

OMISSION

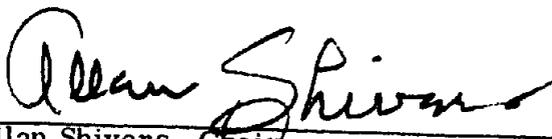
Pages 2770 - 3526

A. Ruth Baker

SIGNATURE OF OPERATOR

We, the undersigned members of the Board of Regents of The University of Texas System, hereby ratify and approve all actions taken at this meeting (April 15, 1977) to be reflected in the Minutes.

Signed this the 15th day of April, 1977, A.D.

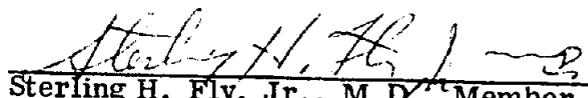

Allan Shivers, Chairman


Dan C. Williams, Vice-Chairman


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


Mrs. Roland K. Blumberg, Member


Edward Clark, Member


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


Jess Hay, Member


Thos. H. Law, Member


Walter G. Sterling, Member

Meeting No. 745

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

PART ONE

Pages 1 - 91

Attachment No. 1 through
U. T. Austin

April 15, 1977

Austin, Texas

MEETING NO. 745

FRIDAY, APRIL 15, 1977. --In the Regents' Meeting Room on the ninth floor of Ashbel Smith Hall, Austin, Texas, the members of the Board of Regents of The University of Texas System convened in regular session at 9:00 a. m. with the following in attendance and Chairman Shivers presiding:

ATTENDANCE.--

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

Secretary Thedford

Chancellor LeMaistre
Deputy Chancellor Walker

[As a record for future years, Mrs. Roland K. Blumberg, Dr. Sterling H. Fly, Jr., and Mr. Jess Thomas Hay, appointed by Governor Dolph Briscoe on January 10, 1977, were confirmed by the Senate of the State of Texas on Thursday, February 24, 1977.]

BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING ON FEBRUARY 11, 1977. --Upon motion of Regent Sterling, seconded by Vice-Chairman Williams, the Minutes of the meeting of the Board of Regents of The University of Texas System held on February 11, 1977, in Austin, Texas, were approved as circulated by Secretary Thedford. The official copy is recorded in the Permanent Minutes, Volume XXIV, Page 1972.

EXPRESSION OF APPRECIATION FOR ART EXHIBIT AND MUSIC; INTRODUCTION OF STUDENT REPRESENTATIVES AND VISITORS. --Chairman Shivers called to the attention of those present the several pieces of art in the meeting room and the lobby on the ninth floor. He said there was an additional exhibit in the lobby on the first floor. This exhibit, consisting of art by students of the College of Fine Arts at The University of Texas at Austin, had been arranged by the immediate past President and the newly elected President of the Students' Association at U. T. Austin, Jay Adkins and Judy Spalding, respectively. Chairman Shivers expressed appreciation to Judy and Jay for this exhibit and also for their efforts in arranging, through President Rogers' office and Miss Thedford, for students of the Music Department to furnish music during the luncheon following the meeting.

Chairman Shivers commented that he noted several student representatives and other distinguished visitors. On behalf of the Board of Regents he said that visitors were always welcome to attend and that the Board was particularly delighted to have student representatives at the meeting. He asked the Chief Administrative Officers of the component institutions to introduce

these representatives and visitors. The following were introduced either at this time or later as they came into the meeting:

U. T. Arlington - President Nedderman presented:

Deborah Swift, Editor, the Shorthorn

U. T. Austin - President Rogers presented:

Judy Spalding, President of Students' Association
 Mark Luzzatto, Vice President of Students' Association
 Jay Adkins, past President of Students' Association
 Dave Haug, Student Senator
 Ed Edminster, Student Senator
 Fred Raschke, Senior Cabinet
 Mary Walsh, outgoing Editor, The Daily Texan
 Dan Malone, newly elected Editor, The Daily Texan
 Susan Rogers, Reporter, The Daily Texan
 Dana Ehrlich, Reporter, The Daily Texan

Galveston Medical Branch - President Levin presented:

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

Houston Health Science Center - Acting President Blocker presented:

Lance Kirkegaard, Medical Student Representative

U. T. Permian Basin - President Cardozier presented:

Mayor and Mrs. Dan Hemphill of Odessa, Texas

Chairman Shivers welcomed Mayor and Mrs. Hemphill and the student representatives.

RECESS. --The Board of Regents recessed at 9:15 a.m. to reconvene as soon as the Standing Committees had completed their meetings.

EXECUTIVE SESSION OF THE COMMITTEE OF THE WHOLE. --Following the Open Session of the Committee of the Whole, the Board of Regents retired to the Regents' Committee Room and convened as a Committee of the Whole in Executive Session pursuant to Article 6252-17, Sections 2 (e), (f) and (g), V.T.C.S. to consider:

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

RECONVENE. --Immediately after the meeting of the Executive Session of the Committee of the Whole (1:00 p.m.), the Board of Regents reconvened in the Regents' Meeting Room to receive the committee reports.

REPORTS OF STANDING COMMITTEES

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

REPORT OF SYSTEM ADMINISTRATION COMMITTEE (Pages 3-18). -- Vice-Chairman Williams, Chairman of the System Administration Committee, presented the following report and stated that all actions had been taken in open session. He moved adoption of the report, which motion prevailed:

Report

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

1. U. T. System: 1977-78 Budget Policies and Limitations for General Operating Budgets, Auxiliary Enterprises, Contract Areas, Current Restricted Funds, and Service and Revolving Fund Activities (10-B-77). -- It is recommended by Deputy Chancellor Walker that approval be given to the following 1977-78 Budget Policies and Limitations for General Operating Budgets, Auxiliary Enterprises, Contract Areas, Current Restricted Funds, and Service and Revolving Fund Activities subject to review and modification based on the current Appropriations Bill pending in the Sixty-fifth Legislature and that the Chief Administrative Officers of the component institutions be instructed to write the first draft of their operating budgets conservatively in accordance with these policies and limitations and to follow the 1977-78 calendar as set out on Page 5 :
 - a. Overall budget totals, including reasonable reserves, must be limited to the funds available for the year from:
 - (1) General Revenue Appropriations,
 - (2) Estimates of Local Income, and
 - (3) Limited use of Institutional Unappropriated Balances.
 - b. The recommendations for salary increases for both teaching and nonteaching personnel are subject to the current regulations and directives included in the General Appropriations Bill.
 - c. Selective merit salary advances may be provided for the faculty and professional staff. In the case of faculty, merit advances or advances in rank are to be on the basis of teaching effectiveness. This policy relating to faculty salary increases applies to all fund sources.
 - d. New faculty positions are to be based on conservative estimates of enrollment increases. Total faculty staffing should be reviewed in terms of planned increases in work load.

- e. Merit salary advances for classified personnel in accordance with the Personnel Pay Plan approved by the Board on February 11, 1977, may be given only to individuals who will have been employed by the institution for at least six months as of August 31, 1977.
- f. New classified positions are to be requested only where increased work load justifies.
- g. Maintenance, Operation, and Equipment items should be based only on such amounts as are needed. Increases are not to exceed amounts budgeted in 1976-77 except as related to increased work load, to new programs, or to newly developing institutions.
- h. Travel funds are to be shown as separate line items.
- i. All requests for Special Equipment must be supported with detailed descriptions and justifications.
- j. For U. T. Austin, the base budget is to be drafted excluding utilization of the Available University Fund.
- k. Maximum Salary Limitations (Medical Units - 12 Months Basis) for implementation beginning September 1, 1977:

<u>Rank</u>	<u>Maximum State Salary Rates</u>	<u>Maximum Remuneration</u>
Professor and Chairman	\$52,000	\$78,000
Professor	49,500	74,250
Associate Professor	44,000	66,000
Assistant Professor	39,000	58,500
Instructor	32,500	48,750

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

Remuneration may include professional income earned and deposited in the institutional trust fund account or other available trust or grant funds. Maximum remuneration is limited to 50 percent above the maximum State salary rate, by rank, except that in "Exceptional Situations" the limit is not to exceed 60 percent with the approval of the President or 75 percent with the approval of the Deputy Chancellor.

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1977-78 OPERATING BUDGET CALENDAR

February 1977	Approval of Policies
May 1, 1977	Four Draft Copies of budgets due to System Administration (including supplemental data)
May 16, 1977	Budget Hearings with System Administration
June 15, 1977	Thirty Copies of Budgets due to System Administration (with adjusted supplemental data as applicable)
July 1977	Budgets mailed to Board of Regents
July 1977	Regents' Budget Meeting

2. U. T. System: Medical Malpractice Self-Insured Plan (S.B. No. 391, 65th Legislature R. S.)(3-M-77). --Attention was called to the fact that the current medical malpractice insurance policy for The University of Texas at Austin is with the Hartford Insurance Company and expires March 31, 1977, and that the Medical Malpractice Insurance Bill (Senate Bill No. 391) has been passed by the Legislature and signed by the Governor effective April 1, 1977. With relation to this bill which The University of Texas System was in favor of, Deputy Chancellor Walker presented the following recommendations:

- a. Employment of a claims manager by U. T. System with compensation from the fund created.
- b. Employment of commercial claim services as needed in processing claims against the self-insurance fund.
- c. Employment of private outside counsel situated in the appropriate cities with overall coordination through the Office of General Counsel.
- d. Institutional premium charges at one half the rate charged by the Hartford Insurance Company for the year ending March 31, 1977.
- e. Continued fiscal management of the funds by the Medical Branch at Galveston with all other matters to be managed by the Office of General Counsel.
- f. Liability limits of \$200,000/\$600,000 for faculty and \$25,000/\$75,000 for house staff, until approval of the detailed plan of operation at the April 15, 1977 meeting; and further, that until such plan of operation becomes effective, and insofar as applicable (except for policy limits), System obligations and responsibilities shall be the same as those of the Hartford Insurance Company under the current policy. (For approval of detailed plan see Page 76.)

After a discussion of the liability limits in relation to the policy with Hartford Insurance Company and in view of the fact that the Board of Regents has the authority to change these limits, these recommendations were approved.

3. U. T. Arlington: Prior Approval of Patent Provisions in Agreement Between Electric Power Research Institute, Inc., and Texas Electric Service Company (Assigned to U. T. Arlington) and Prior Approval for Subsequent Agreements with EPRI (Compliance with Regents' Rules and Regulations, Part Two, Chapter V, Section 2.4)(7-CW-77). --

It is recommended by The University of Texas at Arlington that prior approval be given to the patent provisions of an agreement with the Electric Power Research Institute, Inc., a non-profit corporation, which the Texas Electric Service Company has received and proposes to assign to The University of Texas at Arlington for all purposes in connection with performance of work. Such approval, if granted, would provide that all patentable rights and discoveries that result from this agreement would be vested in EPRI for the benefit of the public at large.

It is further recommended that since the patent provisions submitted for approval are consistent with others previously approved in agreements with Electric Power Research Institute, Inc., and other such agreements with them are now pending, this approval will also constitute prior approval for such similar patent provisions in subsequent agreements with Electric Power Research Institute, Inc.

The Office of General Counsel has reviewed the patent provisions of the proposed agreement and the recommendations pertaining thereto and finds that these provisions are consistent with the Regents' Rules and Regulations, Part Two, Chapter V, Section 2.4. If this assignment is consummated, it will be reported in a subsequent Docket.

4. U. T. El Paso (School of Nursing): Affiliation Agreement with William Beaumont Army Medical Center of El Paso, El Paso, Texas (2-M-77); Request for Model Agreement with Armed Services. -- It is recommended by System Administration and U. T. El Paso that the affiliation agreement between the Board of Regents of The University of Texas System for and on behalf of the School of Nursing of The University of Texas at El Paso and the William Beaumont Army Medical Center, El Paso, Texas, be approved as set out on Pages 7-9.

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

This affiliation agreement is the customary agreement executed by The University of Texas System with a medical facility of the United States Government and provides clinical experiences for student nurses enrolled in the basic professional nursing program. Regent Law reluctantly voted in favor of its passage because of the manner in which it was prepared. He requested that the Office of General Counsel work out a model agreement with the Army for use in the future in a manner fair to both parties so that it can be interpreted without question.

AGREEMENT

I. BACKGROUND

1. The Board of Regents of The University of Texas System has established an approved professional program of special training at the School of Nursing of The University of Texas at El Paso in preparation for a Bachelor of Science Degree in Nursing. The program requires clinical facilities where the nursing student can obtain the clinical learning experience required in the curriculum.
2. The U. S. Army Medical facility, William Beaumont Army Medical Center, El Paso, Texas, has the needed clinical facilities for nursing students at the School of Nursing of 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 nursing students to use the clinical facilities of the U. S. Army Medical facility, William Beaumont Army Medical Center, to obtain their clinical learning experience.
3. The U. S. Army Medical facility, William Beaumont Army Medical Center, and the Department of the Army will benefit from making clinical facilities available to nursing students of The University of Texas at El Paso. The Army will obtain the students' clinical learning experience while contributing to the educational preparation of a future supply of nurses.
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. The affiliation is controlled by and subject to title 5, US Code, section 5351-6, 8144, and 8331-2, AR 351-24.

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 nursing by the student nurses enrolled in the basic professional nursing 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 clinical learning experience schedules that will not conflict with those of the educational institutions.

c. Designate an Army Nurse Corps officer to coordinate the students' clinical learning experience in the nursing service. This will involve planning with faculty or staff members for the assignment of students 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 students' clinical learning experience, reasonable classroom, conference room, office, and storage space for participating students and their faculty or staff supervisors, if assigned, and if feasible, dressing and locker room space.

e. Permit, on a 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 School of Nursing.

f. To provide the privilege of eating meals in the hospital dining facility providing the rate is paid that is charged a civilian employee or guest.

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

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

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

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

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

e. Enforce rules and regulations governing students 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 students and faculty or staff members of any material relative to their clinical learning experience that has not been reviewed by the Army Medical facility in order to assure that no classified information is inadvertently published, that infringement of patients' right to privacy is avoided, and that accuracy with respect to military procedures is complete. Any article written by a student which has been based on information acquired through his clinical learning experience must clearly reflect that DA does not endorse the article, even where a review has been made prior to publication. This is accomplished by requiring a disclaimer paragraph to appear with each such article written: "The opinion and conclusions presented herein are those of the author and do not necessarily represent the views of the Army Medical Facility, the Department of the Army, or any other governmental agency."

III. TRAINING

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

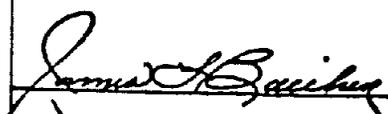
EXECUTED by the parties on _____, 197 .

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

By _____

ATTEST:



James L. Baliker 28 NOV 1976
 LTC, MSC
 Asst to C, Prof Svcs

By 

William Beaumont Army Medical Center
 CHARLES C. PIXLEY, M.D.
 Major General, Medical Corps
 Commanding

Approved as to Form:

Approved as to Content:



 University Attorney



 Deputy Chancellor



 Associate Deputy Chancellor for
 Academic Affairs

5. Houston Health Science Center: Approval for Dr. Edward J. McLaughlin to Serve with a Group Regarding Special Grant Applications, H. E. W. (Regents' Rules and Regulations, Part One, Chapter III, Sections 13.10 and 13.11)(8-CW-77). --System Administration recommends that Dr. Edward J. McLaughlin, Vice President for Operations and Planning at The University of Texas Health Science Center at Houston, be permitted to serve on March 6, 7 and 8, 1977, with a group to review certain FY77 Special Project Grant Applications for the Bureau of Health Manpower of the Department of Health, Education and Welfare. The rate of compensation is \$100 consultation fee per day plus transportation and miscellaneous expenses.

This appointment is of benefit and interest to the University and to the State of Texas and creates no conflict with Dr. McLaughlin's position with the Houston Health Science Center. It is in compliance with Regents' Rules and Regulations, Part One, Chapter III, Section 13.10 and was submitted for approval by the Board of Regents in accordance with Section 13.11.

6. San Antonio Health Science Center: Approval for Dr. Michael J. K. Harper to Serve on Contraceptive Contract Review Committee, National Institutes of Health (Regents' Rules and Regulations, Part One, Chapter III, Sections 13.10 and 13.11)(9-CW-77). --It is recommended by President Harrison, concurred in by System Administration, that Dr. Michael J. K. Harper, Associate Professor, Department of Obstetrics and Gynecology at The University of Texas Health Science Center at San Antonio, be given permission to serve on the Contraceptive Development Contract Review Committee of the National Institute of Child Health and Human Development, National Institutes of Health for the period beginning April 15, 1977, and ending June 30, 1980. The committee will meet for one or two days three times a year, and Dr. Harper will receive an honorarium of \$100 per day plus travel expenses.

This appointment is of benefit and interest to the University and to the State of Texas and creates no conflict with Dr. Harper's position with the San Antonio Health Science Center. It is in compliance with Regents' Rules and Regulations, Part One, Chapter III, Section 13.10 and was submitted for approval by the Board of Regents in accordance with Section 13.11.

7. U. T. Arlington, U. T. Austin, U. T. San Antonio, Dallas Health Science Center (Dallas Southwestern Medical School), Houston Health Science Center (Houston Medical School) and San Antonio Health Science Center (San Antonio Medical School): Amendments to 1976-77 Budgets (9-B-77 and 11-B-77). --Upon the recommendation of the appropriate chief administrative officer, concurred in by System Administration, the amendments to the 1976-77 Budgets set out on Pages 10-18 are submitted for approval:

- The University of Texas at Arlington, Page 11
- The University of Texas at Austin, Pages 11-16
- The University of Texas at San Antonio, Page 16
- The University of Texas Health Science Center at Dallas (Dallas Southwestern Medical School), Page 16
- The University of Texas Health Science Center at Houston (Houston Medical School), Page 17
- The University of Texas Health Science Center at San Antonio (San Antonio Medical School), Page 18

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

THE UNIVERSITY OF TEXAS AT ARLINGTON

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
10.	Robert Noblitt Intercollegiate Athletics	Assistant Football Coach	Assistant Football Coach	
	Salary Rate	\$ 16,206	\$ 18,500	1/1/77
	Source of Funds: Intercollegiate Athletics - Unallocated Account			

THE UNIVERSITY OF TEXAS AT AUSTIN

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Item No.	Explanation	Present Status	Proposed Status	Effective Dates
33.	William H. Goetzmann (Tenure) History and American Studies	Stiles Professor	Stiles Professor	
	Total Salary (9 mos.)	\$ 38,500	\$ 43,000	2/1/77
	Academic Rate (9 mos.)	34,500	39,000	
	Source of Funds: Unallocated Faculty Salaries			
34.	Humanities Research Center Transfer of Funds	From: Available University Fund Unappropriated Balance (Allocation for Operation and Capital Improvements)	To: Humanities Research Center - Research and Teaching Materials in: General Literature \$ 505,000 Fine Arts 50,000 Library 50,000 Social Sciences 100,000 Special Equipment 21,794 <u>\$ 726,794</u>	
	Amount of Transfer	\$ 726,794		---

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THE UNIVERSITY OF TEXAS AT AUSTIN

The request is for an allocation for special acquisitions and programs of the Humanities Research Center for the current year. The major request is for \$500,000 for acquisition of new research materials. We have the opportunity to purchase some important additions to our collections in the following fields: General Literature, Fine Arts, Library, and Social Sciences. We have already requested and received approval for \$462,000 to be used in cataloguing the backlog of materials already purchased. It is extremely important to proceed as rapidly as possible in the cataloguing process to get these materials in useable form.

Furnishings and preparation of the Tom Lea rooms will cost \$21,794. The idea for the Tom Lea Rooms grew from meetings among several people in the State of Texas who had collected Lea's work over the years and wished to help create a permanent tribute to this well-known figure in Texas arts and letters. Dr. Frank Connally of Waco and Mrs. Betty Donaldson of El Paso were perhaps instrumental in generating enthusiasm for the concept.

