</u>	<u>\$520,000</u>	<u>\$200,000</u>

A recommendation will be submitted at a later date to designate the other Jesse H. Jones endowments to receive the balance (\$1,280,000) of the 1983 and 1984 pledge payments from Houston Endowment, Inc.

20. U. T. Austin: Establishment of the Mary M. Betzner Morrow Centennial Chair in Microbiology in the College of Natural Sciences with Matching Funds from The Centennial Teachers and Scholars Program (No Publicity).-- Upon recommendation of the Land and Investment Committee, the Board established the Mary M. Betzner Morrow Centennial Chair in Microbiology in the College of Natural Sciences at The University of Texas at Austin with matching funds from The Centennial Teachers and Scholars Program in the amount of \$510,000.

The matching allocation from The Centennial Teachers and Scholars Program results from the gifts which fund the Marie Betzner Morrow Centennial Chair in the College of Natural Sciences which was established by the U. T. Board of Regents on October 8, 1982.

It was noted that Mrs. Lorene Morrow Kelley, Edinburg, Texas, had given a gift of \$100,000 and a pledge of \$400,000. When the pledge was completed with 10,000 shares of Security State Bank common stock, the value was \$410,000 for a total endowment of \$510,000.

It was requested that no publicity be given to this matter.

21. U. T. Austin: Establishment of Two Fayez Sarofim & Co. Centennial Fellowships in the College of Business Administration and the Graduate School of Business with Matching Funds from The Centennial Teachers and Scholars Program.--The Board authorized that \$100,000 from The Centennial Teachers and Scholars Program be used to establish two Fayez Sarofim & Co. Centennial Fellowships in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin. Each Fellowship will be funded with \$50,000.

The matching allocation from The Centennial Teachers and Scholars Program results from the gift and pledge from Fayez Sarofim & Co., Houston, Texas, which fund the Fayez Sarofim & Co. Centennial Professorship in Business in the College of Business Administration and the Graduate School of Business, which was established by the U. T. Board of Regents on February 12, 1982.

See Page 31 for the initial appointment to one of the Fayez Sarofim & Co. Centennial Fellowships.

22. U. T. Austin: Authorization to Designate the Use of the Matching Funds from The Centennial Teachers and Scholars Program for the Daniel B. Stuart Centennial Professorship in the Application of Computers to Business and Management in the Graduate School of Business.-- Upon recommendation of the Land and Investment Committee, the Board authorized that the \$100,000 matching funds from The Centennial Teachers and Scholars Program resulting from the gift and pledge from Mr. Daniel B. Stuart, Dallas, Texas, to establish the Daniel B. Stuart Centennial Professorship in the Application of Computers to Business and Management in the Graduate School of Business at The University of Texas at Austin be used to double the size of the endowment, in accordance with the donor's wishes.
23. U. T. Austin: Acceptance of Gifts and Pledges from The Dow Chemical Company Foundation, Midland, Michigan, and Establishment of the Dow Centennial Endowed Presidential Scholarship for Chemical Engineering in the College of Engineering and the Dow Chemical U.S.A. Centennial Endowed Presidential Scholarship in the College of Natural Sciences.--The Board accepted gifts totaling \$12,500 and pledges totaling \$37,500 from The Dow Chemical Company Foundation, Midland, Michigan, and established the Dow Centennial Endowed Presidential Scholarship for Chemical Engineering in the College of Engineering and the Dow Chemical U.S.A. Centennial Endowed Presidential Scholarship in the College of Natural Sciences at The University of Texas at Austin. Pledges of \$12,500 will be paid annually through 1985 making a total endowment of \$25,000 for each Scholarship.

Income from these endowments will be used to award scholarships to undergraduate or graduate students enrolled in the Departments of Chemistry and Chemical Engineering. At the donor's request, recipients must be United States citizens.

