

Meeting No. 801

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

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April 12-13, 1984

San Antonio, Texas

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MEETING NO. 801

THURSDAY, APRIL 12, 1984.--The members of the Board of Regents of The University of Texas System convened in regular session at 1:20 p.m. on Thursday, April 12, 1984, in Room 4.03.12 of the John Peace Library Building at The University of Texas at San Antonio, San Antonio, Texas, with the following in attendance:

ATTENDANCE.--

Present

Chairman Newton, presiding
Vice-Chairman Baldwin
Vice-Chairman (Mrs.) Briscoe
Regent Hay
Regent (Mrs.) Milburn
Regent Powell
Regent Rhodes
Regent Richards
Regent Yzaguirre

Absent

Executive Secretary Dilly

Chancellor Walker
Executive Vice Chancellor Duncan
Executive Vice Chancellor Mullins

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

WELCOME AND PRESENTATION BY DR. JAMES W. WAGENER, PRESIDENT OF THE UNIVERSITY OF TEXAS AT SAN ANTONIO.--Chairman Newton stated that the Board was pleased to be meeting in San Antonio and then called on Dr. James W. Wagener, President of The University of Texas at San Antonio (the host institution), for a short presentation.

On behalf of the faculty, staff and students of U. T. San Antonio, President Wagener welcomed the members of the Board and other guests to San Antonio. With the aid of slides, he pointed out that U. T. San Antonio had experienced some major accomplishments in its ten-year history and reviewed the institution's enrollment growth, faculty recruitment efforts, research activities, academic programs, and critical role in this city of contrast. Dr. Wagener noted that U. T. San Antonio is meeting the needs of the city by emphasizing programs that contribute to the technological and economic development of the San Antonio area and that leaders of industry look to UTSA for well trained employees.

In closing, President Wagener stated that U. T. San Antonio and The University of Texas Health Science Center at San Antonio are working together to develop biotechnology programs that are in the best interests of the City of San Antonio.

(President Wagener's report was in accordance with the policy adopted at the September 1977 meeting of the U. T. Board of Regents. A copy of the report will be filed with the Executive Secretary and made a part of the permanent record.)

U. T. BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING HELD ON FEBRUARY 8-10, 1984.--Upon motion of Regent Powell, seconded by Regent Milburn, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held on February 8-10, 1984, in Houston, Texas, were approved as distributed by the Executive Secretary. The official copy of these Minutes is recorded in the Permanent Minutes, Volume XXXI, Pages 1568 - 2334.

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

U. T. Arlington

President Nedderman introduced:

Faculty Representative:	Dr. Sherman Wyman, Chairman Faculty Senate
Student Representative:	Mr. Lex Jenkins, Commentary Editor, Student Publications

U. T. Austin

President Flawn introduced:

Faculty Representative:	Dr. John Durbin, Chairman Faculty Senate
Student Representatives:	Mr. Mitch Kreindler, President Students' Association Mr. Rodney Schlosser, President- Elect, Students' Association Mr. Trey Monsour, Vice President- Elect, Students' Association Mr. Jimmy Munoz, General Reporter, <u>The Daily Texan</u> Mr. David Nather, Newswriter <u>The Daily Texan</u>

U. T. Dallas

President Rutford introduced:

Student Representatives:	Mr. Peat Alford, Vice President Student Government Mr. Buddy Gibson, Editor <u>The Mercury</u> Mr. Patrick Biggins, Business Manager, <u>The Mercury</u>
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U. T. El Paso

President Monroe introduced:

Student Representatives:	Ms. Casey Lerner, Member Student Council Mr. Todd Marsh, Member Student Council
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U. T. Permian Basin

President Leach introduced:

Student Representative:	Ms. Caren Lynn Brown, President Student Senate
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U. T. San Antonio

President Wagener introduced:

Faculty Representatives: Dr. M. Neal Guentzel, Associate Professor, Division of Life Sciences
Dr. Linda Whitson, Assistant to the President

Student Representatives: Ms. Marcia Boisvert, Senior Music Major
Ms. Karen Shiller, President Student Representative Assembly
Mr. Reed Pebbles, Staff Writer The Paisano

U. T. Tyler

President Hamm introduced:

Faculty Representative: Dr. Gary Wright, President Faculty Senate

Student Representatives: Mr. Eric Horton, President Student Association
Mr. David Krape, Representative Student Association

U. T. Institute of Texan Cultures - San Antonio

Executive Director Maguire introduced:

Faculty Representatives: Mr. Patrick McGuire, Director of Program Management
Dr. John Davis, Director of Program Planning
Ms. Jo Ann Andera, Director of Special Events/Texas Folklife Festival

U. T. Medical Branch - Galveston

President Levin introduced:

Faculty Representative: James C. Guckian, M.D., Professor and Acting Chairman, Department of Internal Medicine, U. T. Medical School - Galveston

Student Representative: Ms. Sara Goehringer, Third-Year Medical Student

U. T. Health Science Center - San Antonio

President Harrison introduced:

Faculty Representative: Richard N. Buchanan, D.D.S. Associate Dean for Academic Affairs, U. T. Dental School - San Antonio

Student Representative: Mr. Bruce Stopher, Third Semester Undergraduate Nursing Student

U. T. Cancer Center

President LeMaistre introduced:

Faculty Representative: Dr. William Lennarz, Professor
and Chairman, Department
of Biochemistry

Student Representative: Mr. Stephen Grant, Research
Associate in Biochemistry

U. T. BOARD OF REGENTS: (1) RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT SAN ANTONIO COMBINED FEE REVENUE BONDS, SERIES 1984, IN THE AMOUNT OF \$8,000,000 AND AWARDING THE SALE OF THE BONDS TO CHEMICAL BANK, NEW YORK, NEW YORK; (2) DESIGNATION OF FIRST CITY NATIONAL BANK OF AUSTIN, AUSTIN, TEXAS, PAYING AGENT/REGISTRAR; AND (3) AWARD OF CONTRACT TO PRINT THE BONDS TO HART GRAPHICS, INC., AUSTIN, TEXAS.--The following written Resolution (Pages 5 - 32) was duly introduced for the consideration of the U. T. Board of Regents and read in full. It was then duly moved by Regent Hay, seconded by Regent Richards, that said Resolution be adopted; and after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of said Board listed
present on Page 1 voted "Aye."

NOES: None

The adoption of the Resolution authorized issuance of Board of Regents of The University of Texas System, The University of Texas at San Antonio Combined Fee Revenue Bonds, Series 1984, in the amount of \$8,000,000 and awarded the sale of the bonds to Chemical Bank, New York, New York, at the price of par and accrued interest to the date of delivery plus a premium of \$40.95 (Page 32) at rates of interest reflected on Page 7. The average effective interest rate is 10.153160%.

Upon motion of Regent Hay, seconded by Vice-Chairman Briscoe and Regent Richards, the bid of First City National Bank of Austin, Austin, Texas, as Paying Agent/Registrar for Board of Regents of The University of Texas System, The University of Texas at San Antonio Combined Fee Revenue Bonds, Series 1984, in the amount of \$8,000,000 was accepted without objection (Pages 7, 11). The bank will charge the U. T. Board of Regents \$800 annually for these bonds. Regent Milburn abstained from voting on this matter due to a possible conflict of interest.

The contract for the printing of the Board of Regents of The University of Texas System, The University of Texas at San Antonio Combined Fee Revenue Bonds, Series 1984, in the amount of \$8,000,000 was awarded to Hart Graphics, Inc., Austin, Texas, upon motion of Regent Powell, seconded by Vice-Chairman Baldwin. These bonds are to be printed according to specifications with lithographed borders for the sum of \$1,550.

RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT SAN ANTONIO, COMBINED FEE REVENUE BONDS, SERIES 1984, \$8,000,000, AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO

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

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

Section 1. AMOUNT AND PURPOSE OF THE BONDS. The bond or bonds of the Board of Regents of The University of Texas System (the "Issuer") are hereby authorized to be issued and delivered in the aggregate principal amount of \$8,000,000, FOR THE PURPOSE OF PROVIDING \$5,000,000 FOR THE PURPOSE OF CONSTRUCTING A STUDENT UNION BUILDING FOR THE UNIVERSITY OF TEXAS AT SAN ANTONIO, AND PROVIDING \$3,000,000 FOR THE PURPOSE OF ACQUIRING, PURCHASING, CONSTRUCTING, IMPROVING, ENLARGING, AND/OR EQUIPPING OTHER PROPERTY, BUILDINGS, STRUCTURES, ACTIVITIES, SERVICES, OPERATIONS, OR OTHER FACILITIES AT THE UNIVERSITY OF TEXAS AT SAN ANTONIO, ALL UNDER AND IN STRICT CONFORMITY WITH THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY CHAPTER 55 OF THE TEXAS EDUCATION CODE.