Since the late Chancellor Emeritus Harry Ransom moved his offices to Sid Richardson Hall, the space on the third floor of the Ransom Center originally designed for Dr. Ransom has awaited further development. We felt it would be highly appropriate to convert this space to the Tom Lea Rooms where paintings, books, and graphic art will be on permanent exhibit. The space is well suited for displaying a large amount of material, and the minimum of alterations will provide secure exhibit areas for books and small drawings to be shown and wall space for the presentation of larger paintings. The area, to be known as the Tom Lea Rooms, will provide maximum exposure for the Lea Collections as well as afford a highly suitable location for receptions, conferences, and other appropriate meetings. In addition, the Lea Rooms will be open to the public during the normal working hours of the Center. The basement of the Harry Ransom Center contains excellent storage facilities for paintings which will allow the Collection to grow and will make possible changing exhibits of paintings in the third floor suite to correlate with special occasions. Costs include the selection and acquisition of furnishings for the Tom Lea Rooms; transportation of furnishings and of paintings on loan - materials coming from El Paso; refinishing for two conference tables and eighteen chairs presently on hand; and installation of track lighting system for exhibition areas.

Mr. and Mrs. Lea and a good number of their friends have already indicated formally or informally that The University of Texas at Austin will be the recipient of substantial gifts relating to Texas arts and letters in general and Lea's work in particular. Of course, manuscripts and correspondence given my Mr. Lea and others will be made available for students and scholars through the Fifth Floor Reading Room of the Humanities Research Center where they can be used in conjunction with the J. Frank Dobie papers, the Encino Press materials, and papers of other writers with whom Tom Lea has been associated.

Dr. Frank Connally has already presented to The University of Texas at Austin his Tom Lea Collection appraised at the current market value of over \$80,000. The Leas are presently making plans for their materials to become a permanent part of the collections here. In addition, there are a number of friends of the Leas who have agreed to lend materials to the collections for the present time with the idea that they will be making a permanent commitment some time in the future to The University of Texas at Austin.

THE UNIVERSITY OF TEXAS AT AUSTIN

This opportunity to create the Tom Lea Rooms in the Harry Ransom Center on this campus seems to hold excellent opportunities for further development work at U. T. Austin. Tom Lea is one of the best known figures in Texas arts and letters because of his accomplishments as an easel painter, a muralist, a book illustrator, a war correspondent, and a writer. His murals are represented in public buildings in El Paso, Washington, Dallas, and Odessa, while his easel works are represented in the Dallas Museum of Fine Arts, the El Paso Museum of Art, the Time-Life Collections, and many private collections. He is undoubtedly known for his books which include The Brave Bulls, The Wonderful Country, and The Hands of Cantu, but perhaps most notable is his definitive two-volume history, The King Ranch.

In converting the above-mentioned space on the third floor of the Harry Ransom Center to the Tom Lea Rooms, we feel it is appropriate to create an environment which will not only be attractive in itself but also provide a harmonious setting in which the Lea Collections can be housed and shown.

Dr. Ransom had already made arrangements for purchase of several collections from the House of El Dieff, which are included in the General Literature item listed above at \$205,000. These collections include the corrected proofs of the works of George Eliot from the archives of the publishers, William Blackwood and Sons, Ltd., 1857-1880; a comprehensive collection of first and early editions by and about the Nobel Prize winner, Samuel Barclay Beckett; and research materials and correspondence from the collection of Siegfried Sassoon, including correspondence and published and unpublished manuscripts.

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Item No.	Explanation	Present Status	Proposed Status	Effective Dates
35.	Auxiliary Enterprises - Division of Housing and Food Service			
	Transfer of Funds	From: Division of Housing and Food Service - Unappropriated Balance	To: Men's Residence Halls - Brackenridge, Roberts, Prather Women's Residence Halls - Andrews, Carothers Kinsolving	
			\$ 22,094 7,000 <u>3,334</u>	
	Amount of Transfer	\$ 32,428	<u>\$ 32,428</u>	---

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THE UNIVERSITY OF TEXAS AT AUSTIN

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
36.	Auxiliary Enterprises - Intercollegiate Athletics for Men Transfer of Funds	From: Intercollegiate Athletics for Men Unappropriated Balance	To: Intercollegiate Athletics for Men Operating Budget Professional Salaries Wages Other Operating Expenses	
	Amount of Transfer	\$ 107,000	\$ 70,500 11,500 25,000 <u>\$107,000</u>	---

The names of the new staff and the full-time twelve-months salary rates are listed below:

Head Football Coach
Fred S. Akers \$ 45,000

Assistant Football Coach
Robert S. Fuller \$ 27,000
Alan D. Lowry 19,000
W. Leon Manley 27,500
Michael Parker 23,000
James A. Raye 24,000

Consultant to the Athletics
Director for Men
Richard M. Patterson \$ 23,100

Assistant Basketball Coach
Herman S. Moeller \$ 17,000

37.	Archer M. Huntington Museum Fund Transfer of Funds	From: Huntington Museum Fund Unappropriated Securities Income	To: Archer M. Huntington Museum - Purchase of Latin American Paintings	
	Amount of Transfer	\$ 55,000	\$ 55,000	---

THE UNIVERSITY OF TEXAS AT AUSTIN

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
38.	William L. Fisher (Tenure)			
	Bureau of Economic Geology	Director (on Leave of Absence)	Director	
	Salary Rate - 12 mos.	(\$ 33,088)	\$ 40,000	1-26-77
	Department of Geological Sciences	Professor (on Leave of Absence)	Professor	
	Academic Rate - 9 mos.	(\$ 24,816)	\$ 30,000	1-26-77
	Source of Funds:			
	Bureau of Economic Geology -			
	Administrative and Professional Salaries			
39.	Sally S. Leach			
	Humanities Research Center	Professional Librarian	Professional Librarian	
	Salary Rate	\$ 15,215	\$ 17,500	3-1-77
	Source of Funds:			
	Transfer from Classified Salaries			
40.	Kenneth D. Dabbs			
	Intercollegiate Athletics for Men	Assistant Football Coach	Assistant Football Coach	
	Salary Rate	\$ 18,900	\$ 22,000	2-1-77
41.	David L. McWilliams			
	Intercollegiate Athletics for Men	Assistant Football Coach	Assistant Football Coach	
	Salary Rate	\$ 18,900	\$ 23,000	2-1-77
42.	Auxiliary Enterprises - Division of Housing and Food Service			
	Transfer of Funds	From: Division of Housing and Food Service Unappropriated Balances	To: Jester Center Halls - \$26,600 Women's Residence Halls - Kinsolving Dormitory <u>4,500</u>	
	Amount of Transfer	\$ 31,100	<u>\$31,100</u>	---

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THE UNIVERSITY OF TEXAS AT AUSTIN

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
43.	Auxiliary Enterprises - Student Government - Senior Cabinet and Student Councils Transfer of Funds	From: Senior Cabinet and Student Councils Unappropriated Income	To: Senior Cabinet and Student Councils - Allocation for Budget Adjustments	
	Amount of Transfer	\$ 3,978	\$ 3,978	---

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
11.	Institute of Texan Cultures Transfer of Funds	From: Unappropriated Balance (Institute of Texan Cultures)	To: Institute of Texan Cultures - Unallocated Maintenance and Operation	
	Amount of Transfer	\$ 9,738	\$ 9,738	---

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>			<u>Proposed Status</u>			<u>Effective Dates</u>
		<u>Salary Rate</u>	<u>Augmentation</u>	<u>Total Compensation</u>	<u>Salary Rate</u>	<u>Augmentation</u>	<u>Total Compensation</u>	
<u>Dallas Southwestern Medical School</u>								
21.	James W. Aston, Jr. (Non-tenure) Surgery Assistant Professor of Orthopedic Surgery Source of Funds: Unallocated Faculty Salaries	\$ 26,000	\$ 17,000	\$ 43,000	\$ 31,400	\$ 17,000	\$ 48,400	2/1/77

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Houston Medical School</u>								
18.	Roger T. Stone Biochemistry and Molecular Biology Research Fellow Source of Funds: NIH Grant	\$ 8,500	\$ ---	\$ 8,500	\$ 10,500	\$ ---	\$ 10,500	2/1/77
19.	Jeremy J. Hammond Internal Medicine - General Teaching Fellow	\$ 11,400	\$ ---	\$ 11,400	\$ 14,000	\$ ---	\$ 14,000	2/1/77
20.	Vaseem Ali (Non-tenure) Obstetrics and Gynecology Instructor Source of Funds: Departmental Salaries and MSRDP	\$ 18,000	\$ ---	\$ 18,000	\$ 20,000	\$ 2,000	\$ 22,000	2/1/77
21.	John Talmadge (Non-tenure) Psychiatry Assistant Professor Source of Funds: MSRDP	\$ 30,000	\$ 3,000	\$ 33,000	\$ 30,000	\$ 5,000	\$ 35,000	2/1/77
22.	Robert H. McGhee Space Planning Division Salary Rate Source of Funds: Transfer from Classified Salaries account		Director \$ 17,200		Director \$ 20,500			3-1-77

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	<u>San Antonio Medical School</u>							
10.	John T. Harrington (Tenure) Medicine Associate Professor Source of Funds: MSRDP	\$ 35,000	\$ 4,200	\$ 39,200	\$ 35,000	\$ 6,900	\$ 41,900	3-1-77
11.	George A. Gates (Tenure) Surgery Professor Source of Funds: Unallocated Salaries	\$ 33,000	\$ 22,000	\$ 55,000	\$ 36,000	\$ 22,000	\$ 58,000	3-1-77

APR 1 1977 2000

REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (Pages 19 - 26). -- Committee Chairman Sterling reporting on behalf of the Academic and Developmental Affairs Committee stated that all actions had been taken in open session. He submitted the following report which was adopted:

Report

In open meeting this morning, the Academic and Developmental Affairs Committee approved the following and now submits them to the full Board for ratification:

1. U. T. System: Deputy Chancellor's Docket No. 11 (Attachment No. 1) (Catalog Change). -- Committee Chairman Sterling reported that no exception had been received to Deputy Chancellor's Docket No. 11. At the meeting no objections were offered during the consideration of the Docket, and the Docket was unanimously approved in the form distributed by the Secretary. It is attached (Attachment No. 1) following Page 91 and made a part of these Minutes.

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

2. U. T. Austin: Appointment of Dr. Robert L. Folk Initial Holder of the J. Nalle Gregory Professorship in Sedimentary Geology. -- Upon the recommendation of President Rogers, concurred in by System Administration, Dr. Robert L. Folk was appointed the initial holder of the J. Nalle Gregory Professorship in Sedimentary Geology at The University of Texas at Austin effective September 1, 1977, contingent upon the establishment of the J. Nalle Gregory Professorship which is being proposed in the Land and Investment Committee. (See Page 52 for establishment.)

Dr. Folk is a distinguished scholar and is internationally recognized for his excellent contributions in the field of sedimentary geology. He excels as a teacher at the graduate level as well as at the freshman level having received teaching excellence awards.

3. U. T. Austin: Extension of Appointment of Professor Kazuya Sakai to Edward Larocque Tinker Chair in Latin American Studies as Visiting Professor of Art for First 1977 Summer Term. -- Approval was given to the appointment of Professor Kazuya Sakai to the Edward Larocque Tinker Chair as Visiting Professor of Art in Latin American Studies at The University of Texas at Austin for the first summer term, June 1 to July 15, 1977. This appointment is made in accordance with the conditions of the endowment of the Edward Larocque Tinker Chair in Latin American Studies and in accordance with the Regents' policy with respect to endowed academic positions.

Professor Sakai was originally appointed Visiting Professor for the 1977 Spring Semester by the Board of Regents at its meeting on February 11, 1977.

4. U. T. Austin--Required and Optional Student Services Fees: Student Services Fee (Required), Hospital Fee, Medical Services Fee, Texas Union Fee, Special Student Union Fee, Student Services Fee (Optional) and Student Spouse Services Fee (Optional). -- Upon the recommendation of President Rogers, concurred in by System Administration, the following Schedule of Student Services Fees (Optional and Required) at The University of Texas at Austin were approved effective 1977-78; and it was ordered that the first catalog published hereafter by U. T. Austin be amended to conform. Regent Law expressed the hope that there would be student input in the allocation of the Student Services Fee (Required):

SCHEDULE OF STUDENT SERVICES FEES
Effective 1977-78

Required Fees

1. Student Services Fee (Required). --
The Student Services Fee (Required) at The University of Texas at Austin was set at \$2.32* per semester credit hour with a maximum of \$27.84 per full time student per semester or summer session.

The Student Services Fee (Required) will support the following activities:

- (a) Students' Attorney
- (b) The Daily Texan
- (c) Recreational Sports
- (d) Health Center Supplement
- (e) Shuttle Bus
- (f) Students' Association**
- (g) Senior Cabinet **

Specific budgetary allocations will be submitted with the regular budget for Regental approval.

2. Other Student Fees (Required).

	Summer Session			Long-Session Semester
	6 weeks or less	9 weeks	12 weeks	
(a) Hospital Fee	\$2.00	\$ 3.00	\$ 4.00	\$ 4.00
(b) Medical Services Fee	7.50	11.25	15.00	15.00
(c) Texas Union Fee	3.50	7.00	7.00	7.00
(d) Special Student Union Fee	1.50	3.00	3.00	3.00

* Increased.

** Added.

Optional Fees

1. Student Services Fee (Optional). --
The following optional student services fees were approved on a nine months' basis unless otherwise noted:

	<u>Academic Year</u>	<u>Spring Semester</u>
a. Intercollegiate Athletics for Men and Women	\$26.00	\$9.00
b. Cultural Entertainment Committee	10.00	5.00
c. Locker and Shower Fee (one semester)	.75	
d. <u>The Cactus Yearbook*</u>	10.50	
e. <u>Peregrinus Law School Yearbook*</u>	7.35	
f. "C" Parking Permit for Automobile	10.00	
"C" Permit for Spring Semester		6.00
g. "M" Parking Permit for Motorcycle	6.00	
"M" Permit for Spring Semester		4.00
h. "C" or "M" Permits--summer only		2.00

2. Student Spouse Services Fee (Optional). --
The Student Spouse Services Fee (Optional) which is for spouses of students, faculty and staff who wish to purchase these services was set as follows:

	<u>Academic Year</u>	<u>Spring Semester</u>
a. Cultural Entertainment Committee	\$10.00	\$ 5.00
b. Intercollegiate Athletics for Men and Women *	38.00	13.00

* Increased.

5. U. T. Austin: Rates for Residence Halls, University Apartments - Married Student Housing and Student Cooperative Units Effective 1977-78 (Catalog Change). --In considering proposed rates for residence halls, University apartments - married student housing and student cooperative units at The University of Texas at Austin, it was noted that the rates were last revised in 1975-76. In order to meet increased operating and fixed costs, to avoid drastic reduction of services and to equalize the rates charged for certain facilities, President Rogers, concurred in by System Administration, recommended the rate schedule effective 1977-78 on Pages 22-24 .

Rate Schedule Effective 1977-78

University Residence Halls

<u>Double Rooms</u>	<u>Long Session Rate</u>		
	<u>Room</u>	<u>Meals</u>	<u>Total</u>
Jester			
Community Bath	\$632	\$848	\$1480
Connecting Bath	786	848	1634
Kinsolving			
Community Bath	632	848	1480
Connecting Bath	786	848	1634
Blanton			
	632	848	1480
Andrews, Carothers and Littlefield			
	418	848	1266
Moore-Hill and Simkins			
	632		632
Brackenridge-Roberts-Prather			
	418		418
Andrews			
	418		418

- a. These rates include a telephone in each room, biweekly room cleaning, bed linens furnished and laundered and twenty meals per week where meals are included.
- b. Payment procedure will be as during the 1976-77 fiscal year.

Other Rates

- a. Single room rate and double rented as a single--1-2/3 times the double rate.
- b. Summer session rates--long session per diem rate multiplied by number of days in summer session.
- c. Guest rates:
Overnight guests--\$1.00 per night.

Meal guests	
Breakfast	\$1.35
Lunch	2.00
Dinner	2.55
Sunday Noon	2.95

- d. Short-term and Orientation Rates
 - (1) Short-term rates are for individuals or small groups assigned in vacant areas in regular student space for short periods of a few days to several weeks. These rates include the student menu, blankets, bed linens and limited maid service.

- (2) Orientation rates are used for incoming freshmen attending Summer Orientation assigned in space opened for these groups each summer. The rates include the student menu, blankets, bed linens and limited maid service.

	<u>Daily Rate Per Person</u>	<u>Weekly Rate Per Person</u>
<u>Short Term</u>		
Meals	\$ 5.90	\$35.40
Double Room	4.75	28.50
	<u>\$10.65</u>	<u>\$63.90</u>
Single Room	\$ 7.00	\$42.00
<u>Orientation</u>		
Meals	\$ 5.90	
Double Room	6.35	
	<u>\$12.25</u>	
Single Room	\$ 9.55	

e. Conference Rates*

- (1) Full Service - Opened specifically for conference use each summer in connecting bath space. The rate includes expanded menu, blanket, pillow, soap, daily towel and washcloth exchange, limited daily maid service, bed linens changed every three days, and meeting space.

	<u>Daily Rate Per Person</u>	
Meals	\$ 8.00	
Double Room	9.00	
	<u>\$17.00</u>	
Single Room	\$13.50	(1 1/2 times the double rate)

- (2) Modified Service - A special reduced conference rate in community bath space. The regular student menu is used and services are reduced.

	<u>Daily Rate Per Person</u>	
Meals	\$ 5.90	
Double room	7.50	
	<u>\$13.40</u>	
Single Room	\$11.25	(1 1/2 times the double rate)

- * The Full and Modified Conference Rates are base rates and are adjusted to provide specific services as requested.

f. Late Payment Fee:

University Residence Halls and University Apartments	\$5.00 flat fee
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University Apartments - Married Student Housing

	<u>Monthly Rate</u>
Brackenridge-Deep Eddy	
(All units unfurnished)	
1 bedroom apartment	\$ 61
2 bedroom duplex	66
2 bedroom apartment	69
3 bedroom apartment	76
4 bedroom apartment	84
Mobile Home Lot	26
Colorado Apartments	
(Unfurnished)	
1 bedroom	107
2 bedroom	119
(Furnished)	
1 bedroom	119
2 bedroom	131
Gateway Apartments	
(Unfurnished)	
1 bedroom	107
2 bedroom	119
(Furnished)	
1 bedroom	119
2 bedroom	131

- a. Rates for Brackenridge-Deep Eddy and Colorado Apartments include gas and water. Rates for Mobile Home Park and Gateway Apartments include only water.
- b. The student pays the electric bill in all units.
- c. The deposit for all units is \$50.
- d. Late Payment Fee for University residence halls and University apartments is a flat fee of \$5.

Student Housing Units - Women's Cooperatives

Number of Students Per Co-Op	Rate	
	<u>Building Rent per Student</u>	<u>Monthly Rent Paid to University</u>
Nonair-Conditioned		
16 (6 co-ops)	\$24	\$384
Air-Conditioned		
17 (2 co-ops)	\$36	\$612
20 (4 co-ops)	\$36	\$720

The recommended schedule was adopted by unanimous vote of the committee.

It was ordered that the next catalog published at U. T. Austin be amended to conform to this authorization.

6. U. T. Dallas: Late Registration Fee, Dissertation Fee and Fee for Official Transcripts (Catalog Change). -- Relating to fees at The University of Texas at Dallas, the recommendations of President Jordan, concurred in by System Administration, were approved as follows:
- a. Establishment of a Late Registration Fee of \$1 per class day up to a maximum of \$5.
 - b. Establishment of a Dissertation Fee of \$31 for services of microfilm reproduction and registration of student's doctoral dissertation.
 - c. Increase in Transcript Fee to \$2.

It was ordered that the next catalog published by U. T. Dallas be amended to incorporate these changes.

7. U. T. Dallas: Approval to Negotiate with the National Association for Retarded Citizens on Headquarters Location. -- Approval was given for The University of Texas at Dallas to negotiate with the National Association for Retarded Citizens [a Tennessee nonprofit corporation with 501 (c)(3) Federal tax status] concerning the possibility of locating its headquarters and its Research and Demonstration Institute on the campus of U. T. Dallas with the understanding that no agreements will be made without prior approval of the Board.
8. U. T. El Paso: Rates for Residence Halls Effective with the Fall Semester, 1977 (Catalog Change). -- Upon the recommendation of President Templeton, concurred in by System Administration, the Academic and Developmental Affairs Committee approved an increase in the residence halls room and board rates effective with the fall semester of 1977. The following schedule reflects the adjusted rates:

Kelly and Barry Halls - Room and Board

Semester Contract - 4 1/2 months	
Double Room	\$ 600
Single Occupancy	725
Long Session Contract - 9 months	
Double Room	1,150
Single Occupancy	1,400
Summer Session - Each Term	
Double Room	215
Single Occupancy	265

Kelly Hall Only - Room and Board

Semester Contract - 4 1/2 months	
Suite - 4 persons	635
Long Session Contract - 9 months	
Suite - 4 persons	1,220
Summer Session - Each Term	
Suite - 4 persons	228

Each room and suite is provided with a telephone. Twenty meals per week are provided for board.