24. U. T. Austin: Establishment of the John Guerin Centennial Endowed Scholarship Fund in the College of Fine Arts.--Approval was given to establish the John Guerin Centennial Endowed Scholarship Fund in the Department of Art, College of Fine Arts at The University of Texas at Austin. Funding will be provided by previously accepted gifts from various donors in the amount of approximately \$10,115.

Income from the endowment will provide scholarships for undergraduates and fellowships for graduate students in the Department of Art who are majoring in painting.

25. U. T. Austin: Acceptance of Gifts of Securities and Cash and Pledge from Mr. Paul C. Jackson, Austin, Texas, and Establishment of the Paul C. Jackson Centennial Excellence Fund in the School of Nursing.--The Board accepted a gift of 203 shares of The E. F. Hutton Group, Inc., common stock with a value of \$8,538.69 and \$1,000 cash from Mr. Paul C. Jackson, Austin, Texas, and established the Paul C. Jackson Centennial Excellence Fund in the School of Nursing at The University of Texas at Austin. When the securities are sold, Mr. Jackson has pledged to bring the total of the endowment to \$10,000.

Income from the endowment will be used at the discretion of the Dean of the School of Nursing in any manner which enhances the excellence of that academic unit, including scholarships, faculty enrichment, school development activities, conferences, seminars, and research.

26. U. T. Austin: Amendment to Joe J. King Trust Agreement and Establishment of the Joe J. King Centennial Endowed Presidential Scholarship in the College of Engineering.--Authorization was given to amend the Joe J. King Trust Agreement dated December 11, 1957, to allow the transfer of \$25,000 from the Alfred and Nellie King Graduate Fellowship and to establish the Joe J. King Centennial Endowed Presidential Scholarship in the College of Engineering at The University of Texas at Austin. The balance in the Fellowship endowment fund was \$30,892.68 before the transfer.

Income will be used to award scholarships to students who meet the highest standards established by the College of Engineering.

It was noted that the Joe J. King Trust Agreement had been amended twice before to allow the establishment of The Joe J. King Professorship and the Joe J. King Professional Engineering Achievement Award.

27. U. T. Austin: Authorization to Redesignate the Darrell Royal Centennial Scholarship Fund for Women's Athletics the Darrell Royal Centennial Endowed Presidential Scholarship for Women's Athletics in the Division of Intercollegiate Athletics for Women.--Approval was given to redesignate the Darrell Royal Centennial Scholarship Fund for Women's Athletics the Darrell Royal Centennial Endowed Presidential Scholarship for Women's Athletics in the Division of Intercollegiate Athletics for Women at The University of Texas at Austin.

28. U. T. Austin: Authorization to Redesignate One of the Zale Corporation Centennial Fellowships in Retail Merchandising the Zale Corporation Centennial Teaching Fellowship in Retail Merchandising in the College of Business Administration and the Graduate School of Business.--The Board approved the redesignation of one of the Zale Corporation Centennial Fellowships in Retail Merchandising the Zale Corporation Centennial Teaching Fellowship in Retail Merchandising in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

Two Zale Corporation Centennial Fellowships in Retail Merchandising were established by the U. T. Board of Regents at the October 8, 1982 meeting with matching funds from The Centennial Teachers and Scholars Program in the amount of \$50,000 each. This matching allocation resulted from the establishment of the Zale Corporation Centennial Professorship in Business.