Section 2. DESIGNATION OF THE BONDS. Each bond issued pursuant to this Resolution shall be designated: "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT SAN ANTONIO, COMBINED FEE REVENUE BOND, SERIES 1984", and initially there shall be issued, sold, and delivered hereunder a single fully registered bond, without interest coupons, payable in installments of principal (the "Initial Bond"), but the Initial Bond may be assigned and transferred and/or converted into and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, having serial maturities, and in the denomination or denominations of \$5,000 or any integral multiple of \$5,000, all in the manner hereinafter provided. The term "Bonds" as used in this Resolution shall mean and include collectively the Initial Bond and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

Section 3. INITIAL DATE, DENOMINATION, NUMBER, MATURITIES, INITIAL REGISTERED OWNER, AND CHARACTERISTICS OF THE INITIAL BOND.

(a) The Initial Bond is hereby authorized to be issued, sold, and delivered hereunder as a single fully registered Bond, without interest coupons, dated MARCH 1, 1984, in the denomination and aggregate principal amount of \$8,000,000, numbered R-1, payable in annual installments of principal to the initial registered owner thereof, to-wit:

JEGLYNN & CO.

or to the registered assignee or assignees of said Bond or any portion or portions thereof (in each case, the "registered owner"), with the annual installments of principal of the Initial Bond to be payable on the dates, respectively, and in the principal amounts, respectively, stated in the FORM OF INITIAL BOND set forth in this Resolution.

(b) The Initial Bond (i) may be prepaid or redeemed prior to the respective scheduled due dates of installments of principal thereof, (ii) may be assigned and transferred, (iii) may be converted and exchanged for other Bonds, (iv) shall have

the characteristics, and (v) shall be signed and sealed, and the principal of and interest on the Initial Bond shall be payable, all as provided, and in the manner required or indicated, in the FORM OF INITIAL BOND set forth in this Resolution.

Section 4. INTEREST. The unpaid principal balance of the Initial Bond shall bear interest from the date of the Initial Bond to the respective scheduled due dates, or to the respective dates of prepayment or redemption, of the installments of principal of the Initial Bond, and said interest shall be payable, all in the manner provided and at the rates and on the dates stated in the FORM OF INITIAL BOND set forth in this Resolution.

Section 5. FORM OF INITIAL BOND. The form of the Initial Bond, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be endorsed on the Initial Bond, shall be substantially as follows:

FORM OF INITIAL BOND

NO. R-1

\$8,000,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,
THE UNIVERSITY OF TEXAS AT SAN ANTONIO,
COMBINED FEE REVENUE BOND
SERIES 1984

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (the "Issuer"), being an agency of the State of Texas, hereby promises to pay to

JEGLYNN & CO.

or to the registered assignee or assignees of this Bond or any portion or portions hereof (in each case, the "registered owner") the aggregate principal amount of

\$8,000,000
(EIGHT MILLION DOLLARS)

in annual installments of principal due and payable on MARCH 1 in each of the years, and in the respective principal amounts, as set forth in the following schedule:

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>
1985	\$ 60,000	1997	\$305,000
1986	75,000	1998	340,000
1987	85,000	1999	380,000
1988	95,000	2000	425,000
1989	115,000	2001	480,000
1990	130,000	2002	535,000
1991	150,000	2003	600,000
1992	165,000	2004	675,000
1993	185,000	2005	745,000
1994	215,000	2006	825,000
1995	245,000	2007	905,000
1996	265,000		

and to pay interest, from the date of this Bond hereinafter stated, on the balance of each such installment of principal, respectively, from time to time remaining unpaid, at the rates as follows:

12.20% per annum on the above installment of principal due and payable on MARCH 1, 1985;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1986;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1987;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1988;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1989;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1990;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1991;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1992;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1993;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1994;
 12.20% per annum on the above installment of principal due and payable on MARCH 1, 1995;
 10.90% per annum on the above installment of principal due and payable on MARCH 1, 1996;
 9.70% per annum on the above installment of principal due and payable on MARCH 1, 1997;
 9.70% per annum on the above installment of principal due and payable on MARCH 1, 1998;
 9.80% per annum on the above installment of principal due and payable on MARCH 1, 1999;
 9.80% per annum on the above installment of principal due and payable on MARCH 1, 2000;
 9.90% per annum on the above installment of principal due and payable on MARCH 1, 2001;
 9.90% per annum on the above installment of principal due and payable on MARCH 1, 2002;
 10.00% per annum on the above installment of principal due and payable on MARCH 1, 2003;
 10.00% per annum on the above installment of principal due and payable on MARCH 1, 2004;
 10.00% per annum on the above installment of principal due and payable on MARCH 1, 2005;
 10.00% per annum on the above installment of principal due and payable on MARCH 1, 2006;
 10.00% per annum on the above installment of principal due and payable on MARCH 1, 2007,

with said interest being payable on SEPTEMBER 1, 1984, and semiannually on each MARCH 1 and SEPTEMBER 1 thereafter while this Bond or any portion hereof is outstanding and unpaid.