It was ordered that the next catalog published at U. T. El Paso be amended to reflect these increased rates.

9. U. T. San Antonio (Institute of Texan Cultures): Approval to Accept Appointment as the Successor Agency for the American Revolution Bicentennial Commission of Texas and to Accept all Archival Material and Office Equipment. --System Administration reported that The University of Texas at San Antonio had received notice from Secretary of State Mark White that the American Revolution Bicentennial Commission of Texas had voted to name the Institute of Texan Cultures its successor agency. This commission will by law be abolished June 1, 1978.

Approval was given to accept the appointment of The University of Texas Institute of Texan Cultures at San Antonio as the successor agency for the American Revolution Bicentennial Commission of Texas. The Academic and Developmental Affairs Committee authorized acceptance of gifts of office equipment valued at \$4,315.99 and related archival materials. Because of the unique character of the Institute of Texan Cultures, Committee Chairman Sterling thought this was a wonderful place for these records to be kept.

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 26 - 42).-- Committee Chairman Bauerle presented the following report of the meeting of the Buildings and Grounds Committee and moved its adoption. The motion prevailed:

Report

The Buildings and Grounds Committee met at 9:30 a. m. in open session and approved the following actions based on the recommendations as indicated:

1. U. T. System - Ashbel Smith Hall - Completion of Sixth Floor: Award of Contract for Furniture and Furnishings to Abel Contract Furniture & Equipment Co., Inc., Austin, Texas. --Although only one bid was received in response to 20 invitations issued with respect to the furniture and furnishings for the Completion of the Sixth Floor of Ashbel Smith Hall, The University of Texas System, it was determined by the Administration that a rebid would probably not accomplish improved results. The bid received was for less than the amount estimated for this work.

Therefore, System Administration recommended and the Buildings and Grounds Committee authorized that a contract be granted to Abel Contract Furniture & Equipment Co., Inc., Austin, Texas, the lowest and only bidder, for the furniture and furnishings for the Sixth Floor of Ashbel Smith Hall as follows:

Base Bid "A" (General Furniture)	\$31,470.25
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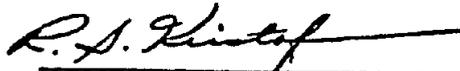
The funds necessary to cover this contract award are available in the Furniture and Equipment Account for the project.

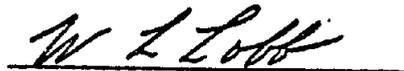
2. U. T. System - West Texas Lands - Warehouse Building: Report of Committee and Ratification of Contract Award to Abbott Building Company, Midland, Texas. --The following report of the special committee appointed at the February 11, 1977 meeting of the Board of Regents to award a construction contract for a West Texas Lands - Warehouse Building on Lot 9, Block 5, Midland Industrial District, Midland, Texas, was received together with a tabulation of the bids on which the contract award was based:

February 25, 1977

TO THE BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM:

The Special Committee appointed at the Regents' Meeting held February 11, 1977, has awarded a contract in the amount of \$43,000.00 to the low bidder Abbott Building Company, Midland, Texas, for The University Lands Field Office and Storage Building, Midland, Texas.


R. S. Kristoferson


W. L. Lobb


Graves W. Landrum


E. D. Walker


Allan Shivers

The Buildings and Grounds Committee ratified the action of the special committee.

It was pointed out that monies previously appropriated for conservation and land utilization projects are available for this contract award, fees and miscellaneous expenses within a total project cost of \$45,830.

3. U. T. Arlington - College of Business Administration Building: Contract Awards for Furniture and Furnishings to Rockford Furniture and Carpets, Inc., Austin, Texas; American Desk Mfg. Company, Temple, Texas; and Carpet Services, Inc., Dallas, Texas. --Based upon a tabulation of the bids received and upon the recommendation of President Nedderman and System Administration, contracts for the furniture and furnishings for the College of Business Administration Building at The University of Texas at Arlington were awarded to the companies submitting the lowest and best acceptable bids as set out below:

Rockford Furniture and Carpets, Inc.
Austin, Texas

Base Bid "A" (General Furniture)	\$ 380,702.81
Add Alternate No. 1	17,838.06
Add Alternate No. 2	59,539.68
Add Alternate No. 3	84,710.62
Add Alternate No. 4	1,794.79
Base Bid "D" (Lounge Furniture)	<u>32,128.72</u>
Total Contract Award to Rockford Furniture and Carpets, Inc.	\$ 576,714.68

American Desk Mfg. Company
Temple, Texas

Base Bid "B" (Classroom Seating)	111,123.72
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Carpet Services, Inc.
Dallas, Texas

Base Bid "C" (Carpet)	<u>95,600.00</u>
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Grand Total Contract Awards	<u>\$ 783,438.40</u>
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The funds necessary to cover these contract awards are available within the previously appropriated funds for the project.

4. U. T. Arlington - Remodeling of College Hall: Approval of Final Plans and Authorization to Advertise for Bids. --Upon the recommendation of President Nedderman and System Administration, the final plans and specifications for the Remodeling of College Hall at The University of Texas at Arlington were approved. These plans and specifications were prepared by the Project Architect, Willard Reavis, Arlington, Texas, and provide for the remodeling of approximately 20,000 gross square feet at an estimated total project cost of \$695,000. The project includes a new mechanical system and provides renovated space for the military science program and library, faculty offices and six classrooms.

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

5. U. T. Arlington - Remodeling of Life Science Building: Approval of Final Plans and Authorization to Advertise for Bids. --Upon the recommendation of President Nedderman and System Administration, the final plans and specifications prepared by the Project Architect, Albert S. Komatsu and Associates, Fort Worth, Texas, for the Remodeling of the Life Science Building at The University of Texas at Arlington were approved at an estimated total project cost of \$1,600,000. These plans and specifications provide for the remodeling of approximately 53,000 gross square feet of space in this building for use by the Departments of Psychology and Biology.

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

6. U. T. Arlington - Remodeling of Trinity Hall: Report and Approval of Feasibility Study; Authorization for Project; Appointment of Sowden-Kelly-Barfield, Architects and Engineering Planners, Project Architect and Appropriation Therefor. --With respect to the Remodeling of Trinity Hall for use as an improved residential facility for men at The University of Texas at Arlington, and upon the recommendation of President Nedderman and System Administration, the Buildings and Grounds Committee:
- a. Accepted the feasibility study prepared by the Project Architect, Sowden-Kelly-Barfield, Architects and Engineering Planners
 - b. Authorized the Remodeling of Trinity Hall at an estimated total project cost of \$1,300,000, and appointed the firm of Sowden-Kelly-Barfield, Architects and Engineering Planners, Fort Worth, Texas, Project Architect, with authorization to prepare preliminary plans to be presented to the Board of Regents at a future meeting
 - c. Appropriated \$35,000 from Unappropriated Plant Funds - Interest on Bond proceeds for fees and related project expenses

A copy of this feasibility study has been retained in the Secretary's files.

7. U. T. Austin - College of Fine Arts and Performing Arts Center - Music Practice Room Prefabricated Modules: Award of Contract to Wenger Corporation, Owatonna, Minnesota. --The Administration reported that the 115 Music Practice Room Prefabricated Modules in the building construction contract award for the construction of the College of Fine Arts and Performing Arts Center (Fine Arts Library and Administration Building, Music Building and Recital Hall, Opera Lab theatre, Drama Workshops, Concert Hall and Site Development) at The University of Texas at Austin would be initially installed for an interim use of approximately three years in the Old Printing Building located at Manor Road and Red River Street on the U. T. Austin campus. The cost of purchasing the modules, including

initial installation and subsequent reinstallation within the completed Music Building under acoustical performance warranties was estimated to be \$675,000. Bids for these modules had been opened on April 5, 1977.

Based upon a tabulation of the bids, and upon the recommendation of President Rogers and System Administration, a contract in the amount of \$619,887 for the procurement of the initial installation and subsequent dismantling, transporting and installing of the Music Practice Room Prefabricated Modules within the Music Building segment of the College of Fine Arts and Performing Arts Center at U. T. Austin was awarded to the corporation submitting the lowest and best acceptable bid, Wenger Corporation, Owatonna, Minnesota.

- 8. U. T. Austin - Waller Creek Improvements: Report of Committee; Ratification of Contract Award for Phase II to J. C. Evans Construction Company, Inc., Austin, Texas; Rejection of Bids for Phase I-B; and Appropriation Therefor. --The following report of the special committee appointed at the December 10, 1976 meeting of the Board of Regents to award a construction contract for Phases I-B and II of the Waller Creek Improvements project at The University of Texas at Austin was received together with a tabulation of the bids on which the contract award was based:

January 14, 1977

To the Board of Regents of
The University of Texas System

The Special Committee appointed at the Regents' Meeting held December 10, 1976, has:

- a. Received the Economic Development Administration's notification of January 12, 1977, disapproving the application for Federal Assistance under the Local Public Works Capital Development and Investment Act of 1976 for a grant of \$1,007,800.00 for construction of Phases I-B and II of Waller Creek Improvements at The University of Texas at Austin.
- b. Reviewed the bids received on December 1, 1976 and rejected Base Bid A - (Phase I-B) and Base Bid C - (Combined Proposal for Phase I-B and Phase II) due to lack of sufficient funds.
- c. Awarded a construction contract for Phase II of this project to the low bidder, J. C. Evans Construction Company, Inc., Austin, Texas, as follows:

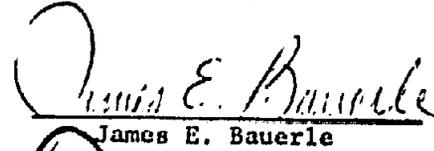
Base Bid B - (Phase II - Martin Luther King Boulevard to 23rd Street)	\$354,000.00
Add Alternate:	
Base Bid B, Alternate I (Wood deck, vicinity of Alumni Center)	48,000.00
Total Contract Award	<u>\$402,000.00</u>

d. Approved System Administration's recommended funding of the total project cost of \$464,215.00 and an appropriation of that sum from Interest on Bond Proceeds.

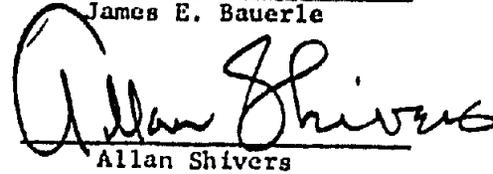

Lorene L. Rogers


E. D. Walker


R. S. Kristoferson


James E. Bauerle


Graves W. Landrum


Allan Shivers

The action of the special committee set out in this report was unanimously ratified by the Buildings and Grounds Committee.

9. U. T. Austin - Waller Creek Improvements: (a) Approval of Final Plans and Authorization to Advertise for Bids for Phases III and IV and (b) Authorization to Readvertise for Bids for Phase I-B. --The final plans and specifications prepared by the Project Architect John C. Robinson, Jr., Austin, Texas, for Phases III and IV of the Waller Creek Improvements project at The University of Texas at Austin were approved and the Director of Facilities Planning and Construction was authorized to advertise for bids for these two phases of this project subject to availability of funds. The Project Architect's final construction cost estimate is \$409,000 for these two additional phases (III and IV) which continue the construction from Twenty-third Street northward to the intersection of San Jacinto Boulevard and Speedway at West Thirtieth Street.

Further, authorization was given to readvertise for bids on Phase I-B of this project (one-half of the area from Fifteenth Street northward to the Trinity Street bridge) at a modified scope of development subsequent to awarding contracts on Phases III and IV and subject to availability of funds. (See Item 8, Page 30 for ratification of Special Committee's action in rejecting original bids for Phase I-B).

10. U. T. Austin - Marine Science Institute at Galveston: Authorization to Participate with Baroid and Grasso in Cooperative Dredging Project and to Negotiate Cost-Sharing Agreement; Appointment of Committee to Approve Negotiated Agreement. --The Administration reported that due to siltation which progressively encroaches on the navigable depth and hampers the movements of larger vessels, there was a need for dredging the slip and channel used by the University's vessels at the Marine Science Institute at Galveston of The University of Texas at Austin. Based upon a detailed report with respect to this problem, and upon the recommendation of President Rogers, President Levin and System Administration, the Buildings and Grounds Committee:
- a. Authorized participation with Baroid Petroleum Services Division of National Lead Industries, Inc., and Joe Grasso and Son, Inc., in the cost of a project to dredge the slip adjacent to the U. T. Austin Marine Science Institute at Galveston and its access channel

- b. Authorized the Director of the Office of Facilities Planning and Construction to negotiate with Baroid and Grasso to establish an equitable agreement for sharing the cost of the work and to approve the award to the low responsive bidder
- c. Appointed a committee consisting of Board Chairman Shivers, Committee Chairman Bauerle, Deputy Chancellor Walker, Associate Deputy Chancellor Landrum, Director Kristoferson, President Levin and President Rogers to approve the negotiated cost-sharing agreement and to approve funding for the project as may be recommended by System Administration

Chairman Shivers was authorized to sign all appropriate documents concerning this dredging project and its attendant cost-sharing agreements when such documents had been approved as to content by Deputy Chancellor Walker and as to form by an attorney in the office of the General Counsel. All action taken will be reported to the Board of Regents at a future meeting for ratification.

- 11. U. T. Dallas - Phase III Fine Arts Building - Initial Studio Facilities: Approval of Final Plans and Specifications and Authorization to Advertise for Bids; Appointment of Committee to Award Contract, and Additional Appropriation Therefor. --The final plans and specifications for the Phase III Fine Arts Building - Initial Studio Facilities at The University of Texas at Dallas were approved as prepared by the Project Architect, Fisher and Spillman, Inc., Dallas, Texas, at an estimated total project cost of \$500,000. The Director of the Office of Facilities Planning and Construction was authorized to advertise for bids.

Upon the recommendation of President Jordan and System Administration, an additional appropriation of \$478,000 was authorized from Building Use Fees for this project, \$22,000 having been previously appropriated from this same source.

President Jordan and System Administration emphasized that these facilities are needed for occupancy in the Fall of 1977. Based upon this urgency, the following special committee was appointed to award a construction contract within available project funds:

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

A report of the special committee's action will be submitted to the Board of Regents at a future meeting for ratification.

- 12. U. T. El Paso - Administration Building - Alterations and Additions: Appointment of Fouts, Langford, Gomez, Moore, Inc., El Paso, Texas, Project Architect. --Upon the recommendation of President Templeton and System Administration, approval was given for Alterations and Additions to the Administration Building at The University of Texas at El Paso at an estimated total project cost of \$1,400,000.

The firm of Fouts, Langford, Gomez, Moore, Inc., El Paso, Texas, was appointed Project Architect with authorization to prepare preliminary plans and a cost estimate.

Following an inquiry by Regent Williams with respect to what departments would be using this new facility, President Templeton pointed out that with a campus enrollment of nearly 15,000 the existing Administration Building at U. T. El Paso (built in 1956 when the enrollment was approximately 4,000) is inadequate and currently houses only the offices of the President, Academic Vice President, Institutional Studies, and Business and Registrar operations; over the past five years various administrative units including Personnel, Admissions, News and Information Services, and Development had been housed in temporary quarters. This project will provide an improved facility for central administration by alterations to the existing building and an addition of approximately 23,300 gross square feet.

Funding for this project had been included within the previously appropriated \$5,000,000 approved for U. T. El Paso Master Plan - Completion of Major Portion of Remaining Facilities (December 10, 1976 meeting).

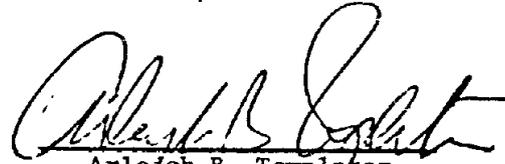
13. U. T. El Paso - Special Events Center - Site Improvements: Report of Committee (Ratification of Approval of Final Plans) and Award of Contract to Jordan and Nobles Construction Company, El Paso, Texas. -- The special committee appointed at the December 10, 1976 meeting with respect to the Site Improvements of the Special Events Center at The University of Texas at El Paso submitted the following report which was ratified:

February 22, 1977

To the Board of Regents of
The University of Texas System:

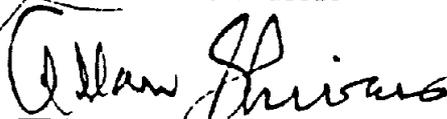
The Special Committee appointed at the Regents' Meeting held December 10, 1976, has approved the final plans and authorized advertisement for bids for the Special Events Center Site Improvements at The University of Texas at El Paso.

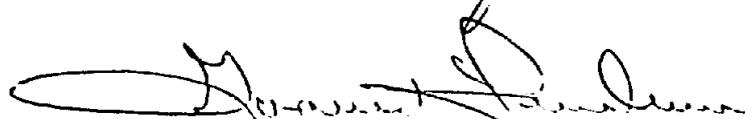

E. D. Walker


Arleigh B. Templeton


James E. Bauerle


R. S. Kristoferson


Allan Shivers


Graves W. Landrum

The Administration advised that the grant application submitted to the Economic Development Administration under the Public Works Capital Development and Investment Program for this project authorized December 10, 1976, had been disapproved. However, it had been determined that the total project cost could be funded from the previously approved appropriation for U. T. El Paso Completion of Major Portion of Remaining Facilities in Master Plan (\$5,000,000 approved December 10, 1976); thus, bids were called for on March 30, 1977.

Based on a tabulation of the bids received, and upon the recommendation of President Templeton and System Administration, a construction contract for the Site Improvements of the Special Events Center at U. T. El Paso was awarded to the contractor submitting the lowest and best acceptable bid, Jordan and Nobles Construction Company, El Paso, Texas, as follows:

Base	\$ 214,000
Add Alternate No. 1 (Site Work at Service Station)	<u>28,000</u>
Total Contract Award	<u>\$242,000</u>

To cover this contract award, future landscape planting, sodding, irrigation, fees and miscellaneous expenses, a total project cost of \$277,000 was approved; and the expenditure of this amount from the PUF Bond proceeds appropriation for U. T. El Paso Completion of Master Plan was authorized.

It was pointed out that the scope of this project includes Baltimore Street reconstruction, widening and realignment, street lighting, additional sidewalks, additional parking facilities, security lighting, rock retaining walls and ticket center site modifications.

14. Dallas Health Science Center - Skillern Student Union Building - Alterations and Expansion - Phase I Expansion for Service and Support Facilities: Contract Award to Wm. S. Baker, Inc. General Contractors, Dallas, Texas, and Additional Appropriation Therefor. -- Upon the recommendation of President Sprague and System Administration, the Buildings and Grounds Committee awarded a construction contract for the Phase I Alteration and Expansion of the Skillern Student Union Building at The University of Texas Health Science Center at Dallas to the contractor submitting the lowest and best acceptable bid as set out below:

Wm. S. Baker, Inc. General
Contractors, Dallas, Texas

Base Bid	\$ 825,227
Alternate No. 1 (Recreational Building Addition)	128,780
Alternate No. 2 (Elevator)	18,958
Alternate No. 3 (Fume Hoods)	26,923
Alternate No. 4 (Laboratory Casework)	<u>15,281</u>
Total Contract Award	<u>\$ 1,015,169</u>

The total project cost was revised from \$890,000 to \$1,125,000 to cover the construction contract award, air balancing, Central Data Acquisition System, fees and miscellaneous expenses, and an additional appropriation of \$235,000 was authorized from Dallas Health Science Center Unexpended Plant Funds Account No. 729910 for the project, \$890,000 having previously been appropriated from other Plant Fund accounts.

15. Dallas Health Science Center - Parking Structure II: Approval of Project; Appointment of Beran and Shelmire, Dallas, Texas, Project Architect, and Appropriation Therefor. --Based upon a feasibility study prepared by the Office of Facilities Planning and Construction, President Sprague and System Administration recommended that:
- a. A second parking structure (Parking Structure II) be authorized for The University of Texas Health Science Center at Dallas to accommodate 600 cars at an estimated total project cost of \$2, 100, 000
 - b. The firm of Beran and Shelmire, Dallas, Texas, be appointed Project Architect with authorization to prepare preliminary plans and specifications to be presented to the Board of Regents for consideration at a future meeting
 - c. The sum of \$30, 000 be appropriated from Dallas Health Science Center Plant Funds Account No. 67000 to cover fees and miscellaneous expenses through completion of preliminary plans for the project

These recommendations were approved by the Buildings and Grounds Committee.