29. U. T. Austin: Acceptance of Gift of Overriding Royalty Interests in Oil and Gas Leases in Nine Arizona Counties from Mr. Charles D. Williams, Lakewood, Colorado; Mr. Kenneth G. Leis, Arvada, Colorado; Mr. Carroll A. Wilson, Englewood, Colorado; and Mr. William T. Orr, Evergreen, Colorado; for the Unrestricted Use of the Graduate School of Business in the College of Business Administration.--Upon recommendation of the Land and Investment Committee, the Board accepted a gift of overriding royalty interests in oil and gas leases in Mohave, Yuma, Yavapai, Maricopa, Pinal, Santa Cruz, Cochise, Greenlee, and Graham Counties, Arizona, from Mr. Charles D. Williams, Lakewood, Colorado; Mr. Kenneth G. Leis, Arvada, Colorado; Mr. Carroll A. Wilson, Englewood, Colorado; and Mr. William T. Orr, Evergreen, Colorado. These leases cover a total of 6,364,197 acres and the interest conveyed to the U. T. Board of Regents is approximately 67,320.67 royalty acres. At the donors' request, the gift will be for the unrestricted use of the Graduate School of Business in the College of Business Administration at The University of Texas at Austin.

It was noted that the leases upon which these overriding royalty interests are based are undeveloped, and there is no mineral production at this time. Expiration dates of the numerous underlying leases range from 1982 through 1990.

30. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas) - James Harbert Bain Family Memorial Scholarship Fund: Report of Receipt of Final Distribution from the Estate of Eva Ruth Bain.--A report was received on the receipt of the final distribution of \$25,093.95 from the Estate of Eva Ruth Bain, deceased, Ferris, Texas. With this distribution, a total of \$62,593.95 has been placed in the James Harbert Bain Family Memorial Scholarship Fund for the benefit of U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas. The estate also contains an undivided one-half royalty [being equal to not less than an undivided one-sixteenth (1/16)] of all the oil, gas and/or other minerals in, to and under 182.5 acres of land in Ellis County, Texas.

31. U. T. Health Science Center - Dallas: Establishment of the Donald W. Seldin Professorship in Clinical Investigation.--The Board established the Donald W. Seldin Professorship in Clinical Investigation at The University of Texas Health Science Center at Dallas in honor of Dr. Seldin, who has been Chairman of the Department of Internal Medicine for thirty years. Funds in the amount of \$100,000 will be transferred from the Department of Internal Medicine's various donors accounts to endow the Professorship.
32. U. T. Medical Branch - Galveston and U. T. Health Science Center - Houston: Acceptance of Gifts from the John P. McGovern Foundation, Houston, Texas, and Establishment of the John P. McGovern Award Lecture in the Medical Humanities at U. T. Medical Branch - Galveston and the John P. McGovern Lectureship in the Allied Health Sciences at the U. T. Health Science Center - Houston.--Upon recommendation of the Land and Investment Committee, the Board accepted gifts of \$30,000 and \$20,000, respectively, from the John P. McGovern Foundation, Houston, Texas, and established the John P. McGovern Award Lecture in the Medical Humanities at The University of Texas Medical Branch at Galveston and the John P. McGovern Lectureship in the Allied Health Sciences at The University of Texas Health Science Center at Houston in honor of Dr. McGovern, a faculty member at the U. T. Health Science Center - Houston.

In accordance with the donor's wishes, \$3,000 has been retained by the U. T. Medical Branch - Galveston for the preparation of a brochure to announce the new award lecture with the balance of \$27,000 to endow the Lectureship.

33. U. T. Cancer Center (U. T. M. D. Anderson Hospital - Houston): Establishment of The Murray M. Copeland Memorial Lectureship.--Approval was given to establish The Murray M. Copeland Memorial Lectureship in honor of Dr. Copeland, deceased, formerly Professor of Surgery and Vice President of The University Cancer Foundation at the U. T. M. D. Anderson Hospital - Houston of The University of Texas System Cancer Center. Funding of \$20,000 will be provided by previously reported gifts from various donors in the amount of \$9,287.55 plus \$10,712.45 from the Anderson Clinical Faculty Professorship account.
34. U. T. Cancer Center (U. T. M. D. Anderson Hospital - Houston): Acceptance of Bequest from the Estate of Salome Kirby Fox, Deceased.--The Board accepted a bequest totaling \$56,334.18 from the Estate of Salome Kirby Fox, deceased, Houston, Texas, including 50% interest in a promissory note with a face value of \$12,374.02 for the benefit of U. T. M. D. Anderson Hospital - Houston of The University of Texas System Cancer Center. Set forth below is an excerpt from the deceased's Will:

"2.3 Residuary. All the rest and residue of the property which I may own at the time of my death, real, personal and mixed, tangible and intangible, of whatsoever nature and where-soever situated, including all property which

I may acquire or become entitled to after the execution of this Will, I bequeath and devise to M. D. Anderson Hospital and Tumor Institute of Houston, Texas, to support, in particular, research programs which include, but are not limited to, new innovative research projects, ongoing research programs, purchase of needed equipment and supplies, maintenance and support of research personnel and to the better understanding of the disease which will add to improvements in cancer patient care."

A determination as to the specific use of these funds will be made at a later date and will be submitted to the U. T. Board of Regents for its consideration.

B. REAL ESTATE MATTERS

1. U. T. Austin - Archer M. Huntington Museum Fund: Report on Failure of Pelican Terminal Company to Exercise Option to Purchase 522 Acres of Land in the Samuel C. Bundick League, Galveston County, Texas.--The Board received the following report relating to the failure of Pelican Terminal Company to exercise its option to purchase 522 acres of land in the Samuel C. Bundick League, Galveston County, Texas (Archer M. Huntington Museum Fund - The University of Texas at Austin):

By Option Agreement dated November 12, 1979, the U. T. Board of Regents, for a consideration of \$45,000, granted Pelican Terminal Corporation an option to purchase the surface only of about 522 acres in the Samuel C. Bundick League, Galveston County, Texas, until December 31, 1979, at a price of \$4,500 per acre. The Agreement allowed two six-month extensions of the option upon payment of an additional \$35,000 for each such extension. Pelican exercised both extensions and by Amendment dated November 12, 1980, was granted the right to extend the option for two additional six-month periods by paying \$45,000 for each. The purchase price was also raised to \$5,000 per acre for the first six-month period and \$5,250 for the second. On November 18, 1980, Pelican Terminal Corporation assigned its rights to Pelican Terminal Company, which exercised both rights of extension. A final six-month extension of the option, providing for a purchase price of \$5,750 per acre, was granted on December 30, 1981, upon payment by Pelican of \$35,000. Pelican Terminal Company allowed its option to expire on June 30, 1982, but the University has received a total of \$240,000 in consideration for the option and its extensions.

2. U. T. Austin - Archer M. Huntington Museum Fund: Authorization for Oil, Gas and Mineral Lease on 578.58 Acres in the Samuel C. Bundick League, Galveston County, Texas, to Highland Resources, Inc., Houston, Texas.--The Board granted an oil, gas and mineral lease covering approximately 578.58 acres in the Samuel C. Bundick League, Galveston County, Texas (Archer M. Huntington Museum Fund - The University of Texas at Austin), to Highland Resources, Inc., Houston, Texas. The lease provides for a bonus of \$125 per acre, a royalty of 1/4, annual delay rentals of \$10 per acre and a term of three years.

3. U. T. Austin - C. L. Lundell Professorship of Systematic Botany: Authorization for Sale of Lots 8, 9, 18A, 19A and 19B, Block A, Hood & Miller Addition to the City of Plano, Collin County, Texas, to Mr. Gene Sparks, Plano, Texas.--Upon recommendation of the Land and Investment Committee, the Board authorized the sale of lots 8, 9, 18A, 19A and 19B, Block A, Hood & Miller Addition to the City of Plano, Collin County, Texas (C. L. Lundell Professorship of Systematic Botany - The University of Texas at Austin), to Mr. Gene Sparks, Plano, Texas. The purchase price will be \$6.50 per square foot, with 10% paid at closing and a ten-year, 11% note for the balance.