THE INSTALLMENTS OF PRINCIPAL OF AND THE INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The installments of principal and the interest on this Bond are payable to the registered owner hereof through the services of FIRST CITY NATIONAL BANK OF AUSTIN, AUSTIN, TEXAS, which is the "Paying Agent/Registrar" for this Bond. Payment of all principal of and interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each principal and/or interest payment date by check or draft, dated as of such date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the resolution authorizing the issuance of this Bond (the "Bond Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States Mail, first-class postage prepaid, on each such principal and/or

interest payment date, to the registered owner hereof, at the address of the registered owner, as it appeared on the 15th day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/ Registrar, as hereinafter described. The Issuer covenants with the registered owner of this Bond that on or before each principal and/or interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on this Bond, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND has been authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$8,000,000, FOR THE PURPOSE OF PROVIDING \$5,000,000 FOR THE PURPOSE OF CONSTRUCTING A STUDENT UNION BUILDING FOR THE UNIVERSITY OF TEXAS AT SAN ANTONIO, AND PROVIDING \$3,000,000 FOR THE PURPOSE OF ACQUIRING, PURCHASING, CONSTRUCTING, IMPROVING, ENLARGING, AND/OR EQUIPPING OTHER PROPERTY, BUILDINGS, STRUCTURES, ACTIVITIES, SERVICES, OPERATIONS, OR OTHER FACILITIES AT THE UNIVERSITY OF TEXAS AT SAN ANTONIO, ALL UNDER AND IN STRICT CONFORMITY WITH THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY CHAPTER 55 OF THE TEXAS EDUCATION CODE.

ON MARCH 1, 1994, or on any interest payment date thereafter, the unpaid installments of principal of this Bond may be prepaid or redeemed prior to their scheduled due dates, at the option of the Issuer, with funds derived from any available source, as a whole, or in part, and, if in part, the particular portion of this Bond to be prepaid or redeemed shall be selected and designated by the Issuer (provided that a portion of this Bond may be redeemed only in an integral multiple of \$5,000), at the prepayment or redemption price (expressed as a percentage of principal amount) applicable to the date of redemption, as set forth in the following schedule, plus accrued interest to the date fixed for prepayment or redemption:

<u>Redemption Dates</u>	<u>Redemption Prices (%)</u>
March 1, 1994 through September 1, 1995	102
March 1, 1996 through September 1, 1996	101.5
March 1, 1997 through September 1, 1997	101
March 1, 1998 through September 1, 1998	100.5
March 1, 1999 and thereafter	100

AT LEAST 30 days prior to the date fixed for any such prepayment or redemption a written notice of such prepayment or redemption shall be mailed by the Paying Agent/Registrar to the registered owner hereof. By the date fixed for any such prepayment or redemption due provision shall be made by the Issuer with the Paying Agent/Registrar for the payment of the required prepayment or redemption price for this Bond or the portion hereof which is to be so prepaid or redeemed, plus accrued interest thereon to the date fixed for prepayment or redemption. If such written notice of prepayment or redemption is given, and if due provision for such payment is made, all as

provided above, this Bond, or the portion thereof which is to be so prepaid or redeemed, thereby automatically shall be treated as prepaid or redeemed prior to its scheduled due date, and shall not bear interest after the date fixed for its prepayment or redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the prepayment or redemption price plus accrued interest to the date fixed for prepayment or redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such prepayments or redemptions of principal of this Bond or any portion hereof.