16. Galveston Medical Branch (Galveston Hospitals) - Graves Hospital: Authorization to Renovate; Appointment of Koetter, Tharp, Cowell and Bartlett, Houston, Texas, Project Architect; and Appropriation Therefor. --The Administration reported that a recent survey conducted by the Joint Commission on Accreditation of Hospitals, Psychiatric Facilities, had resulted in findings of inadequate Life Safety Standards in the Graves Hospital at The University of Texas Medical Branch at Galveston. In order to continue psychiatric teaching and patient care activities at the Galveston Medical Branch, it is necessary to comply with the Commission's recommendations to correct the deficiencies which resulted in loss of accreditation.

Upon the recommendation of President Levin and System Administration, authorization was given to renovate the 60, 000 square foot Graves Hospital at the Galveston Medical Branch at an estimated total project cost of \$2, 500, 000; and \$25, 000 was appropriated from Galveston Medical Branch Unexpended Plant Fund, Project Allocation, to cover fees and miscellaneous expenses through completion of preliminary plans.

From a list of several architectural firms, Regent Shivers recommended that the firm of Koetter, Tharp, Cowell and Bartlett, Houston, Texas, be named Project Architect, pointing out that several of the firms on the list had recently received quite a bit of work from the University and he felt the work should be passed around. Regent Shivers' motion was unanimously approved.

The Graves Hospital (previously called the Galveston State Psychopathic Hospital) was originally a State hospital. In 1945 under House Bill No. 740, 49th Legislature, it was transferred from the Board of Control to the Board of Regents. Through legislative appropriations, portions of the building have since been remodeled on various occasions, the last remodeling project being in September 1963.

17. Houston Health Science Center and University Cancer Center: Authorization to Participate in Acquisition of Houston Natural Gas Corporation Thermal Energy Plant Located at Texas Medical Center, Houston, Texas, and Appointment of Special Committee to Approve Agreements and Documents between Texas Medical Center Heating and Cooling Cooperative Association and Houston Natural Gas Corporation. --System Administration presented the following report and recommendations relating to thermal energy at the Texas Medical Center, Houston, Texas (Pages 36-41). Thereafter a lengthy discussion ensued with respect to this report, after which the Administration's recommendations (Page 41) were adopted. Regent Sterling voted "No":

Report

At its May 6, 1967 meeting, the Board of Regents appointed a Special Committee to review proposals called for by the Texas Medical Center in Houston for construction, maintenance and operation of a thermal energy plant and distribution system to serve various institutions located in the Texas Medical Center. The Special Committee was also empowered to approve the proposal most favorable to The University of Texas and to inform the Texas Medical Center of this approval. The Board of Regents committed itself, in entering into this contract, to connect any new buildings or additions to buildings to this thermal energy plant. However, the Board did not commit itself to connect existing buildings to the plant.

The Special Committee approved the proposal submitted by Houston Natural Gas Corporation which culminated in authorization by the Board of Regents at its April 23, 1971 meeting for the Chairman of the Board to execute an agreement with the Houston Natural Gas Corporation to serve the School of Public Health with thermal energy. The Board stated its understanding that future connections of University facilities would be negotiated at the proper time and that this agreement would be renegotiated to conform to subsequent agreements, if appropriate.

Subsequent agreements were entered into as follows:

- a. At its October 22, 1971 meeting the Board of Regents authorized execution of an agreement to serve the Initial Facility of the Medical School at Houston with thermal energy from the Houston Natural Gas Corporation plant.
- b. At its July 9, 1976 meeting the Board of Regents authorized execution of a contract with Houston Natural Gas Corporation for thermal services for the Houston Medical School, the School of Public Health and the Speech and Hearing Institute. This contract superseded the previous contracts for serving the School of Public Health and the Initial Facility of the Medical School.
- c. At its July 9, 1976 meeting the Board of Regents authorized execution of an agreement to serve the Lutheran Hospital (M. G. and Lillie A. Johnson Building), the Outpatient Clinic Expansion, and M. D. Anderson Cancer Research Addition, 6th and 7th Floors with thermal services from the Houston Natural Gas Corporation plant.

APR 15 1977

All of the foregoing contracts conform to a model contract contained in an agreement between the Texas Medical Center, Inc., and Houston Natural Gas Corporation, dated April 9, 1968. Not only University of Texas institutions, but also all other institutions at the Texas Medical Center which take their thermal energy services from Houston Natural Gas Corporation have contracts conforming to the same model. These other users include St. Luke's Hospital, Texas Children's Hospital, March Culmore and Favrot Halls, Texas Women's University, Institute of Religion, Jesse Jones Library, Texas Medical Center Laundry, Hermann Hospital and Hermann Professional Building. At this time, University of Texas institutions consume about 40% of the energy produced by the Houston Natural Gas Corporation plant. This share will increase to about 45% when Phase III of the Medical School is completed.

The master agreement between Texas Medical Center, Inc., and Houston Natural Gas Corporation has several provisions of which the Board of Regents should be aware:

- a. The term of the agreement is for fifty years from April 9, 1968, unless sooner terminated or extended by written agreement.
- b. The Texas Medical Center is obligated to encourage institutions within the Center to use the thermal energy services of Houston Natural Gas Corporation.
- c. The Texas Medical Center will provide Houston Natural Gas Corporation, free of charge, with all land needed for its plant and distribution system.
- d. The service agreements between the various institutions and Houston Natural Gas Corporation will conform to the model agreement contained in the master agreement.
- e. The plant will remain the property of Houston Natural Gas Corporation at the end of the agreement (although it may have been amortized one or more times during the term of the agreement).
- f. Houston Natural Gas Corporation extended to the Texas Medical Center, or to any nonprofit entity formed by it, an option to buy the thermal plant, its distribution system, and its service agreements with its customers at the end of the sixth year of operation (1975) or at the end of any fifth year thereafter (1980, 1985, etc.), subject to written notice of intent at least 90 days prior to date of exercising such option. (Houston Natural Gas Corporation has twice extended the date by which the 1975 option must be exercised; it is currently July 1, 1977.)
- g. If the plant is purchased, the price will be the gross unamortized investment of Houston Natural Gas Corporation in the plant and distribution system as stated in the Rate Base.

- h. If the plant is purchased, Houston Natural Gas Corporation has the obligation to furnish for a period of 20 years all gas offered by Houston Natural Gas Corporation to others for similar gas service. This is a guarantee of continued gas service, subject to possible governmental regulation, however.

Recognizing that it might be in the interest of the institutions located at the Texas Medical Center to purchase the thermal plant, a Texas Medical Center Heating and Cooling Services Cooperative Association has been formed. It was authorized in the Acts, 64th Legislature, R. S., Chapter 195, Page 458, codified as Article 447r, Vernon's Civil Statutes. It was incorporated and a charter issued by the Secretary of State on October 2, 1975. The Internal Revenue Service has issued a favorable ruling on its tax-exempt status. Bylaws, membership agreements and use agreements have been drafted. All of these documents will be available at the Board meeting for scrutiny. New legislation, authorizing an expanded class of institutions which can be served by the thermal plant, is in process. It would allow service to nonprofit health-related institutions at the Texas Medical Center which are otherwise eligible to join the Cooperative but which for reasons of their own choose not to become members.

Studies have been commissioned by the TMC Heating and Cooling Services Cooperative Association to evaluate the advantages and disadvantages of purchasing the plant. The conclusions of the various studies are summarized as follows:

- a. Lockwood, Andrews and Newnam, Inc. (1974)
- (1) As a nonprofit entity, TMC could operate the thermal plant for 20 percent or \$750,000 less than Houston Natural Gas Corporation, primarily due to savings in taxes and investment related expenses.
 - (2) The plant appears to be well maintained and in good condition.
 - (3) The condition of the distribution system cannot be determined without extensive investigation and testing.
 - (4) Considering the present-day replacement cost of the plant, the purchase price is reasonable.
- b. I. A. Namann & Associates, Inc. (1977)
- (1) As it is presently designed, the plant is being operated reasonably efficiently. However, certain steam turbines can be replaced by electric motors which would result in substantial operational savings.
 - (2) The thermal plant is of good commercial quality construction, but maintenance appears to have been below average. Maintenance deficiencies should be corrected.

- (3) The condition of the underground distribution system should be investigated.
- (4) The chilled water distribution system is in some instances incompatible with cooling systems in some new buildings. The incompatibilities should be corrected, to the benefit of both parties.
- (5) The thermal plant design and construction appear satisfactory and would be acceptable for purchase, if economically attractive.

c. Ebasco Services, Inc. (1977)

- (1) The chilled water and steam piping distribution is buried directly, with "Gilso-therm" insulating backfill on older installations and "Protexulate" insulating backfill on newer installations.
- (2) Three cathodic protection systems installed with the original distribution system are inoperative. A fourth system is needed to protect a recent installation.
- (3) The distribution piping is in surprisingly good condition, considering the absence of cathodic protection. If the cathodic protection were to be made operative, the system would last indefinitely insofar as corrosion from electrolysis is concerned.
- (4) The condensate return piping should be incorporated into the cathodic protection system.

d. Mr. Charles A. Lingo, Independent Consultant (1977)

- (1) The advantages of purchasing the plant outweigh any disadvantages.
- (2) The plant should be purchased provided that:
 - (a) Maintenance deficiencies are corrected or adequate depreciation be credited in the purchase;
 - (b) Incompatibilities between the chilled water distribution system and certain new buildings are corrected on an equitable basis;
 - (c) Fiberglass steam condensate lines are replaced by carbon steel pipe in those areas where not already replaced;
 - (d) The cathodic protection system is restored and expanded as recommended by Ebasco Services, Inc.;
 - (e) A satisfactory transition period can be worked out for transferring operation of the plant to a new operator.

- (f) A complete and thorough audit be conducted to assure that all assets and obligations associated with purchase of the plant are known.
- (3) Based on figures available as of January 31, 1977, it appears that the estimated annual savings if owned by the Cooperative Association would be at least \$954,000 per year, which is 12.4% of the annual operating cost of \$7,666,000 with Houston Natural Gas Corporation as the owner.

Copies of the four above listed reports are available.

In its present configuration, the purchase price of the plant is on the order of \$19.5 million. It is probable that the price will exceed \$20 million after certain corrective measures and expansions directed by the Texas Medical Center are carried out. It is the intent of the Cooperative Association to incorporate these measures into the capital worth of the plant so as to reduce the need for large amounts of operating capital immediately after acquiring the plant. It is also the intent of the Cooperative Association to negotiate the best price for the plant.

Houston Natural Gas Corporation has agreed to accept the Cooperative Association's serial bonds, written for a term of 20 years at 8% interest, as payment for the plant. It is the intent of the Cooperative's members, where legally and financially feasible, to deposit the equivalent of two months' utility cost to establish cash working capital for operating expenses. The deposit would be repaid as dividends begin to accumulate.

Speaking for the Cooperative Association, Dr. Richard T. Eastwood has informed Houston Natural Gas Corporation of its intent to exercise the option to purchase the thermal energy plant subject to the following:

- (a) Ratification of the various institutions' governing boards of the proposed intent to purchase;
- (b) A complete audit by a Certified Public Accountant to ascertain exactly what assets, liabilities and obligations are being purchased;
- (c) Correction of certain maintenance deficiencies and installation of certain additional piping and equipment;
- (d) Negotiation of a satisfactory price;
- (e) Negotiation of a satisfactory transition between operating staffs of Houston Natural Gas Corporation and the Cooperative Association.

The University of Texas representatives most deeply involved in this transaction have been Mr. Joe E. Boyd, Jr., former Vice-President for Business and Hospital Affairs at U. T. System Cancer Center; Mr. G. Charles Franklin, Vice-President for Business Affairs, U. T. Health Science Center at Houston; and Mr. R. S. Kristoferson, Director,

Facilities Planning and Construction, U. T. System. It is the considered opinion of these three representatives that the thermal plant should be purchased because it will result in substantial annual savings, in greater responsiveness to the Users' needs, and in full ownership of the plant when amortized. The advantages are considered to outweigh the disadvantages.

Recommendation

Accordingly, Dr. R. Lee Clark, President, University Cancer Center; Dr. T. G. Blocker, Jr., Acting President, Houston Health Science Center, and Deputy Chancellor E. D. Walker recommend that the Board of Regents:

- a. Approve participation by The University of Texas System and its institutions located at the Texas Medical Center in Houston in the efforts and commitments of the Texas Medical Center Heating and Cooling Services Cooperative Association in proposed intent to purchase the Houston Natural Gas Corporation plant.
- b. Authorize a Special Committee, consisting of Dr. R. Lee Clark, Dr. T. G. Blocker, Jr., Director Kristoferson, Mr. Joe E. Boyd, Jr., Executive Assistant for Health Activities, Deputy Chancellor Walker, Committee Chairman Bauerle and Chairman Shivers to approve agreements and other documents between the Texas Medical Center Heating and Cooling Cooperative Association and Houston Natural Gas Corporation insofar as The University of Texas' interests are concerned.
- c. Authorize Chairman Shivers to sign all appropriate documents concerning purchase of the Houston Natural Gas Corporation plant and operating and user agreements within the Texas Medical Center Heating and Cooling Cooperative Association after approval as to content by Deputy Chancellor Walker and as to form by an attorney in the office of the General Counsel.

18. San Antonio Health Science Center - Expansion - Phase IV: Award of Contract to Kunz Construction Company, Inc., San Antonio, Texas. -- Upon the recommendation of President Harrison and System Administration, Kunz Construction Company, Inc., San Antonio, Texas, the bidder submitting the lowest and best acceptable bid, was awarded a construction contract for the Phase IV Expansion of The University of Texas Health Science Center at San Antonio as follows:

Base Bid	\$3,023,716
Alternate Bid No. 5 (Added Equipment)	80,000
Total Contract Award	\$3,103,716

Further upon the recommendation of President Harrison and System Administration, approval was given to award Additive Alternates Nos. 1, 2, 3 and 4 for the finishing of shelled space to this contract subject to availability of funds as recommended by System Administration, each of which if awarded will be reported to the Board of Regents at a future meeting.

19. University Cancer Center (M. D. Anderson): Remodeling of Present Building - Phase I: Award of Contract to H. A. Lott, Inc., Houston, Texas. -- Upon the recommendation of President Clark and System Administration, a construction contract for Phase I of the remodeling of the M. D. Anderson Hospital at The University of Texas System Cancer Center was awarded to the contractor submitting the lowest and best acceptable bid, H. A. Lott, Inc., Houston, Texas, as set out below:

Base Bid	\$ 8,710,000
Add Alternates	
No. 1 Trash Conveyor System	43,000
No. 6 Reroute 8" Water Line	<u>20,000</u>
Total Contract Award	\$ <u>8,773,000</u>

Funding in the amount of \$12,000,000 having been previously authorized and appropriated for this remodeling project, a revised total project cost of \$10,080,000 was authorized to cover this construction contract award, air balancing, fees and miscellaneous expenses.

Final plans for additional remodeling phases of this building will be presented to the Board of Regents for consideration at future meetings.

Committee Chairman Bauerle commented that this expansion would be very rewarding for many departments that are very crowded; and Chairman Shivers added that it will endeavor to bring the old quarters up to the standards of the federal government.

REPORT OF LAND AND INVESTMENT COMMITTEE (Pages 42-58). -- Committee Chairman Clark reported that all matters on the agenda of the Land and Investment Committee were considered in open session, and he submitted and moved adoption of the following report. The motion prevailed:

Though the Chairman of the Board of Regents has authority to execute any document authorized by the Board, either the Associate Deputy Chancellor for Investments, Trusts and Lands or the Deputy Chancellor may execute, unless otherwise indicated in the report, all necessary instruments authorized in this report when each has been approved as to form by an attorney of the Office of General Counsel and as to content by the appropriate official. These instruments relate to real estate or mineral interests held or controlled by the Board of Regents as a part of the Permanent University Fund or as a part of any Trust and Special Fund.

I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

1. Report on Clearance of Monies to Permanent University Fund and Available University Fund for January and February 1977 and Report on Oil and Gas Development - February 28, 1977. --The following report with respect to certain monies cleared to the Permanent University Fund and Available University Fund for January and February 1977 and Report on Oil and Gas Development - February 28, 1977, were received from the Director, Auditing Oil and Gas Production and made a part of this Committee's report:

<u>Permanent University Fund</u>	<u>January 1977</u>	<u>February 1977</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
<u>Royalty</u>				
Oil	\$2,672,813.69	\$3,312,431.81	\$18,957,859.21	\$17,742,660.12
Gas - Regular	2,489,521.50	2,162,116.89	12,395,298.63	11,658,152.10
- F.P.C.	- 0 -	72,534.64	72,799.99	170,529.18
- Market Value Settlements	653,562.33	839,570.58	3,981,762.33	3,867,697.98
- In Kind Settlements	121,229.55	108,868.50	772,151.35	1,321,121.64
Water	16,415.37	13,585.55	76,717.95	95,080.32
Salt Brine	2,607.28	2,557.68	14,796.81	11,002.68
Sulphur	49,606.08	155,620.80	589,503.03	213,482.94
Rental on Oil and Gas Leases	10,100.64	859.80	590,185.99	295,679.28
Rental on Water Contracts	797.96	- 0 -	5,697.96	10,128.96
Rental on Brine Contracts	- 0 -	- 0 -	300.00	49.98
Rental on Sulphur Contracts	- 0 -	- 0 -	- 0 -	7,680.00
Amendments and Extensions of Mineral Leases	- 0 -	2,402.63	232,651.00	25,624.08
	<u>6,016,654.40</u>	<u>6,670,548.88</u>	<u>37,689,724.25</u>	<u>35,418,889.26</u>
Bonuses, Oil & Gas Lease Sales, (actual)	- 0 -	- 0 -	- 0 -	9,687,500.00
Total, Permanent University Fund	<u>6,016,654.40</u>	<u>6,670,548.88</u>	<u>37,689,724.25</u>	<u>45,106,389.26</u>
<u>Available University Fund</u>				
Rental on Easements	525.00	6,138.87	74,596.47	197,916.78
Interest on Easements and Royalty	158.62	418.73	25,916.55	1,685.70
Correction Fees - Easements	- 0 -	- 0 -	- 0 -	130.80
Transfer and Relinquishment Fees	2,581.54	247.96	4,566.06	2,331.00
Total, Available University Fund	<u>3,265.16</u>	<u>6,805.56</u>	<u>105,079.08</u>	<u>202,064.28</u>
Total, Permanent and Available University Funds	<u>\$6,019,919.56</u>	<u>\$6,677,354.44</u>	<u>\$37,794,803.33</u>	<u>\$45,308,453.54</u>

Oil and Gas Development - February 28, 1977

Acreage Under Lease - 849,832

Number of Producing Acres - 351,489

Number of Producing Leases - 1,547

2. Permanent University Fund: Recommended Policy to Board for Lease of University Lands for Increase in Oil Royalties. --On June 4, 1974, the Board for Lease of University Lands set gas royalties on University Lands at 1/5 of gross production; however, oil royalties were not changed at that time and were left at 1/6 of gross production.

Upon recommendation of System Administration, Committee Chairman Clark moved that the Land and Investment Committee propose that the Board of Regents recommend to the Board for Lease of University Lands that the oil royalties on University Lands be increased from 1/6 to 1/5 of gross production.

Regent Sterling moved that the recommendation to the Board for Lease be that both oil and gas royalties be increased to 1/4 of gross production. This motion died for the lack of a second.

After due consideration, the question recurred on the motion by Committee Chairman Clark that the Board of Regents recommend to the Board for Lease of University Lands that the oil royalties be increased from 1/6 to 1/5 of gross production. This motion prevailed with Regent Sterling voting "No."