4. U. T. Austin - Roger Q. Mills Scholarship Fund (Caroline Mills Wood Estate): Authorization for Joinder by Board of Regents as Contingent Remainderman in Granting of Easement and Right-of-Way Across Land in the John Peoples Survey, Abstract 9, Navarro County, Texas, to Texas Power & Light Company, Dallas, Texas.--Authorization was given to join Miss Annie Lee Robbins as Contingent Remainderman in granting an easement and right-of-way across a tract of 10.207 acres in the John Peoples Survey, Abstract 9, Navarro County, Texas [Roger Q. Mills Scholarship Fund (Caroline Mills Wood Estate) - The University of Texas at Austin], to Texas Power & Light Company, Dallas, Texas. Miss Robbins will retain the total consideration of \$40,000.

5. U. T. Austin and U. T. Dallas: Recommendation for Acceptance of Gift of Real Estate from The Clark Foundation, Dallas, Texas (Withdrawn).--The item related to the proposed acceptance of a gift of real estate from The Clark Foundation, Dallas, Texas, for the benefit of The University of Texas at Austin and The University of Texas at Dallas was withdrawn.

6. U. T. El Paso - Josephine Clardy Fox Estate: Cancellation of Lease with Texaco, Inc., El Paso, Texas, and Authorization to Grant New Lease to Mr. Alfredo De Avila, El Paso, Texas, on Property at 5000 E. Paisano, El Paso, El Paso County, Texas.--Approval was given to cancel the lease with Texaco, Inc., El Paso, Texas, covering approximately 21,700 square feet of land at 5000 E. Paisano, El Paso, El Paso County, Texas (Josephine Clardy Fox Estate - The University of Texas at El Paso), effective December 12, 1982, and to grant a new lease on the same property to Mr. Alfredo De Avila, El Paso, Texas,

for a term of three years at a rental of \$600 per month. The lease will provide for an option to renew for an additional two years at \$700 per month.

Texaco, Inc., had leased the property for many years but recently closed its service station at this location and had subleased to Mr. De Avila. Texaco, Inc., will convey its improvements to the U. T. Board of Regents for \$1.00.

7. U. T. Medical Branch - Galveston - Agnes Thelma Anderson Fund: Oil and Gas Lease Covering Undivided Interest in 1,966.41 Acres in Chambers County, Texas, Granted to Viking Petroleum, Inc., Tulsa, Oklahoma.--
The Board granted an oil and gas lease covering 1,966.41 acres of land in Chambers County, Texas (Agnes Thelma Anderson Fund - The University of Texas Medical Branch at Galveston), to Viking Petroleum, Inc., Tulsa, Oklahoma, for a term of one year, bonus of \$75 per acre and a royalty of 22½%. The University's undivided interest is approximately 4%.

It was noted that due to a dispute between the royalty owners over the validity of the lease acquired by Viking Petroleum, Inc., in 1981 from Mr. Duane J. Fritz, proceeds from oil sales had been held in suspense. Upon execution of the new lease, the University will receive, in addition to the bonus, over \$21,000 from the funds being held plus interest.

C. OTHER MATTERS

U. T. Board of Regents: Acceptance of Report of the Task Force on Investment of the Permanent University Fund and Adoption of Recommendations Contained Therein.--
The following report was accepted from the Task Force on Investment of the Permanent University Fund as presented by Mr. Dee Osborne, Chairman of the Task Force, to the Land and Investment Committee on Thursday, December 2, with all Board members present. The Board, upon motion of Regent Hay, seconded by Regent Blumberg, adopted the recommendations set forth in the report for consideration by the next session of the Texas Legislature:

REPORT TO THE LAND AND INVESTMENT COMMITTEE OF THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

The Board of Regents at the October 7-8, 1982 meeting authorized the creation of a Task Force for the purpose of recommending to the Board of Regents needed revisions in the law governing Permanent University Fund investments. Pursuant to that authorization, Mr. Dee S. Osborne, Chairman, Texas Investment Bank, 6800 Texas Commerce Tower, Houston, Texas 77002; Dr. George Kozmatsky, RGK Foundation, 2815 San Gabriel, Austin, Texas 78705; Mr. Thomas B. McDade, Vice Chairman of the Board, Texas Commerce Bancshares, Inc., Post Office Box 2558, Houston, Texas 77001; Mr. Charles Miller, President, Funds Advisory Co., 333 Clay Street, Suite 4300, Houston, Texas 77002; Mr. Dan S. Petty, President and Chief Operating Officer, Henry S. Miller Co., Realtors, 2001 Bryan Tower, 30th Floor, Dallas, Texas 75201; and Chancellor E. D. Walker were appointed to the Task Force. Mr. Dee Osborne was designated chairman. Two members of this Task Force, Mr. Tom McDade and Mr. Charles Miller, also served on the Governor's Task Force on State Trust and Asset Management.

Your Task Force noted that the Governor's Task Force on State Trust and Asset Management had done a great deal of work on the issue of investment of State Funds. As a starting point for its

deliberations, your Task Force carefully studied the work of the Governor's Task Force. The Task Force on Investments for the Permanent University Fund concurs in the recommendation of the Governor's Task Force on State Trust and Asset Management that the investment authority for each State Fund (including the Permanent University Fund) should be restricted only by the "prudent person rule."

The Task Force on Investments for the Permanent University Fund recommends that all statutory and constitutional restrictions contrary to or inconsistent with the "prudent person rule" be eliminated. If such changes are made, we would suggest that the Investment Advisory Committee for the Permanent University Fund recommend to the Board of Regents any needed limitations or restrictions on investments so that these could be considered by the Board of Regents in formulating investment policy.

If the proposed constitutional amendment (draft copy on file in the Office of General Counsel) is approved by the voters in the form being recommended, the following constitutional restrictions on Permanent University Fund investments would be removed:

1. The 1% restriction on Permanent University Fund assets that can be invested in the securities of one company.
2. The five-year consecutive cash dividend requirement before a stock is eligible for purchase.
3. The requirement that stocks, except for stock of banks and insurance companies, be listed on an exchange registered with the S.E.C.
4. The restriction limiting the holding of the Permanent University Fund to no more than 5% of the voting stock of a company.
5. The requirement that stocks eligible for purchase be limited to stocks of U.S. corporations.

The Committee did considerable work in trying to determine (1) the extent to which the Permanent University Fund is adversely impeded in its operations by the current constitutional restrictions on eligible investments and (2) the type of investments which the committee felt should be seriously considered by the Permanent University Fund if the current constitutional restrictions were eliminated and the fund were governed only by the "prudent person rule." No constitutional amendments liberalizing Permanent University Fund investments have been made since November, 1968. The committee concluded that the current constitutional restrictions on eligible investments have had a serious detrimental effect on the operation and investment potential for the Permanent University Fund and that the continuation of such restrictions could have an even greater negative impact on the Fund's potential growth in the future. The Committee felt that the investment atmosphere has gone through revolutionary changes since the constitutional restrictions were imposed on the Permanent University Fund and that numerous investment opportunities exist which could not be considered under the current constitutional restrictions. If the Permanent University Fund were governed only by the "prudent person rule," the Committee would recommend that the Board of Regents seriously consider the investment of PUF funds in the following general categories which are prohibited under current restrictions.

1. Mortgages on Real Estate and Investment in Real Estate. Most institutional investors and many public funds have been involved in the real estate investment area for a

number of years and have attained substantial rates of return through their real estate activity.