THIS BOND, to the extent of the unpaid or unredeemed principal balance hereof, or any unpaid and unredeemed portion hereof in any integral multiple of \$5,000, may be assigned by the initial registered owner hereof and shall be transferred only in the Registration Books of the Issuer kept by the Paying Agent/Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Bond Resolution. Among other requirements for such transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar for cancellation, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment by the initial registered owner of this Bond, or any portion or portions hereof in any integral multiple of \$5,000, to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. Any instrument or instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any such portion or portions hereof by the initial registered owner hereof. A new bond or bonds payable to such assignee or assignees (which then will be the new registered owner or owners of such new Bond or Bonds) or to the initial registered owner as to any portion of this Bond which is not being assigned and transferred by the initial registered owner, shall be delivered by the Paying Agent/Registrar in conversion of and exchange for this Bond or any portion or portions hereof, but solely in the form and manner as provided in the next paragraph hereof for the conversion and exchange of this Bond or any portion hereof. The registered owner of this Bond shall be deemed and treated by the Issuer and the Paying Agent/Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary.

AS PROVIDED above and in the Bond Resolution, this Bond, to the extent of the unpaid or unredeemed principal balance hereof, may be converted into and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the assignee or assignees duly designated in writing by the initial registered owner hereof, or to the initial registered owner as to any portion of this Bond which is not being assigned and transferred by the initial registered owner, in any denomination or denominations in any integral multiple of \$5,000 (subject to the requirement hereinafter stated that each substitute bond issued in exchange for any portion of this Bond shall have a single stated principal maturity date), upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution. If this Bond or any portion hereof is assigned and transferred or converted each bond issued in exchange for any portion hereof shall have a single stated principal maturity date corresponding to the due date of the installment of principal of this

Bond or portion hereof for which the substitute bond is being exchanged, and shall bear interest at the rate applicable to and borne by such installment of principal or portion thereof. Such bonds, respectively, shall be subject to redemption prior to maturity on the same dates and for the same prices as the corresponding installment of principal of this Bond or portion hereof for which they are being exchanged. No such bond shall be payable in installments, but shall have only one stated principal maturity date. AS PROVIDED IN THE BOND RESOLUTION, THIS BOND IN ITS PRESENT FORM MAY BE ASSIGNED AND TRANSFERRED OR CONVERTED ONCE ONLY, and to one or more assignees, but the bonds issued and delivered in exchange for this Bond or any portion hereof may be assigned and transferred, and converted, subsequently, as provided in the Bond Resolution. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for transferring, converting, and exchanging this Bond or any portion thereof, but the one requesting such transfer, conversion, and exchange shall pay any taxes or governmental charges required to be paid with respect thereto. The Paying Agent/Registrar shall not be required to make any such assignment, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or portion thereof called for prepayment or redemption prior to maturity, within 45 days prior to its prepayment or redemption date.

IN THE EVENT any Paying Agent/Registrar for this Bond is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owner of this Bond.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, sold, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the Issuer, secured by and payable from a first lien on and pledge of the "Pledged Revenues", as defined in the Bond Resolution, which include the specified "Tuition Fee", "General Fee", and "Student Union Fee" imposed on students enrolled at The University of Texas at San Antonio, as well as the "Net Revenues of the Student Book Store", and certain interest and investment income, all as further defined in the Bond Resolution.

THE ISSUER has reserved the right, subject to the restrictions stated in the Bond Resolution, to issue Additional Bonds payable from and secured by a first lien on and pledge of the "Pledged Revenues" on a parity with this Bond.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond or the interest hereon out of any funds raised or to be raised by taxation or from any source whatsoever other than specified in the Bond Resolution.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond

Resolution constitute a contract between the registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual signature of the Chairman of the Issuer and countersigned with the manual signature of the Executive Secretary of the Issuer, has caused the official seal of the Issuer to be duly impressed on this Bond, and has caused this Bond to be dated MARCH 1, 1984.

Executive Secretary, Board of Regents, The University of Texas System

Chairman, Board of Regents, The University of Texas System

(BOARD SEAL)

FORM OF REGISTRATION CERTIFICATE OF THE
COMPTROLLER OF PUBLIC ACCOUNTS:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

Section 6. ADDITIONAL CHARACTERISTICS OF THE BONDS.
Registration and Transfer. (a) The Issuer shall keep or cause to be kept at the principal corporate trust office of FIRST CITY NATIONAL BANK OF AUSTIN, AUSTIN, TEXAS (the "Paying Agent/Registrar") books or records of the registration and transfer of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers and registrations as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. Registration of each Bond may be transferred in the Registration Books only upon presentation and surrender of such Bond to the Paying Agent/Registrar for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, (i) evidencing the assignment of the Bond, or any portion thereof in any integral