B. LAND MATTERS

1. Surface Leases Nos. 4285 and 4286. --Surface Leases Nos. 4285 and 4286 were approved as set out below. Both leases have been approved as to content by the appropriate officials. Payment has been received in advance unless otherwise indicated, and the documents are on the University's standard form and are at the standard rate:

Surface Leases Nos. 4285 and 4286

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4285	Hytech Energy Corporation (renewal of 3407)	Surface Lease (salt water disposal contract)	Winkler	21	1 acre	6/1/77- 5/31/78*	\$ 400.00 (annually)
4286	Rittenhouse Oil & Gas Co.	Surface Lease (salt water disposal contract)	Reagan	2	1 acre	4/1/77- 3/31/78*	1,200.00 (annually)

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

2. Permanent University Fund Lands: Rate and Damage Schedule Relevant Thereto Effective February 1, 1977 [Formerly (a) Rate Schedule for Easements and Surface Leases and (b) Damage Schedule] and Authorization to Process through System Administration Committee Requests for Pipeline Easements at Revised Rates. --Committee Chairman Clark moved approval of the proposed Rate and Damage Schedule Relevant to Permanent University Fund Lands retroactive to February 1, 1977. This proposed schedule had been submitted by System Administration.

Regent Fly was of the opinion that there should be a difference in the rates for the smaller lines and the larger transmission lines. He offered a substitute motion to change in the proposed Rate and Damage Schedule:

- a. the proposed rate for pipe line easements per rod for a ten year period
- (1) for lines under 6 inches from \$5.00 to \$3.00
 - (2) for lines 6 inches and under 12 inches from \$5.00 to \$3.00
 - (3) for lines 36 inches and over from \$5.00 to "to be negotiated"

and

- b. the renewal rates per rod from \$2.50 to
- (1) for lines under 12 inches \$2.50
 - (2) for lines 12 inches and under 36 inches 3.50
 - (3) for lines 36 inches and over to be negotiated

[These are reflected in the proposed rate schedule as Items a., b. and e under 1. and a., b. and c. under 2. of A. (Pipe Line Easements) under II.]

Vice Chairman Williams moved to amend the substitute motion by changing the proposed rate for pipe line easements per rod for a ten year period:

- (1) for lines 12 inches and under 25 inches from \$5.00 to \$7.00
- (2) for lines 25 inches and under 36 inches from \$5.00 to \$7.00

[These are reflected in the proposed rate schedule as Items c. and d. under 1. A. (Pipe Line Easements) under II.]

In the discussion, it was pointed out that this proposed rate schedule is an attempt to get the University's charges in line with those that are charged by private owners. Private landowners do not make any difference in the charges for the size of lines.

Regent Fly accepted the amendment of Vice-Chairman Williams. The question was called for on the substitute motion as amended. The substitute motion prevailed by a vote of seven to two.

The proposed Rate and Damage Schedule retroactive to February 1, 1977, as amended and approved is set out on Pages 47-51.

**RATE SCHEDULE RELEVANT TO
PERMANENT UNIVERSITY FUND LANDS
EFFECTIVE FEBRUARY 1, 1977
(Payable to The University of Texas System)**

- I. Grazing Lease Policies Adopted March 26, 1976 -
[Permanent Minutes, Volume XXIII, Pages 2199-2203]
- II. Easements, Surface Leases,
Material Source Permits

<u>A. PIPE LINE EASEMENTS</u>	<u>RATES</u>
1. Standard rates for varying sizes of pipeline, OD diameters, the rates being per rod for a ten year period, payable in advance:	
a. Lines under 6 inches	\$ 3.00
b. Lines 6" and under 12"	3.00
c. Lines 12" and under 25"	7.00
d. Lines 25" and under 36"	7.00
e. Lines 36" and over	Negotiated
2. Renewal rates per rod	
a. Lines under 12"	2.50
b. Lines 12" and under 36"	3.50
c. Lines 36" and over	Negotiated
3. <u>MINIMUM</u> for a pipe line easement	150.00
4. <u>FILING FEE</u> in the amount of \$5.00 made payable to the <u>General Land Office</u> must be submitted with all easements.	

B. POWER AND TELEPHONE LINE EASEMENTS

1. Standard rates for varying types of lines, the rates being per rod for a ten year period, payable in advance:
- Single Pole Construction
- | | |
|--|------|
| a. Single pole distribution (33,000 volts maximum) | 1.00 |
| b. Single pole transmission | 1.50 |
| c. Buried telephone cable | 1.40 |
| d. H-frame pole construction | 2.50 |
| e. Steel tower construction | 5.00 |

	<u>RATES</u>
2. <u>MINIMUM</u> for a power or telephone line easement	\$ 150.00
3. <u>FILING FEE</u> in the amount of \$5.00 made payable to the <u>General Land Office</u> must be submitted with all easements.	
C. <u>SURFACE LEASE</u> (other than grazing)	
1. Standard rates for various leases:	
a. Plant sites, booster stations, etc., per acre per year (payable in advance for ten year period)	35.00
b. Tower sites, per year (payable in advance for ten year period)	225.00
c. Cathodic protection unit installation (payable in advance for ten year period)	150.00
d. Business sites, residential sites, and other miscellaneous leases (annual rental payment)	Negotiated
2. <u>MINIMUM</u> for any type surface lease, per year	150.00
3. <u>NO FILING FEE</u> required	
D. <u>MATERIAL SOURCE PERMITS</u> (Caliche, etc.)	
1. Standard rate for one project:	
a. Per cubic yard, under 20,000 cubic yards	0.35
b. 20,000 cubic yards or over	Negotiated (0.15 min.)
2. <u>MINIMUM</u> for each permit	150.00
3. Separate check must be submitted for State Sales Tax at the then current rate	
4. <u>NO FILING FEE</u> required.	
E. <u>ASSIGNMENTS, TRANSFER, OR CORRECTION OF EASEMENTS, LEASES, ETC.</u>	
(The only exception will be if other consideration, in the amount of \$150.00 or more, such as bonus for grazing leases, is paid to The University of Texas System.)	150.00
<u>FILING FEE</u> in the amount of \$5.00 made payable to the <u>General Land Office</u> is required for assignments.	

RATES

III. Oil Field Operations - Damage Schedule

A. WELL LOCATIONS (As permitted by Railroad Commission)

- | | |
|--|-----------|
| 1. 15,000 feet or less (Drilling Depth), per location | \$ 300.00 |
| 2. In excess of 15,000 feet. (Drilling Depth), per location | 600.00 |
| 3. Re-entry [No charge until expiration or release of lease, then rates shown under (1) and (2) are to be followed.] | |

The above rates include space for tank batteries.

- | | |
|---|--------|
| 4. Skidding of rig, prorated per mile | 300.00 |
| 5. New road construction, prorated per mile | 275.00 |

B. PIPE LINE CONSTRUCTION (OD diameters)

- | | |
|---|------------|
| 1. Water and fuel lines used for drilling purposes, per rod | 0.80 |
| 2. Unburied lines, per rod | 1.00 |
| 3. Lines under 6 inches, per rod | 2.00 |
| 4. Lines 6 inches and under 12 inches, per rod | 2.00 |
| 5. Lines 12 inches and under 36 inches per rod | 3.00 |
| 6. Lines 36 inches and over | Negotiated |
| 7. Removal or replacement of buried lines, per rod | 1.00 |

C. POWER AND TELEPHONE LINE CONSTRUCTION

Single pole, per mile

- | | |
|---------------------------------------|--------|
| 1. Single pole distribution, per mile | 130.00 |
| 2. Single pole transmission, per mile | 160.00 |
| 3. Buried cables, per rod | 1.20 |
| 4. H-frame, per mile | 300.00 |
| 5. Steel tower, per mile | 500.00 |
| 6. Removal of line, per mile | 100.00 |
| 7. Removal of buried cable, per rod | 1.00 |

D. MATERIAL SOURCE PERMITS and road access

- | | |
|-------------------------------------|--------|
| 1. Per entry and use of access road | 100.00 |
|-------------------------------------|--------|

(Before caliche can be removed, permission must be obtained from the University Land Agent and Oil Field Supervisor or his representatives, and at his request pits must be levelled in an acceptable manner.)

- | | |
|--|--------|
| 2. Opening of new pit and use of access road | 300.00 |
|--|--------|

RATESE. GEOPHYSICAL OPERATIONS

Damage payments for Geophysical Operations shall be as follows:
(Double through revegetated)

- | | | |
|----|---|----------|
| 1. | Gravity meter and magnetometer survey operations, per crew, per day | \$ 75.00 |
| 2. | Single shot (reflection or refraction shooting), per shot hole | 50.00 |
| 3. | Seismic weight-dropping, vibrators, Dinoseis operations, per mile | 250.00 |
| 4. | Shooting crews, per mile | 300.00 |

F. GUIDELINES FOR OPERATING UNDER THIS SCHEDULE

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

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

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

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

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

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

G. DAMAGE PROGRAM PROCEDURES

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

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

Committee Chairman Clark requested authority from System Administration to process at these new rates through the System Administration Committee the accumulation of requests for pipe line easements which will be reported to the Board of Regents for ratification at its next meeting.

II. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

1. U. T. Austin - Lloyd M. Bentsen, Jr., Professorship in Public Affairs at the Lyndon B. Johnson School of Public Affairs: Acceptance of Grant from Houston Endowment, Inc. --Gratefully, a grant of \$100,000 was accepted from Houston Endowment, Inc., for the Lloyd M. Bentsen, Jr., Professorship in Public Affairs in the Lyndon B. Johnson School of Public Affairs at The University of Texas at Austin.

2. U. T. Austin: Acceptance of Gifts from Geology Foundation and Establishment of J. Nalle Gregory Professorship in Sedimentary Geology. --Gifts for the J. Nalle Gregory Professorship in Sedimentary Geology from various donors to the Geology Foundation of The University of Texas at Austin totaling \$102,000 were gratefully accepted, and the J. Nalle Gregory Professorship in Sedimentary Geology was established in the Department of Geological Sciences at U. T. Austin. (See Page 19 .)
3. U. T. Austin: Acceptance of Gift and Establishment of H. B. "Hank" Harkins Professorship in Constructive Capitalism in Graduate School of Business. --A gift of \$15,000 was accepted with sincere thanks from Mr. H. B. "Hank" Harkins of Alice, Texas, and the H. B. "Hank" Harkins Professorship in Constructive Capitalism was established in the Graduate School of Business at The University of Texas at Austin.

It was pointed out that Mr. Harkins had requested his gift of \$15,000 in 1975 [reported in Deputy Chancellor's Docket No. 4 (Attachment No. 1, Permanent Minutes, Volume XXIII, Page 1878)] be applied toward the funding of this professorship together with his pledge to complete the funding of the \$100,000 professorship by September 30, 1983.

4. U. T. Austin: Authorization to Accept Pledge from Houston Oil and Minerals Corporation and Thereafter to Establish Two Excellence Awards in Geological Sciences. --The Administration was granted authority to accept from the Houston Oil and Minerals Corporation, Houston, Texas, a pledge of \$40,000 through its President, Mr. J. C. Walter, Jr., to endow two excellence awards annually each in the amount of \$1,000 to be made to members of the faculty in the Department of Geological Sciences at The University of Texas at Austin. Further, the Administration was authorized to establish the Houston Oil and Minerals Corporation Excellence Awards in Geological Sciences at U. T. Austin upon receipt of the first payment of the pledge.
5. U. T. Austin: Acceptance of Gift and Establishment of V. F. Neuhaus Endowed Presidential Scholarship (Intercollegiate Athletics for Women). --A gift of 575 shares of First International Bancshares, Inc., Common Stock valued at \$25,000 was accepted with sincere appreciation from Mr. V. F. Neuhaus, Mission, Texas, and the second V. F. Neuhaus Endowed Presidential Scholarship was established at The University of Texas at Austin. This scholarship is to be awarded to a student in the field of Intercollegiate Athletics for Women at U. T. Austin.

6. U. T. Austin: Establishment of David S. Thayer Memorial Scholarship Fund in Department of Geological Sciences. -- The David S. Thayer Memorial Scholarship Fund was established in the Department of Geological Sciences at The University of Texas at Austin from proceeds received from the sale of 1,250 shares of McMoran stock donated in 1972 by Mr. James R. Moffett of New Orleans (reported in Chancellor's Docket No. 65, Attachment No. 1, Permanent Minutes, Volume XX, Page 3541). At the time Mr. Moffett donated this stock to the University, he requested that it be held for four years and then sold with the proceeds to be used to establish this fund. It is now being sold for approximately \$18,000. Mr. Thayer was a graduate in geology at U. T. Austin.
7. Dallas Health Science Center (Dallas Southwestern Medical School): Acceptance of Benefits Under Bequest to Southwestern Medical Foundation from Mrs. Willie Eunice Kidd and Establishment of the Frank H. Kidd, Jr., M.D., Professorship in Surgery. -- With sincere appreciation, the benefits under a bequest by Mrs. Willie Eunice Kidd, Deceased, of Dallas, Texas, of \$100,000 to Southwestern Medical Foundation were accepted, and the Frank H. Kidd, Jr., M.D., Professorship in Surgery was established at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas in honor of Mrs. Kidd's son, Frank Herford Kidd, Jr., M.D.

The Southwestern Medical Foundation has confirmed that the income from this fund will be available for the Professorship.

8. Galveston Medical Branch (Galveston Medical School): Acceptance of Gift from Dr. H. Frank Connally, Jr., to Convert the Frances Eastland Connally Lectureship to the Frances Eastland Connally Professorship in Obstetrics and Gynecology - NO PUBLICITY. -- A gift of Waco Savings and Loan Association stock was gratefully accepted from former Regent H. Frank Connally, Jr., of Waco, Texas, and the Frances Eastland Connally Lectureship in Obstetrics and Gynecology, established in the Galveston Medical School of The University of Texas Medical Branch at Galveston in 1965 (Permanent Minutes, Volume XII, Page 559), was converted to the Frances Eastland Connally Professorship in Obstetrics and Gynecology. This stock was accepted subject to an outstanding option to purchase which has been exercised. It has been sold for \$80,000 and the proceeds added to \$20,620 in the Lectureship account from gifts previously made by Dr. Connally. NO PUBLICITY.
9. Galveston Medical Branch: Acceptance of Gift and Pledge from Mrs. Allan C. Shields and Establishment of the Allan C. Shields Lectureship in Primary Medical Care. -- Upon the recommendation of the Administration, a gift of \$8,000 together with a pledge to contribute \$8,000 annually in 1978 and 1979 were gratefully accepted from Mrs. Allan C. Shields, Victoria, Texas, and the Allan C. Shields Lectureship in Primary Medical Care was established at The University of Texas Medical Branch at Galveston in memory of Mrs. Shields' late husband, Dr. Allan C. Shields, who practiced in Victoria. From this first \$8,000 contribution, \$2,000 will be used for the publication of a brochure announcing the lectureship.

10. San Antonio Health Science Center (San Antonio Medical School):
Acceptance of Bequests from Mrs. Loddie Lee Whitehead and
Establishment of (a) the Amor B. and Loddie Lee Whitehead
Fellowship Fund in Ophthalmic Research and (b) the Children's
Allergy and Asthma Research and Treatment Fund. -- Upon the
 recommendation of the Administration, and with sincere
 appreciation, two cash bequests were accepted from the late
 Mrs. Loddie Lee Whitehead; and the following funds were
 established under the conditions set out below at the
 San Antonio Medical School of The University of Texas
 Health Science Center at San Antonio:

- a. Amor B. and Loddie Lee Whitehead Fellow-
 ship Fund in Ophthalmic Research in the
 amount of \$500,000

"Section 2 - I give, devise and bequeath the sum of
 Five Hundred Thousand Dollars (\$500,000) IN TRUST
 to the Board of Regents of the University of Texas
 System, as Trustees, for the use and purposes and
 subject to the terms, conditions and provisions set
 forth below:

"2.1 The Trust Estate established under this Section 2
 shall be known and designated as the 'Amor B. and
 Loddie Lee Whitehead Fellowship Fund in Ophthalmic
 Research'....

"2.2 The term of this Trust shall be perpetual.

"2.3 The purpose of the Trust is to devote and apply
 the income of the Trust to further research and the
 application of research in the area of ophthalmology
 by attracting and supporting suitable individuals to
 engage in such activities for the benefit of the Division
 of Ophthalmology of the University of Texas Medical
 School at San Antonio. It is anticipated that income
 of the Trust will be used to provide the Fellows with
 stipends, travel expenses, laboratory supplies and
 equipment, and money for other ordinary and neces-
 sary expenses incurred in ophthalmic research and
 the application of such research. The principal of
 the Trust is not to be expended or alienated in any
 manner.

"2.4 There is hereby created an Advisory Committee
 which shall consist of the Dean of the University of
 Texas Medical School at San Antonio, the Head of the
 Division of Ophthalmology of the University of Texas
 Medical School at San Antonio, and a third member to
 be selected by the other two Advisors for a two-year
 term every two years. The Advisory Committee
 shall select the Fellow or Fellows by a majority
 vote. The Advisory Committee shall further deter-
 mine by a majority vote the application of the income
 of the Trust. The Trustees shall disburse the income
 of the Trust as directed in writing by the Advisory
 Committee...."

- b. Children's Allergy and Asthma Research and Treatment Fund in the amount of \$50,000

"3.9 To Childrens Allergy and Asthma Research and Treatment Fund of the University of Texas, Health Science Center of San Antonio, the sum of Fifty Thousand Dollars (\$50,000.00) in cash...."

11. University Cancer Center (M. D. Anderson): Acceptance of Gift of Land in Charlotte County, Florida, from the M. G. and Lillie A. Johnson Foundation for the University Cancer Foundation. --As trustees of the University Cancer Foundation, the Board of Regents accepted with sincere appreciation to the Johnson Foundation a gift of a tract of land in Charlotte County, Florida, from the M. G. and Lillie A. Johnson Foundation. The strip is 60' wide by 8,000' long and connects a tract of land recently sold by the University Cancer Foundation to Punta Gorda Isles, Inc. (authorized October 1, 1976 meeting) with Florida State Road 74.
12. University Cancer Center: Acceptance of Gift to University Cancer Foundation from Emil Mosbacher, Sr. (Assignment of Overriding Royalty Interest in Robert Mosbacher et al - Emmett Cole, Sr., Gas Unit No. 1, Calhoun County, Texas). -- Upon the recommendation of the Administration, the Board of Regents acting as Board of Trustees of the University Cancer Foundation accepted with sincere appreciation an assignment of an 8.02091% overriding royalty interest in the Robert Mosbacher et al - Emmett Cole, Sr., Gas Unit No. 1 comprising 320 acres in the Sam Houston League, Abstract 22, Calhoun County, Texas. It was pointed out that the unit and the assignment cover only the interval between the depths of 8,438 and 8,495 feet. It is estimated that the interest assigned is worth approximately \$200,000 with receipts running around \$3,600 monthly.

A recommendation will be submitted later as to the use of the funds.

B. REAL ESTATE MATTERS

1. U. T. Austin - Brackenridge Tract - Supermarket Improvements Located on 2.697 Acre Tract Bound by Lake Austin Boulevard, Exposition Boulevard, West 8th Street and Newman Drive: Authorization to Purchase from and Lease Back to Safeway Stores, Incorporated. -- Upon recommendation of System Administration, authorization was given to purchase from and to lease back to Safeway Stores, Incorporated, the recently completed supermarket improvements located on a 2.697 acre tract bound by Lake Austin Boulevard, Exposition Boulevard, West 8th Street and Newman Drive (Brackenridge Tract - The University of Texas at Austin). These improvements will be purchased for \$725,000 with funds from the Common Trust Fund; and, simultaneously, both the improvements and the 2.697 acre tract will be leased to Safeway Stores, Incorporated, for a term of 19 years, terminating April 30, 1996, at an initial annual rental of \$140,750.

The new lease will terminate the original ground lease on this tract but will not alter any of the previously approved conditions of the ground lease. Safeway will again be given two 10-year renewal options. The ground rent component during the option periods will be as specified in the original lease, and the improvement rent component will be \$65,250. The rentals are net to the Board of Regents with the tenant paying all expenses associated with the property.

Chairman Shivers was authorized to execute all instruments necessary to consummate this transaction when each had been approved as to form by an attorney in the Office of General Counsel and as to subject matter by Deputy Chancellor Walker.