2. Non-dividend Paying Securities. During past years numerous high technology companies have not paid cash dividends because of their intense growth rate and need for internally generated funds. The Committee felt that many such companies offered outstanding investment potential and should be eligible for purchase.
3. Sale of Covered Stock Options. The Committee felt that the Fund should have the authority to sell options against stocks which it currently owns. Properly administered, it was felt that sale of stock options could be a source of significant additional income for the Fund.
4. Lending of Owned Securities. In many instances brokerage firms and other institutions need to borrow securities on a temporary basis, and in order to accomplish this, pay a fee to the lender of the securities. The transaction, if fully collateralized and again properly administered, could be a source of additional income.

In addition to the above specific investment opportunities, the Committee felt that there would be numerous other areas which should be explored. Under the "prudent person rule," the Board of Regents would have full authority to adjust the investment objectives and activities of the Fund in order to take advantage of the ever-changing investment environment. The Investment Advisory Committee for the Permanent University Fund could, under its continuous review of Permanent University Fund investments, make recommendations to the Board of Regents covering types of investments, implementation of investment policies and staffing needs of the investment division. In this regard, your Task Force notes that, in all likelihood, additional personnel will be required to staff new areas of investment.

The Committee noted that recently promulgated New York Stock Exchange Rule 387 will require that the Depository Trust Company of New York be used in clearing security transactions after January 1, 1983. Compliance with this Rule will require that Article 6252-5a, Vernon's Texas Civil Statutes be amended to permit the clearing of corporate transactions and the holding of corporate securities at the Depository Trust Company of New York (proposed amendments on file in the Office of General Counsel). It may be desirable to have this piece of legislation tagged as emergency legislation by the Governor.

It also came to the attention of the Committee that the School Land Board has more flexibility in terms of its oil and gas lease sales than does the Board for Lease of University Lands. Section 66.64 of the Texas Education Code requires oral auction for oil and gas leases on PUF lands. The Task Force on Investments for the Permanent University Fund recommends an amendment which would permit sealed bids as well as oral auctions. Section 66.65 of the Texas Education Code provides for bonus bids with set royalties on oil and gas leases on PUF lands. An amendment to Section 66.65 is suggested which would also permit taking royalty bids with a fixed bonus (proposed amendments to Section 66.64 and 66.65 are on file in the Office of General Counsel). These two amendments would bring the Permanent University Fund in line with the Permanent School Fund.

In summary, your Task Force recommends that the Board of Regents and its staff work closely with the Governor's Task Force on State Trust and Asset Management in the efforts of that Task Force to liberalize the constitutional and statutory provisions relating to the

investment of State Funds. In particular, your Task Force recommends that the Board of Regents and its staff work to remove all constitutional restrictions on the investment of the Permanent University Fund except the "prudent person rule." Your Task Force recommends that this be accomplished, if possible, as a part of the overall effort of the Governor's Task Force. If not, your Task Force recommends that the Board of Regents seek removal of these restrictions on its own.

Dee Osborne, Chairman
 George Kozmetsky
 Tom McDade
 Charles Miller
 Dan Petty
 E. D. Walker

ITEM FOR THE RECORD

U. T. Austin - College of Liberal Arts Foundation and Marine Science Institute Advisory Councils: Acceptance of Membership.--On August 13, 1982, Mr. Barron Ulmer Kidd of Dallas was approved for membership on The University of Texas at Austin College of Liberal Arts Foundation Advisory Council for a term to expire on August 31, 1985, and Mayor Charles Brown of Port Aransas was approved for membership on the Marine Science Institute Advisory Council for a term to expire on August 31, 1984. Their acceptances of membership are herewith reported for the record.