2. U. T. Austin - Hogg Foundation - W. C. Hogg Memorial Fund: Lease on Town House Property (Allen Parkway and Waugh Drive, Houston, Texas): Amendment of Lease to American General Life Insurance Company. -- The following resolution was adopted:

WHEREAS, The Board of Regents leased approximately 5.5 acres at the intersection of Waugh Drive and Allen Parkway in the Stanley Subdivision of the John Austin Survey, City of Houston, Harris County, Texas, to American General Life Insurance Company for a term ending April 30, 1996 (original lease to Lee Town Houses, Inc., assigned to American General Life Insurance Company, November 1, 1971);

WHEREAS, At its meeting on October 26, 1973, the Board of Regents approved the conveyance to the City of Houston of a 9-foot strip along the western boundary of the leased premises for street widening purposes;

WHEREAS, This tract contained 5,541 square feet and was conveyed to the City by Street Deed dated September 8, 1976;

WHEREAS, At its meeting on July 9, 1976, the Board of Regents approved the sale of 24,215.004 square feet of the leased premises to American General Life Insurance Company, and the tract was conveyed on July 30, 1976;

WHEREAS, The City of Houston vacated Peveto Street which adjoined the leased premises and conveyed 3,181.7549 square feet out of the street to the Board of Regents by deed dated November 1, 1976; and

WHEREAS, The Administration recommended that the lease to American General Life Insurance Company be amended to change the description of the lease premises to reflect the transactions set out in paragraphs 2, 3, 4 and 5 of this resolution; now, therefore, be it

RESOLVED, That the lease to American General Life Insurance Company be so amended.

3. U. T. Austin - Lundell Professorship of Systematic Botany: Lease to Patsy Anderton, dba A-1 Grass Sales, Portion of Hood and Miller Addition, City of Plano, Collin County, Texas. --A lease covering Lots 8, 9, 18A, 19A and 19B in Block A of the Hood and Miller Addition, City of Plano, Collin County, Texas, was granted to Patsy Anderton, dba A-1 Grass Sales, Dallas, Texas. The lease will be for a two year term ending February 28, 1979, at a rental of \$250 per month. The lots covered by the lease are a portion of the property donated by Dr. and Mrs. C. L. Lundell for the benefit of the Lundell Professorship of Systematic Botany at The University of Texas at Austin. The tract contains approximately 49,400 square feet, and the probable value is in excess of \$150,000.

It was pointed out that the use of this property in this manner is an interim use only until such time as the property is ready for development. The lease may be terminated upon 60 days' notice by the University.

4. U. T. Austin - Walter Prescott Webb Chair in History: Extension of Lease with Fotomat Corporation Covering Location in Northfair Shopping Center. --Fotomat Corporation presently leases a site of approximately 650 square feet on the parking lot of Northfair Shopping Center for the operation of a drive-in photographic sales and service store. This property is a portion of the 2.508 acre tract at North Lamar and Airport boulevards donated by C. B. Smith, Sr., for the establishment of the Walter Prescott Webb Chair in History at The University of Texas at Austin. (See Permanent Minutes, Volume XXIV, Page 2024.) The lease expires May 5, 1979, and provides for a monthly guaranteed rent of \$150, and for percentage rental of 3% of monthly gross sales up to \$10,000 and 5% of sales in excess of \$10,000, less the minimum guaranteed rent.

Based upon the request of Fotomat Corporation and upon the recommendation of the Administration, this lease was extended for 10 years, 8 months, expiring December 31, 1989, on the terms that Fotomat will pay a monthly guaranteed rent of \$230, effective immediately, plus 4% of gross sales up to \$10,000 per month and 5% of gross sales in excess of \$10,000 per month less the minimum guaranteed rent.

5. U. T. El Paso - Frank B. Cotton Trust: Mining Lease to Bill Gregory, Van Horn, Texas, 40 Acres, GC&SF Survey, Hudspeth County, Texas. --Authorization was given for a mining lease with Mr. Bill Gregory of Van Horn, Texas, covering 40 acres in Section 39, Block 3, GC&SF Survey, Hudspeth County, Texas (U. T. El Paso - Frank B. Cotton Trust property), excluding oil and gas, other liquid hydrocarbons, potash, sulphur and fissionable materials. The principal terms of the lease are:

Term:	5 years or as long as minerals are mined and marketed
Royalty:	One-eighth or \$10 per ton, whichever is greater, but in no event will royalty paid be less than \$9,600 annually
Bonus:	\$25 per acre
Bond:	Lessee must furnish a surety bond acceptable to the University in the amount of \$50,000 guaranteeing performance of the lease terms.

6. University Cancer Center (M. D. Anderson) - Estate of Naomi L. Woods: Oil and Gas Lease to Amoco Production Company on 2.616 Acres, William Perkins Survey, Harris County, Texas. -- Upon the recommendation of the Administration, an oil and gas lease on a 2.616 acre tract in the William Perkins Survey in north Harris County, Texas (Naomi L. Woods Estate - M. D. Anderson of The University of Texas System Cancer Center) near Tomball, Texas, to Amoco Production Company was authorized under the following terms: \$75 per acre bonus, \$40 per acre delay rentals paid in advance and 1/6 royalty for a 5-year paid up lease.

III. OTHER MATTERS

Report of Securities Transactions for Permanent University Fund and Trust and Special Funds for December 1976 and January 1977. -- The Report of Securities Transactions for the Permanent University Fund and Trust and Special Funds for the months of December 1976 and January 1977, submitted by the Office of Investments, Trusts and Lands, was received. It is attached (Attachment No. 2) following Page CC-32 of Attachment No. 1 and made a part of these Minutes.

REPORT OF MEDICAL AFFAIRS COMMITTEE (Pages 59-72). --
On behalf of the Medical Affairs Committee, Committee Chairman Law submitted the following report and moved its adoption. He stated that all action had been taken in open session. The motion was adopted:

Report

1. U. T. Austin: Affiliation Agreements with (a) All Saints Hospital School of Medical Technology of Fort Worth, Fort Worth, Texas; (b) Austin State Hospital School of Medical Technology, Austin, Texas; (c) Texas A&I University at Corpus Christi School of Medical Technology, Corpus Christi, Texas, and (d) Veterans Administration School of Medical Technology, Houston, Texas (Department of Microbiology--Medical Technology Curriculum). --The Medical Affairs Committee approved affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of the Medical Technology Curriculum, the Department of Microbiology of The University of Texas at Austin, and the following facilities:
- (a) All Saints Hospital School of Medical Technology
of Fort Worth, Fort Worth, Texas
 - (b) Austin State Hospital School of Medical Technology,
Austin, Texas
 - (c) Texas A&I University at Corpus Christi School of
Medical Technology, Corpus Christi, Texas
 - (d) Veterans Administration School of Medical
Technology, Houston, Texas

Since these agreements, containing the hold harmless clause, are identical in form, only one copy is included in this record (Pages 59-62).

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

AFFILIATION AGREEMENT

THE STATE OF TEXAS) (

COUNTY OF TRAVIS) (

This AGREEMENT is executed on _____, 19____,
between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of the Medical Technology Curriculum, the Department of Microbiology of The University of Texas at Austin, hereinafter sometimes referred to as "University" in this agreement, and Austin State Hospital School of Medical Technology, hereinafter sometimes referred to as "Facility,"

WITNESSETH:

WHEREAS, it is agreed by the parties to be of mutual interest and advantage that the students of the University be given the opportunity to utilize the Facility as a clinical laboratory for educational purposes:

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

(1) The Facility will train students in the theory and practice of medical technology. The Facility will conform in its clinical portion of training to the ESSENTIALS OF AN APPROVED EDUCATIONAL PROGRAM FOR MEDICAL TECHNOLOGISTS, established by the AMERICAN MEDICAL ASSOCIATION COUNCIL ON MEDICAL EDUCATION in collaboration with AMERICAN SOCIETY OF CLINICAL PATHOLOGISTS and the AMERICAN SOCIETY FOR MEDICAL TECHNOLOGY.

(2) The number of students chosen to attend the Facility is not specified. However, University applicants to the Facility are to be considered equally with all other applicants on the basis of merit. No discrimination in the selection of applicants on the basis of sex, race, religion, or age is to be made by the Facility regarding applicants from the University.

(3) The Facility agrees to maintain approval of its program by the NATIONAL ACCREDITING AGENCY FOR THE CLINICAL LABORATORY SCIENCES or other appropriate accrediting agency.

(4) The period of training in the Facility shall be for one year, or such additional time as is approved by the NATIONAL ACCREDITING AGENCY FOR THE CLINICAL LABORATORY SCIENCES.

(5) The period of training at the University will be for not less than 100 semester hours, as described in the University College of Natural Sciences Catalogue. The University agrees to change the curriculum, if necessary, to conform to the ESSENTIALS OF AN APPROVED EDUCATIONAL PROGRAM FOR THE MEDICAL TECHNOLOGIST. The University will inform the Facility of all curriculum changes.

(6) The University will provide the Facility with a DEGREE AFFIRMATION FORM for each student who applies for admission to the Facility. This form will state whether or not the University is exempted from student transcript evaluation by the NATIONAL ACCREDITING AGENCY FOR THE CLINICAL LABORATORY SCIENCES. This form also will affirm that upon completion of all academic requirements for the degree, and that upon satisfactory completion of all courses of training at the Facility, the University will award the degree of Bachelor of Science in Medical Technology.

(7) The awarding of the degree of Bachelor of Science in Medical Technology will not be contingent upon a student's passing the examination of the Registry of Medical Technologists.

(8) Final grades earned by University students in this program, for each section of the Facility Curriculum, should be sent by the Facility to the Office of the Dean, Attention: Degree Evaluation, The College of Natural Sciences, The University of Texas at Austin, Austin, Texas 78712.

(9) It is the responsibility of the student, not the University or the Facility, to have a proper degree application on file and to register IN ABSENTIA during the semester or summer session in which the degree is to be awarded. During the period of training at the Facility, the student will pay to the University only those fees required for registration for graduation.

(10) Students who fail or withdraw from the clinical training program of the Facility are bound by the rules of the Facility. On request by the Facility or a student from the University in the program, the University will provide assistance to the Facility in determining the continuing or readmission eligibility of a student.

(11) The Facility will supply the University (Office of the Dean, Student Division, College of Natural Sciences, The University of Texas at Austin, Austin, Texas 78712, ATTN: Medical Technology Advisors) with a description of the training program. It further agrees to notify the University of any changes in the training program.

(12) The Faculty Advisors for the Medical Technology program at the University shall serve as consultants to the Facility. The consultants shall be welcome to visit the Facility, to inspect it, and to discuss with the Director or Coordinator matters relating to the training program.

(13) The Director and Educational Coordinator of the Facility shall serve as consultants to the Medical Technology program of the University and shall be welcome to visit the University to discuss with the Advisor and other representatives matters relating to the degree program.

(14) Representatives of the University and the Facility shall meet as often as necessary to study the coordinated undergraduate program and terms of this agreement and make changes as they are needed.

(15) Students will be subjected to the rules and regulations established by the Facility:

- (A) the Facility will charge the University no fees for general supervision of experiences provided for students;
- (B) the University will not be responsible for the student's meals, laundry, and transportation to and from the Facility;
- (C) the University will not be responsible for the student's health needs while in the performance of this agreement; and students shall be responsible for their own expenses in case of injury, illness, or hospitalization.

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

(17) This agreement is for a term of one year, and thereafter from year to year unless terminated by either party upon giving six months' advance notice in writing to the other party by certified mail.

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

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By _____
Chairman

ATTEST:

AUSTIN STATE HOSPITAL SCHOOL OF
MEDICAL TECHNOLOGY

By _____

Approved as to Form:

Approved as to Content:

Dennis Washop
University Attorney

Ed Walker
Deputy Chancellor

James Amundson
Associate Deputy Chancellor
for Academic Affairs

2. U. T. Austin (School of Nursing): Affiliation Agreement with Shoal Creek Hospital, Austin, Texas (Clinical Training of Nursing Students). -- Based on the model affiliation agreement for nursing adopted July 9, 1976, for the clinical training of nursing students, an affiliation agreement between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas at Austin School of Nursing, and Shoal Creek Hospital, Austin, Texas, was approved.

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

3. U. T. Austin (College of Pharmacy): Affiliation Agreement with Park North General Hospital, San Antonio, Texas (Clinical Training of Pharmacy Students). -- Upon the recommendation of President Rogers, concurred in by System Administration, approval was given to the affiliation agreement between the Board of Regents of The University of Texas System, for and on behalf of the College of Pharmacy of The University of Texas at Austin, and Park North General Hospital, San Antonio, Texas. This agreement, based on the model affiliation agreement for the College of Pharmacy approved by the Board of Regents on September 12, 1975, provides for preceptorial training of pharmacy students.

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

4. U. T. El Paso (College of Nursing): Affiliation Agreement with Texas Rehabilitation Commission, Region I, El Paso, Texas (Clinical Training of Nursing Students). -- Approval was given to the affiliation agreement, based on the model agreement for nursing adopted July 9, 1976, between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas at El Paso College of Nursing, and the Texas Rehabilitation Commission, Region I, El Paso, Texas, providing clinical training for the nursing students.

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

5. Dallas Health Science Center (Dallas Southwestern Medical School): Appointment of (a) Dr. Robert N. McClelland Initial Recipient of Alvin Baldwin, Jr. Chair in Surgery, (b) Dr. Charles R. Baxter Initial Recipient of Frank H. Kidd, Jr., M.D. Professorship in Surgery and (c) Drs. Michael S. Brown and Joseph L. Goldstein Initial Co-holders of Paul J. Thomas Chair in Medicine. -- Upon the recommendation of President Sprague, concurred in by Deputy Chancellor Walker, approval was given to the following appointments at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas:

- a. Dr. Robert N. McClelland to the Alvin Baldwin, Jr. Chair in Surgery effective April 1, 1977. Dr. McClelland is the

first recipient of this chair, established February 13, 1976. He is a distinguished surgeon and has made extensive contributions to the educational program of the Department of Surgery. He has organized and is the sole editor of the selected reading course in surgery which is contributing to the education of over 60 percent of all residents in training in the United States. This innovative educational program is of direct benefit to the residents, medical students and to Dallas Southwestern Medical School.

- b. Dr. Charles R. Baxter to the Frank H. Kidd, Jr., M.D. Professorship in Surgery effective April 15, 1977. Dr. Baxter is the first recipient of this chair. Dr. Baxter has organized and revolutionized the care of burn patients in the north central area of Texas. His extensive and varied research program has contributed not only to this improvement in care but has extended the understanding of many of the metabolic changes which occur during trauma. Dr. Baxter's activities have immeasurably strengthened the Department of Surgery at the Dallas Southwestern Medical School. (See Page 53 for establishment of professorship.)
- c. Drs. Michael S. Brown and Joseph L. Goldstein to the Paul J. Thomas Chair in Medicine effective April 15, 1977. Drs. Brown and Goldstein are the initial co-holders of this chair that was established February 13, 1976. They both hold the rank of full professor in the Department of Internal Medicine and carry on a full load of teaching and clinical work. At the same time, they have implemented a major research program designed to explore the basic mechanisms underlying the development of coronary heart disease.
6. Dallas Health Science Center (Dallas Allied Health Sciences School): Affiliation Agreements with (a) Community Services, D/FW Regional Airport, Texas; (b) Multiple Sclerosis Society, Dallas Area Chapter, Dallas, Texas; (c) Treemont, Dallas, Texas; and (d) American Red Cross, Dallas, Texas (Clinical Training of Allied Health Sciences Students). -- Upon the recommendation of President Sprague and concurred in by System Administration, approval was given to affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Health Science Center at Dallas, School of Allied Health Sciences, and the following facilities for the clinical training of allied health sciences students:

<u>Facilities and Locations</u>	<u>Training Specialty</u>
a. Community Services, D/FW Regional Airport, Texas	Rehabilitation Science
b. Multiple Sclerosis Society, Dallas Area Chapter, Dallas, Texas	Rehabilitation Science
c. Treemont, Dallas, Texas	Gerontology Services Administration
d. American Red Cross, Dallas, Texas	Gerontology Services Administration

APR 15 1977

These agreements are based on the model affiliation agreement approved for allied health sciences in September 1975, but do not contain the hold harmless clause since it was not requested by the facilities.

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

7. Galveston Medical Branch (Galveston Allied Health Sciences School): Affiliation Agreements with (a) Vocational Guidance Service, Houston, Texas and (b) Mental Health Mental Retardation Authority of Harris County, Houston, Texas (Clinical Training of Allied Health Sciences Students). --Approval was given to the affiliation agreements between the Board of Regents of The University of Texas System, for and on behalf of the Galveston Allied Health Sciences School of The University of Texas Medical Branch at Galveston, and the facilities listed below as submitted by President Levin and concurred in by System Administration for the clinical training of allied health sciences students:

<u>Clinical Facility</u>	<u>Specialty</u>
(a) Vocational Guidance Service Houston, Texas	Field experiences in treatment programs for adolescents and young adults with psychosocial problems for senior year occupational therapy students
(b) Mental Health Mental Retardation Authority of Harris County Houston, Texas	Field work experiences for senior students in community mental health and mental retardation programs necessary to increase the educational training of occupational therapists

These agreements are based on the model affiliation agreement for allied health sciences students adopted September 1975. The only exception occurs in the agreement with the Mental Health Mental Retardation Authority of Harris County. Certain items in Section 3(A), normally provided by the facility, are deleted because they are not available at the Authority.

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

8. Houston Health Science Center (School of Nursing): Affiliation Agreement with Leggett Memorial Hospital, Cleveland, Texas (Clinical Training of Nursing Students). --Upon the recommendation of Acting President Blocker, concurred in by System Administration, approval was given to the affiliation agreement between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas Health Science Center at Houston, School of Nursing, and the Leggett Memorial Hospital, Cleveland, Texas.

This agreement, based on the model affiliation agreement approved July 9, 1976, for the School of Nursing, provides facilities for clinical experience for the nursing students.

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

9. Houston Health Science Center (Houston Dental Branch): Authorization for Affiliation Agreement with Goodwill Industries of Houston, Texas, to Develop Family Practice Dental Program. --Approval was given to the recommendation of Dean Olson, Acting President Blocker and System Administration that they be permitted through an affiliation agreement on behalf of the Houston Dental Branch at The University of Texas Health Science Center at Houston and Goodwill Industries of Houston, Texas, for the establishment of a teaching dental clinic at Goodwill Industries to develop a family practice dental program.

Regent Sterling said that this program is a tremendous step forward for the Houston Health Science Center and that he has heard favorable comment on the establishment of a teaching dental clinic to aid these people.

The proposed dental care program would be developed for a group of patients between the ages of 21 and 62 who are not qualified under any other programs to make them eligible to receive comprehensive dental care; this program would provide for the handicapped people working in the Goodwill Industries as well as for the very low income residents in the areas immediately adjacent to the Goodwill Industries location.

To expedite the program, a committee was appointed composed of Chairman Shivers, Committee Chairman Law, Regent Fly, Deputy Chancellor Walker, Acting President Blocker and Dean Olson to approve the affiliation agreement after review and approval by the Office of General Counsel. The action of the committee will be reported to the Board of Regents at a subsequent meeting.

10. San Antonio Health Science Center (Medical and Dental Schools): Student Services Fee (Required) for Medical and Dental Students Effective 1977-1978 Academic Year (Catalog Change). --Upon the recommendation of President Harrison, concurred in by System Administration, the following schedule for the Student Services Fee (Required) was approved. This fee will place all students in an equitable pro rata position under the statutory maximum of \$30.00 for any one semester or summer session:

For medical and dental students enrolled in an academic year of nine (9) months	\$60.00
For medical and dental students enrolled in an academic year of twelve (12) months	\$90.00

For medical and dental students
enrolled in separate six (6)
weeks summer program \$15.00

For medical and dental students
enrolled in a separate twelve (12)
weeks summer program \$30.00

The revised Student Services Fee (Required) is effective with the 1977-1978 academic year. It was ordered that the next catalog published for the San Antonio Health Science Center incorporate this fee change.