EXECUTIVE SESSION OF THE BOARD OF REGENTS

Chairman Powell reported that the Board had met in Executive Session in the Regents' Committee Room on Thursday afternoon (December 2) following the meetings of the Standing Committees and continued its meeting on Friday morning (December 3) to discuss matters in accordance with Article 6252-17, Sections 2(e), (f) and (g) of Vernon's Texas Civil Statutes: Litigation, Land Acquisition and Personnel Matters. See Page 1. The following action was taken:

1. U. T. System - Permanent University Fund Lands: Settlement with Phillips Petroleum Company, Bartlesville, Oklahoma.--Regent Hay moved that the Chairman of the Board of Regents, in cooperation with the Office of General Counsel, the Office of the Attorney General, the Chairman of the Board for Lease of University Lands, the Chairman of the School Land Board, and the State Treasurer, be authorized to settle the lawsuit filed by Phillips Petroleum Company, Bartlesville, Oklahoma, in accordance with the proposal presented in Executive Session. Regent Richards seconded the motion which prevailed by unanimous vote.

2. U. T. Health Science Center - Houston: Settlement of Litigation - Estate of Roderick Adams.--Regent Newton moved that Chancellor Walker and President Bulger of The University of Texas Health Science Center at Houston, in cooperation with the Office of General Counsel, be authorized to settle the lawsuit filed by the Estate of Roderick Adams in accordance with the proposal presented in Executive Session. Regent Hay seconded the motion which carried by unanimous vote.

3. U. T. El Paso: Report of Consideration of the Recommendations of the Hearing Tribunal Regarding the Dismissal of Tenured Faculty Member Professor Leonard S. Levitt.--Regent (Mrs.) Blumberg moved that the finding of the Hearing Tribunal that good cause exists for the immediate termination of Professor Leonard S. Levitt as a tenured member of the faculty at The University of Texas at El Paso be approved; and moved further that the recommendation of the Hearing Tribunal that in view of Professor Levitt's seventeen years of employment he be continued as an employee with no teaching duties through the Spring Semester of 1983 be rejected and that such termination be effective as of this date. Regent Richards seconded the motion which prevailed by unanimous vote.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Regent Fly, Chairman of the Board for Lease of University Lands, reported that the Board for Lease would meet in the Regents' Meeting Room in Ashbel Smith Hall this date (December 3) at 2:00 p.m. to consider the following matters which require Board action: gas pooling agreements, gas royalty settlement and lease validation.

REPORT OF SPECIAL COMMITTEE

U. T. Dallas - Special Committee on Endowment Lands in Collin and Dallas Counties, Texas: One-Year Extension of Note on 43.1132 Acres of Land in the City of Plano, Collin County, Texas, Granted to Starwood Development Corporation.--Upon recommendation of the Special Committee on Endowment Lands in Collin and Dallas Counties, Texas, the Board, upon motion of Regent Hay, seconded by Vice-Chairman Fly, approved that the 14% promissory note due from Starwood Development Corporation on or before January 14, 1983, in the principal amount of \$1,155,433.76, for the purchase of 43.1132 acres of land in the City of Plano, Collin County, Texas (Endowment Lands, The University of Texas at Dallas), be extended for one year upon the condition that Starwood Development Corporation reduce the principal amount to \$1,000,000 and pay all accrued interest at the time of the extension. All other provisions of the Note and Deed of Trust will remain unchanged.

SPECIAL MEETING, JANUARY 25, 1983.--Upon motion of Regent Hay, seconded by Regent Richards, it was ordered that a Special Meeting of the Board of Regents of The University of Texas System be held on Tuesday, January 25, 1983, for the purpose of selling Permanent University Fund Bonds.

SCHEDULED MEETINGS.--It was ordered that the meetings of the U. T. Board of Regents for the calendar year 1983 be scheduled as set forth below:

<u>Dates</u>	<u>Locations/Hosts</u>
January 25, 1983 (Special Meeting)	Austin
February 10-11, 1983	Austin
April 14-15, 1983	Austin
June 9-10, 1983	U. T. Health Science Center - Dallas
August 11-12, 1983	Austin
October 13-14, 1983	U. T. Medical Branch - Galveston
December 8-9, 1983	U. T. Austin

ADJOURNMENT.--There being no further business, the meeting was duly adjourned at 1:30 p.m.


Arthur H. Dilly
Executive Secretary

December 8, 1982