11. San Antonio Health Science Center: Parking Permit Fees Effective 1977-78. -- The parking permit fee structure recommended by President Harrison and concurred in by System Administration at The University of Texas Health Science Center at San Antonio was approved effective 1977-78. The parking and traffic regulations are to be revised as detailed below:

- a. Type A Parking Permit Decal - \$72 a year.
For numbered reserved spaces.
Eligible: President, Vice President, Academic Deans and Departmental Chairmen
Parking Area: Assigned numbered reserved space or in a regular reserved space
- b. Type B Parking Permit Decal - \$48 a year.
For reserved area parking on any lot.
Eligible: Salaried faculty members and designated administrative department heads
Parking Area: Reserved area on any lot except numbered reserved spaces for Type A decals or any nonreserved or non-restricted area if all regular reserved spaces are full
- c. Type C Parking Permit Decal - \$24 a year.
Eligible: All employees and students and salaried faculty members and designated administrative department heads
Parking Area: Nonreserved or nonrestricted area or in D parking areas when C parking areas are full
- d. Type D Parking Permit Decal - \$12 a year.
Eligible: Classified employees and students on a space available basis
Parking Area: Areas designated for such vehicles
- e. The parking permit fee for a two wheel motorcycle, motorscooter or motorbike shall be \$1.50 and entitles the permit holder to park that vehicle only in the area designated for such vehicles. Motorcycles, motorscooters and bicycles may park in the two wheel vehicle parking area on any lot. Reserved spaces are not available in the area(s) designated for motorcycles, motorscooters and motorbikes.
- f. A parking permit decal may be issued for a second vehicle after it has been properly registered and an additional fee of \$1 is paid to the Accounting Office. If a parking permit decal is issued for a second motor vehicle, only one of these vehicles is permitted to

park regularly on the campus. If a person first purchases a decal for a motorcycle for \$1.50, he may not then register a second (four wheel vehicle) for a \$1 fee. In such case the four wheel vehicle must be registered as a primary vehicle and the registrant must pay the regular fee for such vehicle.

- g. The fee for a parking permit in the handicapped area shall be \$48 a year for faculty and \$24 a year for students and staff.
- h. Special students, part-time students and students from other institutions shall be treated as regular students and pay the appropriate fee for the type of permit assigned.
- i. Alteration or falsification of information on the motor vehicle registration form or unauthorized alteration of a parking decal will result in cancellation of parking privileges. The fee for violation of this section will be \$10.00. The person whose parking privilege has been canceled for violation of this section will not be entitled to any refund for the unused portion of the parking decal.

12. San Antonio Health Science Center: Affiliation Agreement with the Physicians' Educational Foundation, McAllen, Texas. -- Upon the recommendation of President Harrison, concurred in by System Administration, the Medical Affairs Committee approved the following affiliation agreement between the Board of Regents of The University of Texas System for and on behalf of the University of Texas Health Science Center at San Antonio and the Physicians' Educational Foundation, McAllen, Texas.

This agreement, set out on Pages 68-71, provides an opportunity for the Family Practice Residency Training Program in McAllen operated by the San Antonio Health Science Center to take full advantage of the Physicians' Educational Foundation in administering the teaching program more effectively.

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

AFFILIATION AGREEMENT

THE STATE OF TEXAS

COUNTY OF TRAVIS

This Affiliation Agreement, made and entered into the _____ day of _____, 1977, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO, hereinafter sometimes referred to as the "CENTER" and PHYSICIANS' EDUCATIONAL FOUNDATION, hereinafter sometimes referred to as the "FOUNDATION",

WITNESSETH:

WHEREAS the Foundation and the Center have common objectives, including (1) the advancement of medical knowledge through investigation and professional service through care of the sick; (2) promotion of personal and community health in rural and medically underserved areas; (3) alleviation of health manpower shortages in the non-urban environment; (4) the development of an expanded, rural-based teaching program with emphasis on rural preceptorships and residency rotations in family medicine and related medical specialties and (5) the expansion of new and innovative methods for health care delivery in non-urban areas; and

WHEREAS, it is acknowledged that a Center can accomplish these objectives more effectively through affiliation;

NOW THEREFORE, the Foundation and the Center agree to affiliate upon the following terms:

1. THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER
AT SAN ANTONIO

Jurisdiction and Responsibilities

(a) The respective schools of the Center will be operated as reputable and accredited schools.

(b) The Board of Regents of The University of Texas System will retain all jurisdictional powers incident to separate ownership, including the power to determine the general and fiscal policies of the Center and to appoint its administrative staff, faculty and other personnel.

(c) Except as otherwise provided, the Board of Regents of The University of Texas System shall be responsible for all expenses incurred in the operation of the Center.

(d) The Center will provide, where indicated and mutually agreeable, the direction and personnel necessary to conduct certain Center programs of research and teaching.

2. PHYSICIANS' EDUCATIONAL FOUNDATION

Jurisdiction and Responsibilities

(a) The Foundation shall retain all rights incident to its separate ownership, including the right to determine its general and fiscal policies and the right to determine the acceptability and desirability of its administrative and staff personnel.

(b) The Foundation will operate its facilities in a manner and with standards generally consistent with those established by the Joint Commission on Accreditation.

(c) The Administration of the Center and the Board of Regents of The University of Texas System agree that academic status is important in attracting and maintaining well qualified individuals for teaching positions at the Foundation and that academic appointments will be made by the Center for qualified individuals in key positions, if mutually desirable.

(d) The Foundation will provide the facilities, administration, basic equipment, and personnel necessary to conduct teaching programs for undergraduates and postgraduates of the Center. The teaching, research, and service activities of the Foundation will be conducted jointly in cooperation with the programs of the Center, as they relate to these teaching programs.

(e) All patients of the Foundation shall be subject to the exclusive direction and control of the Foundation.

(f) All expenses incurred in the operation of the Foundation shall be paid by the Foundation. All expenses incurred in the operation of the Center shall be paid by the Center.

3. JOINT RESPONSIBILITIES

The Foundation and the Center agree to cooperate in good faith in carrying out the common objectives and purposes of this Affiliation Agreement.

4. PERIOD OF AGREEMENT

(a) The Agreement is for a period of one (1) year from its effective date, and thereafter from year to year, unless terminated by either party on six (6) months' advance written notice.

(b) Amendments may be proposed administratively when appropriate and/or necessary.

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

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Betty Anne Thedford, Secretary
Board of Regents of
The University of Texas System

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

ATTEST:

PHYSICIANS' EDUCATIONAL FOUNDATION

James Forrest Fitch, M.D.
James Forrest Fitch, M.D.,
Secretary

BY: Rafael Garza
Rafael Garza, President

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Dumee Waehes
University Attorney

Ed DeAlba
Deputy Chancellor

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Vice-Chairman Williams, who is also Vice-Chairman of the Board for Lease of University Lands, stated that the Sixty-sixth Public Auction of Oil and Gas Leases held in Midland, Texas, on April 7 was a highly successful sale and presented the following report:

The high bidders paid a total of \$13,324,000 in bonus money for 143,364 acres, composed of 438 tracts at an average of \$93 per acre.

This was the third largest sale in history and was the largest single sale since 1956. The total bonus money collected by the University from 66 public auction sales now stands at 266.5 million dollars.

Total acres leased for oil and gas in the 66 auctions now stands at 2,839,000, although we have only 2.1 million acres.

There was a total of 65 successful bidders. Superior Oil Company bought the highest priced individual tract, paying \$480,000 or \$1,498 per acre for a half section in Ward County.

The top spenders were Gulf Oil, \$3,945,000; Superior, \$1,143,000; Charles Cerf, \$724,000; Bass Enterprises, \$619,000; Getty Oil, \$591,000; Midland's Aggie, Clayton Williams, \$568,000; and Cities Service, \$507,000.

Although Patrick Petroleum of Michigan spent a total of \$407,000 on the record, Patrick's total spending was actually \$1,131,000 since he had a second party on the opposite side of the room also bidding.

Vice-Chairman Williams reported that the auction was highly successful for three reasons:

1. The sale was by auction rather than by sealed bid.
2. The sale was held in Midland in the general area where the tracts of land are located as well as where a number of the bidders office.
3. The excellent work that the people in the University Land Office had done in preparing the list of property, the notice of sale and names of the bidders.

Vice-Chairman Williams took the opportunity to commend those in the University Land Office for the excellent work that they do at all times.

REPORTS OF SPECIAL COMMITTEES

REPORT OF SPECIAL COMMITTEE AUTHORIZED TO RENEGOTIATE REAL ESTATE NOTE WITH MITCHELL DEVELOPMENT CORPORATION OF THE SOUTHWEST (7,602.557 ACRES, MONTGOMERY COUNTY, TEXAS - THE SEALY AND SMITH FOUNDATION). --The Special Committee appointed on March 14, 1975, with authority to renegotiate real estate note with Mitchell Development Corporation of the Southwest (7,602.557 Acres, Montgomery County, Texas - The Sealy and Smith Foundation) made the following report:

Report

The Special Committee on March 11, 1977, approved a request by the Mitchell Development Corporation to pay in quarterly installments the \$1,687,963.65 of principal and interest due on its note on March 12, 1977. The first quarterly installment in the amount of \$421,990.91 was paid March 12, 1977, and three additional quarterly installments plus accrued interest at a 9% annual rate are to be paid on June 12, 1977, September 12, 1977, and December 12, 1977.

REPORT OF SPECIAL COMMITTEE AUTHORIZED TO NEGOTIATE WITH RESPECT TO SALE OF CERTAIN ARCHER M. HUNTINGTON MUSEUM FUND LANDS. --The Special Committee authorized to negotiate with respect to the sale of certain Archer M. Huntington Museum Fund Lands (450 acres and 97 acres, each adjacent to Swan Lake, and remainder of property lying southeast of these two tracts) made the following report:

Report

The Committee of the Board of Regents on the Huntington Lands, Chairman Shivers, Regent Clark and Regent Sterling (absent) met with staff members Deputy Chancellor Walker, General Counsel Fitzpatrick, Associate Deputy Chancellor Lobb and Real Estate Officer Smith on January 31, 1977, to discuss the staff's sales recommendations on the Huntington Lands. The following action was approved:

- a. Negotiated sale to Gulf Coast Waste Disposal Authority of 450 acres of the Huntington Lands adjacent to Swan Lake in the northeast corner of the U. T. property, for \$3,000 per acre, subject to Gulf Coast Waste Disposal Authority's obtaining necessary approval for the use of the lands.
- b. A negotiated sale to Malone Service Company of approximately 97 acres adjacent to Swan Lake and contiguous with land already owned by Malone Service Company at \$4,000 per acre, subject to Malone Service Company getting environmental clearance.
- c. Approval for offering at competitive bids the remainder of the Huntington property lying southeast of the above described tracts.

Regent Sterling concurred with the decision of Chairman Shivers and Regent Clark by telephone.

COMMITTEE OF THE WHOLE
(Pages 74-90)

Chairman Shivers filed the following report of the Committee of the Whole; all action of which had been taken in open session:

BOARD OF REGENTS: APPOINTMENTS TO SPECIAL COMMITTEES AND BOARD OF DIRECTORS OF THE UNIVERSITY CANCER FOUNDATION INCORPORATED. --Chairman Shivers announced the following appointments to fill vacancies on Special Committees and on the Board of Directors of The University Cancer Foundation Incorporated. The full membership of each committee is listed below with the new appointees indicated by an asterisk:

1. Special Committees

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

Regent Shivers (Chairman)
* Regent Bauerle
Regent Clark

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

Regent Sterling (Chairman)
* Regent Bauerle
* Regent Fly

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

Regent Shivers (Chairman)
Regent Clark
* Regent Law

d. Committee for Santa Rita Award

Regents

Regent Clark (Chairman)
* Regent Shivers
Regent Williams

System Administration

Chancellor LeMaistre

2. Board of Directors of The University Cancer Foundation Incorporated

Regent Shivers (President)
 Regent Bauerle
 * Regent Blumberg
 Regent Clark

3. Regental Representatives

Association (National) of Governing Boards of State Universities and Allied Institutions

All members of the Board of Regents

BOARD OF REGENTS, SYSTEM ADMINISTRATION, U. T. ARLINGTON, U. T. AUSTIN, U. T. DALLAS, U. T. EL PASO: AMENDED LIST OF THOSE AUTHORIZED TO NEGOTIATE, EXECUTE AND ADMINISTER CLASSIFIED GOVERNMENT CONTRACTS. --In order to bring up to date the list of officers cleared for access to classified material and to negotiate, execute and administer classified government contracts pursuant to the Security Agreement of The University of Texas System with the United States Department of Defense, the resolution adopted June 5, 1975, was amended to read as follows:

BE IT RESOLVED:

- a. That those persons occupying the following positions among the officers of The University of Texas System shall be known as the Managerial Group as described in the Industrial Security Manual for Safeguarding Classified Information:

Charles LeMaistre, Chancellor, Chief Executive Officer
 E. D. Walker, Deputy Chancellor
 Graves W. Landrum, Associate Deputy Chancellor for Operations

Robert L. Anderson, Comptroller
 Betty Anne Thedford, Secretary to the Board of Regents
 A. J. Dusek, Director, Office of Sponsored Projects, The University of Texas at Austin; U. T. System Security Supervisor

Wendell H. Nedderman, President, The University of Texas at Arlington

Quinten S. Mathews, Assistant to the President, Director of Sponsored Projects and Security Officer, U. T. Arlington

Lorene L. Rogers, President, The University of Texas at Austin

H. Eldon Sutton, Vice-President for Research, U. T. Austin

James H. Colvin, Vice-President for Business Affairs, U. T. Austin

Bobby G. Cook, Business Manager, U. T. Austin

Bryce Jordan, President, The University of Texas at Dallas

David W. Canham, Jr., Security Officer, U. T. Dallas

Arleigh B. Templeton, President, The University of Texas at El Paso

Rodolfo Gomez, Director of Research and Graduate Dean and Security Officer, U. T. El Paso

- b. That the Chief Executive and the members of the Managerial Group have been processed, or will be processed, for a personnel clearance for access to classified information, to the level of the facility clearance granted to this institution, as provided for in the aforementioned Industrial Security Manual and all replacements for such positions will be similarly processed for security clearance.
- c. That the said Managerial Group is hereby delegated all of the Board's duties and responsibilities pertaining to the protection of classified contracts of the Department of Defense or User Agencies of its Industrial Security Program awarded to the institutions of The University of Texas System.
- d. That the following named members of the Board of Regents shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of The University of Texas System and do not occupy positions that would enable them to affect adversely the policies and practices of the institutions of The University of Texas System in the performance of classified contracts for the Department of Defense, or User Agencies of its Industrial Security Program, awarded to institutions of The University of Texas System, and need not be processed for a personnel clearance:

Members of the Board of Regents:

Mr. Allan Shivers, Chairman
Mr. Dan C. Williams, Vice-Chairman
James E. Bauerle, D.D.S.
Mrs. Roland K. Blumberg (Jane)
Mr. Edward Clark
Sterling H. Fly, Jr., M.D.
Mr. Jess Hay
Mr. Thos. H. Law
Mr. Walter G. Sterling

U. T. SYSTEM: REPORT ON COMMITTEE FOR INSTITUTE OF HIGHER EDUCATION MANAGEMENT. --Deputy Chancellor Walker said that the Report on the Committee for Institute of Higher Education Management would be mailed to the members of the Board of Regents.

U. T. SYSTEM: PLAN FOR PROFESSIONAL MEDICAL MALPRACTICE SELF-INSURANCE. --The Plan for Professional Medical Malpractice Self-Insurance set out on Pages 77-86 was approved for The University of Texas System effective April 1, 1977. This plan was authorized under Senate Bill No. 391, 65th Legislature, R.S., which became effective March 10, 1977 (Page 5):

THE UNIVERSITY OF TEXAS SYSTEM
PLAN FOR PROFESSIONAL MEDICAL
MALPRACTICE SELF - INSURANCE

Effective April 1, 1977

Article I.

PURPOSE

The purpose of this Plan is to provide certain medical staff and medical students of The University of Texas System with medical professional malpractice liability indemnity from and against medical malpractice claims pursuant to the authority granted to the Board of Regents of The University of Texas System by Senate Bill 391, Acts of the Sixty-fifth Legislature, which Act became effective March 10, 1977.

Article II

DEFINITIONS

This Plan shall be known as the Plan for Professional Medical Malpractice Self-Insurance, and, for convenience, is hereinafter referred to as the "Plan". Unless otherwise required by the context, the following terms shall control:

(a) "Medical staff members" shall mean: (1) medical doctors, doctors of osteopathy, and podiatrists employed full-time by a medical school or hospital of the System, and the interns, residents and fellows participating in a patient-care program in the System, who are duly licensed and registered to practice their profession; and (2) medical students who are duly registered in a medical school of the System.

(b) "Participant" means any medical staff member qualifying for participation in this Plan as set forth in Article IV of this Plan. The coverage afforded applies separately to each participant against whom claim is made or suit is brought, except with respect to the limits of System's liability.

(c) "Medical malpractice claim" means an alleged cause of action (arising within the Plan territory) based upon treatment, lack of treatment, or other claimed departure

from accepted standards of medical care which proximately result in injury to or death of the participant's patient; provided, however, that "Medical malpractice claim" shall not mean any cause of action or claim arising out of or incident to, whether directly or indirectly: (1) any unlawful or illegal act, error or omission of participant, unless participant had no reasonable cause to believe his conduct was unlawful or illegal; or (2) any assumption of liability or indemnity obligation by participant under a contract or agreement.

(d) "System" means The University of Texas System.

(e) "Board" means the Board of Regents of The University of Texas System.

(f) "Fund" means the Medical Professional Liability Fund established by the Board.

(g) "Administrator" means the Deputy Chancellor of The University of Texas System.

(h) "General Counsel" means the General Counsel of The University of Texas System.

(i) "Damages" means all damages, including damages for death, which are payable because of injury to which the Plan applies, but does not include exemplary or punitive damages.

(j) "Coverage" means the medical malpractice liability indemnity afforded participants by this Plan.

(k) "Plan territory" means: (1) the United States of America, its territories or possessions, or Canada; or, (2) anywhere in the world for medical doctors, doctors of osteopathy, or podiatrists, provided the original suit for damages is brought within the United States of America, its territories or possessions, or Canada.

(l) "Annual period" means from April 1, 1977 through March 31, 1978, and each succeeding twelve month period (From April 1, through March 31) or part thereof terminating with the termination of this Plan.

Whenever used in this Plan, masculine pronouns shall include both men and women unless the context indicates otherwise.

Article III

APPLICABILITY OF PLAN PROVISION

The coverage afforded by this Plan is subject to the particulars, terms, conditions and limitations (including, but not limited to limits of liability) of this Plan and the interpretations thereof by the Board or its authorized representative.

Article IV

CONDITIONS FOR PARTICIPATION

Section 1. Application for Participation. Each person who is a medical staff member on the effective date of the Plan, and each person who becomes a medical staff member thereafter, shall be given a copy of the Plan and, as a condition of participation, shall complete and sign an application in such form as is prescribed by the Administrator, and evidencing the fact such person accepts and agrees to all the provisions of the Plan.

Section 2. Student Participation Fee. Each medical student, as an additional condition of participation, must pay into the Fund a fee in such amount or amounts, and at such time or times, as may be required by the Board.

Article V

COVERAGE OF PARTICIPANTS

Section 1. Payments on Behalf of Participants. The System will pay on behalf of each participant, from monies in the Fund, all sums which the participant shall become legally obligated to pay as damages because of a medical malpractice claim arising from the exercise of the participant's employment, duties or training with the System as a medical staff member, performed in the practice of his profession, including service by the participant as a member of a formal accreditation or similar professional board or committee of a hospital or professional society. A medical student shall be deemed to be "in the practice of his profession" during such time or times as he is participating (with prior approval of the medical school in which he is duly registered as a student) in a patient-care program of a duly accredited medical school

under the direct supervision of a faculty member of the school conducting such program, but only during such time or times.

Section 2. Defense of Lawsuits. The System shall have the right and duty to defend any suit seeking damages (as described in Section 1 of this Article V) against a participant even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, but the System shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the System's liability has been exhausted by payment of judgments or settlements, or monies in the Fund have been exhausted.

Section 3. Supplementary payments. The System will pay from the Fund, in addition to the applicable limit of liability:

(a) all expenses incurred by the System, all costs taxed against the participant in any suit defended by the System, and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the System has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the System's liability thereon;

(b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this Plan, but the System shall have no obligation to apply for or furnish any such bonds.

Article VI

LIMITS OF LIABILITY

The limit of liability stated in the schedule below as applicable to "each claim" is the limit of the System's liability for all damages because of each claim or suit covered by the Plan. The limit of liability stated in the schedule below as "aggregate per participant" is, subject to the above provision respecting "each claim", the total limit of the System's liability under this Plan for all damages because of all medical malpractice claims against any one participant in any one annual period. The limit of liability stated in the schedule below as "annual aggregate" is, subject to the above provisions respecting "each claim" and "aggregate per participant", the total limit of the System's liability under this Plan for each annual period.

Limits of liability schedule:

Staff Physician	\$200,000 per claim \$600,000 aggregate per participant
Resident Intern, Fellow or Student	\$25,000 per claim \$75,000 aggregate per participant
Annual Aggregate	\$2,000,000

Article VII

OTHER INSURANCE

Section 1. Primary Coverage. The coverage afforded by this Plan is primary coverage, except when expressly stated to apply in excess of or contingent upon the absence of other insurance. When this coverage is primary and the participant has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the System's liability under this policy shall not be reduced by the existence of such other insurance.

Section 2. Other Insurance. When both this Plan and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the System shall not be liable under this Plan for a greater proportion of the loss than that stated in the applicable contribution provision below:

(a) Contribution by Equal Shares. If all of such other valid and collectible insurance provides for contribution by equal shares, the System shall not be liable for a greater proportion of such loss than would be payable if such insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of loss is paid, and with respect to any amount of loss not so paid, the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

(b) Contribution by Limits. If any of such other insurance does not provide for contribution by equal

shares, the System shall not be liable for a greater proportion of such loss than the applicable limit of liability under this Plan for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

Article VIII

PARTICIPANT'S DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT

Section 1. Notice of Occurrence. Upon the participant's becoming aware of an occurrence or incident involving an injury or death, or an alleged injury or death, to which this Plan applies, or may apply, written notice containing particulars sufficient to identify the participant and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the patient and of available witnesses, shall be given by or for the applicant to the Administrator as soon as practicable.

Section 2. Notice of Claim or Suit. If claim is made or suit is brought against the participant, the participant shall immediately forward to the General Counsel every demand, notice, summons, or other process received by him or his representative, in accordance with administrative regulations for the Plan prescribed or approved by the Administrator.

Section 3. Cooperation by Participant. The participant shall cooperate with the System and upon the System's request, assist in making settlements in the conduct of suits, and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the System because of injury with respect to which coverage is afforded under this Plan; and the participant shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The participant shall not, except at participant's own costs, voluntarily make any payment, assume any obligation or incur any expense.

Article IX

MODIFICATION AND TERMINATION

Section 1. Rights of Participants. The Board may terminate the Plan at any time, or at any time or from time to time, may amend, alter or suspend the Plan in whole or in part, as to all persons eligible to participate hereunder, or any class or group of such persons, provided such action shall not impair any rights accrued prior to

the effective date of such termination, amendments, modifications, alterations or suspension. Any such termination, amendment, alteration or suspension shall be effective at such date as the Board may determine, but not earlier than sixty (60) days prior to the date on which the Board shall have given notice of such termination, amendment, alteration or suspension to the Administrator. The Administrator shall promptly give notice of any such termination, alteration or suspension to all participants affected thereby.

Section 2. Termination in Event of Mandatory Participation in Other Indemnity or Insurance Programs. It is an express condition of the Plan that if the System is required by law, or by a collective bargaining or other agreement, to contribute toward another plan, program or scheme providing professional liability insurance or indemnity benefits for a class or group of medical staff members, this Plan will terminate forthwith as to such class or group of medical staff members.

Section 3. Termination Upon Cessation of Medical Staff Employment. This Plan shall apply to a participant only so long as such participant remains qualified to participate in this Plan, provided that cessation of such participation shall not impair any rights accrued under this Plan prior to the effective date of such cessation of qualification.

Section 4. Benefits Terminable. All coverage of a participant under this Plan shall cease at once if the participant engages in any business or performs any act which in the sole judgment of the Board is prejudicial to the interest of the System.

Article X

ACTION AGAINST SYSTEM

Section 1. Conditions precedent. No action shall lie against the System unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Plan, nor until the amount of the participant's obligation to pay shall have been finally determined either by judgment against the participant after actual trial, or by written agreement of the claimant and the Administrator.

Section 2. Third-party actions. Any person or organization, or the legal representative thereof, who has secured such judgment or written agreement shall thereafter be entitled to recover under this Plan to the extent of the coverage afforded by this Plan. No person or organi-

zation shall have any right under this Plan to join the System as a party to any action against the participant to determine the participant's liability, nor shall the System be impleaded by the participant or his legal representative. Bankruptcy or insolvency of the participant or the participant's estate shall not relieve the System of any of its obligations hereunder.

Article XI

ADMINISTRATION OF PLAN

Section 1. Administration. The Plan shall be administered by the Administrator under direction of the Board.

Section 2. Administrative Regulations. The Administrator may from time to time prescribe regulations for the administration of this Plan provided that such regulations shall, in the opinion of the General Counsel be consistent with the provisions of this Plan as it may be amended from time to time pursuant to Article IX of this Plan.

Section 3. Legal Interpretation. The text of this Plan shall control and the headings to the Articles, Sections, and paragraphs are for reference purposes only, and do not limit or extend the meaning of any of the Plan's provisions. The Plan shall be governed by and construed in accordance with the laws of the State of Texas. Any interpretation of the Plan by the General Counsel shall be conclusive as between the System and its employees and students, participating medical staff members, and retired or otherwise terminated participants, employees and students, and may be relied upon by the System and all parties in interest.

Section 4. Counsel and Settlement Authority. Authority to employ counsel, approve attorney fees and expenses, and approve settlement of all claims, including litigation, shall rest with the General Counsel, or his delegate, subject to concurrence or approval of the Administrator, as required by administrative regulations for the Plan.

Article XII

GENERAL PROVISIONS

Section 1. Subrogation. In the event of any payment under this Plan, the System shall be subrogated to all of

the participant's rights of recovery therefor against any person or organization and the participant shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The participant shall do nothing after loss to prejudice such rights.

Section 2. Changes. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Plan, or estop the System from asserting any right under the terms of this Plan; nor shall the terms of this Plan be waived or changed, except by written waiver or amendment duly approved by the Board.

Section 3. Declaration. By acceptance of this Plan, the participant agrees that the statements in his application to participate are his agreements and representations, that his application has been accepted by the System in reliance upon the truth of such representations and that this Plan, and his application to participate, embody all agreements existing between himself and the System or any of its agents relating to this Plan and the coverage afforded hereunder.

Section 4. Assignment. It is a condition of this Plan, and all rights of each participant shall be subject thereto, that no right or interest of any participant under this Plan shall be assignable in whole or in part.

Section 5. Employment Non-Contractual. The System may terminate the employment, internship, residency, fellowship, or student-school relationship of any participant as freely and with the same effect as if this Plan were not in operation.

Section 6. Actions Against Participant. This Plan or its operation shall not in anywise affect any claim or cause of action by the System against a participant for indemnity or contribution arising out of or incident to any medical malpractice claim.

Section 7. Concealment or Misrepresentation. This Plan shall be void as to any participant, if, whether before or after a claim or cause of action is asserted, such participant has willfully concealed or misrepresented any material fact or circumstance concerning any claim or cause of action covered by this Plan, or otherwise concerning this Plan, or the subject thereof, or the interest of the participant therein, or in case of any fraud or false swearing by the participant relating thereto.

Section 8. Communications. All notices, reports and statements given, made, delivered or transmitted to a participant shall be deemed duly given, made, delivered or transmitted when delivered to him, or when mailed by first-class mail, postage prepaid, and addressed to him at the address last appearing on the books of the System. A participant who changes his address shall forthwith give written notice to the System of such change. Written directions, notices and other communications from participants to the System shall be mailed by first-class mail, postage prepaid, or delivered as follows:

(a) If intended for the Administrator: The University of Texas System, Office of the Deputy Chancellor, O. Henry Hall, 601 Colorado Street, Austin, Texas 78701 Attention: The Deputy Chancellor.

(b) If intended for the General Counsel: Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas 78701, Attention: General Counsel, The University of Texas System.

Section 9. Effective Date. The Plan shall be effective April 1, 1977.

U.T. AUSTIN: AUTHORIZATION TO ASSERT NO INTEREST IN CARDIAC PUMPING DEVICE, DESIGN VII, DEVELOPED BY THOMAS M. RUNGE, M.D., PROFESSOR, BIO-MEDICAL ENGINEERING LABORATORIES, AND COMPLIANCE WITH PATENT POLICY (REGENTS' RULES AND REGULATIONS, PART TWO, CHAPTER V, SUBSECTION 2.4523). --In compliance with the patent policy (Regents' Rules and Regulations, Part Two, Chapter V, Subsection 2.4523) and upon the recommendation of the Institutional Patent Committee of The University of Texas at Austin, concurred in by U.T. Austin Administration and System Administration, authorization was given for the University to assert no interest in a cardiac pumping device developed by Thomas M. Runge, M.D., Professor, Bio-Medical Engineering Laboratories except to reserve the right of royalty-free use of such device in any of the System's medical branches. Dr. Runge had submitted a patent application covering this cardiac pumping device which is designated "Design VII."

It was noted that Dr. Runge had previously developed another cardiac pumping device which had been patented but was never submitted to the Board of Regents for approval; however, Dr. Runge's attorney is to furnish the University with a written agreement that the University will have the free use of such device in any of the System's medical branches.

U.T. AUSTIN - REPRESENTATIVES OF BOARD OF REGENTS ON BOARD OF TRUSTEES OF SOUTHWEST TEXAS AREA EDUCATIONAL TELEVISION COUNCIL (CHANNEL 9 - KLRN): REAPPOINTMENT OF DR. JACK DAVIDSON AND APPOINTMENT OF DR. ELDON SUTTON AND MR. MARVIN D. SHWIFF. -- To fill the vacancies of Regental Representatives on the Board of Trustees of the Southwest Texas Area Educational Television Council (Channel 9 - KLRN), and upon the recommendation of President Rogers, concurred in by System Administration, the following appointments were authorized for three-year terms expiring January 1980:

Dr. Jack Davidson, Superintendent of Schools, Austin Independent School District, Austin, Texas was reappointed.

Dr. Eldon Sutton was appointed to succeed Dr. Lorene L. Rogers whose term expired January 1977. He is Vice President of Research and Professor of Geology at The University of Texas at Austin, Austin Texas.

Mr. Marvin D. Shwiff was appointed to succeed Mr. Roy Barrera whose term expired January 1977. He is Interim President of Austin Community College, Austin, Texas.

For the record, the full membership of the Regents' Representatives on the Board of Trustees as of this date is set out below:

Terms Expiring January 1978

- Dr. Peter T. Flawn, President, The University of Texas at San Antonio, San Antonio, Texas
- Dr. Wayne Danielson, Dean of the School of Communication, The University of Texas at Austin, Austin, Texas

Terms Expiring January 1979

- Dr. L.D. Haskew, Professor of Educational Administration, The University of Texas at Austin, Austin, Texas
- Dr. Robert E. Davis, Professor and Chairman of Radio-Television-Film Department, The University of Texas at Austin, Austin, Texas
- Professor David A. Anderson, School of Law, The University of Texas at Austin, Austin, Texas

Terms Expiring January 1980

- Dr. Jack Davidson, Superintendent of Schools, Austin, Independent School District, Austin, Texas
- Dr. Eldon Sutton, Vice President of Research and Professor of Zoology, The University of Texas at Austin, Austin, Texas
- Mr. Marvin Shwiff, Interim President, Austin Community College, Austin, Texas

U. T. AUSTIN: APPROPRIATION FROM AVAILABLE UNIVERSITY FUND FOR (1) ANIMAL RESOURCES CENTER EQUIPMENT; (2) ART BUILDING ADDITION TEACHING EQUIPMENT; (3) DRAMA BUILDING ADDITION TEACHING EQUIPMENT; (4) RESERVE FOR EQUIPMENT AND IMPROVEMENTS TO GENERAL PUBLIC CLASSROOMS AND LABORATORIES, AND (5) TEXAS UNION FURNISHINGS AND EQUIPMENT. --Based upon the recommendations of President Rogers, concurred in by Deputy Chancellor Walker, approval was given to an appropriation of \$1,381,107 from the Available University Fund to be used for projects at The University of Texas at Austin as follows:

Animal Resources Center Equipment	\$ 232,000
Art Building Addition Teaching Equipment	338,245
Drama Building Addition Teaching Equipment	60,862
Reserve for Equipment and Improvements to General Public Classrooms and Labora- tories (projects to be reported in subsequent dockets)	500,000
Texas Union Furnishings and Equipment	<u>250,000</u>
	<u>\$ 1,381,107</u>

U. T. AUSTIN: AUTHORIZATION FOR A FOURTH AND FINAL YEAR LEAVE OF ABSENCE WITHOUT PAY FOR PROFESSOR JAMES ROACH IN COMPLIANCE WITH REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 16. --Upon the recommendation of President Rogers, concurred in by System Administration, and in compliance with Section 16 of Chapter III of Part One of the Regents' Rules and Regulations, a fourth and final year's leave of absence without pay was granted to James Roach, Professor of Government at The University of Texas at Austin, in order for Dr. Roach to continue to serve as Counselor for Cultural Affairs in the U.S. Embassy in New Delhi, India.

DALLAS HEALTH SCIENCE CENTER: PRIOR APPROVAL OF PATENT PROVISIONS IN PROPOSED AGREEMENT WITH MILWAUKEE CHAPLET & MANUFACTURING COMPANY, INC. (REGENTS' RULES AND REGULATIONS, PART TWO, CHAPTER V, SECTION 2.4). --Upon the recommendation of the Patent Policy Committee of The University of Texas Health Science Center at Dallas and President Sprague, concurred in by System Administration, prior approval was given to the patent provisions of a proposed agreement between The University of Texas Health Science Center at Dallas and Milwaukee Chaplet & Manufacturing Company, Inc., Milwaukee, Wisconsin.

The Office of General Counsel reviewed the patent provisions of the proposed agreement and found the provisions consistent with the Regents' Rules and Regulations, Part Two, Chapter V, Section 2.4. A copy of this agreement, if executed, will be reported in the Deputy Chancellor's Docket at a subsequent meeting.

APR 15 1977

GALVESTON MEDICAL BRANCH - GRANVILLE T. HALL CHAIR IN GENERAL SURGERY AND THE FLORENCE AND MARIE HALL ENDOWMENT FOR PROGRAMS OF EXCELLENCE IN EDUCATION IN THE MEDICAL SCIENCES: RATIFICATION OF AGREEMENT AND STIPULATION SUPPLEMENTING BASIC TRUST AGREEMENT; DEED OF GIFT. -- The Board of Regents ratified the action of Chairman Shivers in executing on March 14, 1977 an Agreement and Stipulation supplementing the Trust Agreement between Florence Thelma Hall and Florence Marie Hall and the Board of Regents establishing the Granville T. Hall Chair in General Surgery and the Florence and Marie Hall Endowment for Programs of Excellence in Education in the Medical Sciences at The University of Texas Medical Branch at Galveston (Permanent Minutes, Volume XXIV, Page 2025).

Under the basic Trust Agreement, Florence Thelma Hall, a widow, and Florence Marie Hall, a feme sole, conveyed a three-fourths (3/4) interest in the surface only of 2,880 acres in Glasscock and Howard Counties, Texas, for the purposes indicated in the Trust Agreement dated December 21, 1976. Under this Supplemental Agreement and Stipulation and a Deed of Gift executed by Florence Marie Hall on March 14, 1977, title to the remaining undivided one-fourth (1/4) interest in the surface estate of the 2,880 acres in Howard and Glasscock Counties, Texas, vests in the Board of Regents subject to the basic Trust Agreement.

UNIVERSITY CANCER CENTER: AMENDMENTS TO BYLAWS OF THE BOARD OF VISITORS OF THE UNIVERSITY CANCER FOUNDATION. -- Upon the recommendation of President Clark and the Board of Visitors of The University Cancer Foundation, concurred in by System Administration, the Bylaws of the Board of Visitors of The University Cancer Foundation of The University of Texas System Cancer Center were amended by deleting Sections 4.1 and 4.4 of Article IV and Section 5.1 of Article V and substituting the following in lieu thereof:

Article IV. Officers and Committees

Section 4.1

Officers. The officers of the Board of Visitors shall consist of a Chairman, a Vice Chairman, and a Secretary. All such officers shall be Regular Members of the Board of Visitors and shall be nominated by the Membership Committee and elected to one year terms by majority vote of the Regular Members of the Board. An officer of the Board may be elected to an unlimited number of terms but cannot serve in the same position for more than two consecutive terms. In no case may an officer's term exceed his term as Member of the Board of Visitors. In addition there may be an Assistant Secretary designated by the President from the staff of The University Cancer Center.

Section 4.4

Executive Committee. There shall be an Executive Committee, composed of the Officers of the Board (Chairman, Vice Chairman and Secretary), the immediate past Chairman, the Chairman of stand-committees and two additional members of the Board who shall be elected by the Board of Visitors

upon nomination by the Membership Committee. The President and Officers of The University Cancer Center shall be ex officio members of the committee. The members thereof shall hold office for one year and until their successors are elected and have qualified. The Executive Committee, subject to such limitations as the Board of Visitors shall establish from time to time, shall have and may exercise all of the authority of the Board of Visitors between meetings of the Board, except that such Committee shall have no powers (a) in areas withdrawn from its scope of authority by the Board of Visitors, (b) to elect or appoint directors, officers or members of any committee, (c) to alter, amend, or repeal these bylaws, or any resolutions of the Board of Visitors, or (d) take any action contrary or inimical to any resolutions of the directors, resolutions of the Board of Regents, or any determination of the President. Meetings of the Executive Committee shall be held at such time and place as the Chairman or the President may determine. Three days' telephonic notice of meetings of the Executive Committee shall be required, and a majority of the members of the Committee shall constitute a quorum for the transaction of business. Minutes of all such meetings shall be kept and shall be presented to the Board of Visitors at its next meeting for approval or disapproval.

Article V. Amendments

Section 5.1 Changes. These bylaws may from time to time be added to, changed, altered, amended or repealed (a) by the affirmative vote of at least a majority of the whole Board of Visitors after affirmative recommendation by the Executive Committee; (b) followed by the affirmative action of the Board of Regents.

U. T. AUSTIN - POLICY STATEMENT REGARDING USE OF SPECIAL EVENTS CENTER AND GALVESTON MEDICAL BRANCH (GALVESTON MEDICAL SCHOOL) - RECOMMENDATION TO ACCEPT J. FRED MULLINS, M.D., CHARITABLE REMAINDER UNITRUST. --The items listed in the caption were withdrawn since there was not sufficient time to develop the recommendations thereon in time for this Regents' meeting as had been planned when the Agenda was prepared.

COMMITTEE OF THE WHOLE - EXECUTIVE SESSION

Chairman Shivers reported that following the meeting of the Committee of the Whole in Open Session, the members of the Board of Regents convened in Executive Session of the Committee of the Whole in the Committee Room pursuant to Article 6252-17, Sections 2(e), (f) and (g), V.T.C.S. and that there was only one matter to report:

HOUSTON HEALTH SCIENCE CENTER: ACCEPTANCE OF RESIGNATION OF DR. CHARLES A. BERRY, PRESIDENT, AND APPOINTMENT OF DR. TRUMAN G. BLOCKER, JR., ACTING PRESIDENT. --Chairman Shivers called for consideration of the one item relating to personnel that was discussed in Executive Session. Whereupon Regent Clark moved, and Vice-Chairman Williams seconded, that the resignation of Dr. Charles A. Berry, President of The University of Texas Health Science Center at Houston, be accepted and that the appointment of Dr. Truman G. Blocker, Jr., Acting President, be approved. This motion prevailed by unanimous vote.

The Regents joined in Regent Clark's expression of appreciation for the willingness of Dr. Blocker to take over this position and said that he knew he would do a great job in the interest of the University and the State of Texas.

OTHER MATTERS

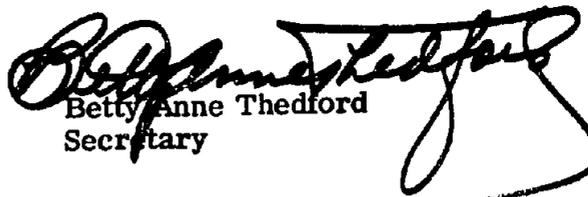
MEMORIAL RESOLUTION TO DR. JOE T. NELSON, FORMER MEMBER OF THE BOARD OF REGENTS. --Upon motion of Regent Sterling and by unanimous vote, it was ordered that a resolution be prepared in memory of Dr. Joe T. Nelson who served on the Board of Regents from 1971-1977. Chairman Shivers said that the resolution will provide for all Regents' signatures and for a copy to be sent to Mrs. Nelson.

SCHEDULED MEETINGS. --The following meetings of the Board of Regents were scheduled:

June 10, 1977 Austin, Texas

July 29, 1977 Austin, Texas

ADJOURNMENT. --The business on the agenda having been concluded, the meeting was duly adjourned at 1:15 p. m.


Betty Anne Thedford
Secretary

April 20, 1977