multiple of \$5,000, to the assignee or assignees thereof, and (ii) the right of such assignee or assignees to have the Bond or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Bond or any portion thereof, a new substitute Bond or Bonds shall be issued in conversion and exchange therefor in the manner herein provided. The Initial Bond, to the extent of the unpaid or unredeemed principal balance thereof, may be assigned and transferred by the initial registered owner thereof once only, and to one or more assignees designated in writing by the initial registered owner thereof. All Bonds issued and delivered in conversion of and exchange for the Initial Bond shall be in any denomination or denominations of any integral multiple of \$5,000 (subject to the requirement hereinafter stated that each substitute Bond shall have a single stated principal maturity date), shall be in the form prescribed in the FORM OF SUBSTITUTE BOND set forth in this Resolution, and shall have the characteristics, and may be assigned, transferred, and converted as hereinafter provided. If the Initial Bond or any portion thereof is assigned and transferred or converted the Initial Bond must be surrendered to the Paying Agent/Registrar for cancellation, and each Bond issued in exchange for any portion of the Initial Bond shall have a single stated principal maturity date, and shall not be payable in installments; and each such Bond shall have a principal maturity date corresponding to the due date of the installment of principal or portion thereof for which the substitute Bond is being exchanged; and each such Bond shall bear interest at the single rate applicable to and borne by such installment of principal or portion thereof for which it is being exchanged. If only a portion of the Initial Bond is assigned and transferred, there shall be delivered to and registered in the name of the initial registered owner substitute Bonds in the exchange for the unassigned balance of the Initial Bond in the same manner as if the initial registered owner were the assignee thereof. If any Bond or portion thereof other than the Initial Bond is assigned and transferred or converted each Bond issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is exchanged. A form of assignment shall be printed or endorsed on each Bond, excepting the Initial Bond, which shall be executed by the registered owner or its duly authorized attorney or representative to evidence an assignment thereof. Upon surrender of any Bonds or any portion or portions thereof for transfer of registration, an authorized representative of the Paying Agent/Registrar shall make such transfer in the Registration Books, and shall deliver a new fully registered substitute Bond or Bonds, having the characteristics herein described, payable to such assignee or assignees (which then will be the registered owner or owners of such new Bond or Bonds), or to the previous registered owner in case only a portion of a Bond is being assigned and transferred, all in conversion of and exchange for said assigned Bond or Bonds or any portion or portions thereof, in the same form and manner, and with the same effect, as provided in Section 6(d), below, for the conversion and exchange of Bonds by any registered owner of a Bond. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such transfer and delivery of a substitute Bond or Bonds, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The Paying Agent/Registrar shall not be required to make transfers of registration of any Bond or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for

redemption prior to maturity, within 45 days prior to its redemption date.

(b) Ownership of Bonds. The entity in whose name any Bond shall be registered in the Registration Books at any time shall be deemed and treated as the absolute owner thereof for all purposes of this Resolution, whether or not such Bond shall be overdue, and the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(c) Payment of Bonds and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, and to act as its agent to convert and exchange or replace Bonds, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Resolution.

(d) Conversion and Exchange or Replacement; Authentication. Each Bond issued and delivered pursuant to this Resolution, to the extent of the unpaid or unredeemed principal balance or principal amount thereof, may, upon surrender of such Bond at the principal corporate trust office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, may, at the option of the registered owner or such assignee or assignees, as appropriate, be converted into and exchanged for fully registered bonds, without interest coupons, in the form prescribed in the FORM OF SUBSTITUTE BOND set forth in this Resolution, in the denomination of \$5,000, or any integral multiple of \$5,000 (subject to the requirement hereinafter stated that each substitute Bond shall have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal balance or principal amount of any Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If the Initial Bond is assigned and transferred or converted each substitute Bond issued in exchange for any portion of the Initial Bond shall have a single stated principal maturity date, and shall not be payable in installments; and each such Bond shall have a principal maturity date corresponding to the due date of the installment of principal or portion thereof for which the substitute Bond is being exchanged; and each such Bond shall bear interest at the single rate applicable to and borne by such installment of principal or portion thereof for which it is being exchanged. If a portion of any Bond (other than the Initial Bond) shall be redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. If any Bond or portion thereof (other than the Initial Bond) is assigned and transferred or converted, each Bond issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Bond

for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall convert and exchange or replace Bonds as provided herein, and each fully registered bond delivered in conversion of and exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Resolution shall constitute one of the Bonds for all purposes of this Resolution, and may again be converted and exchanged or replaced. It is specifically provided that any Bond authenticated in conversion of and exchange for or replacement of another Bond on or prior to the first scheduled Record Date for the Initial Bond shall bear interest from the date of the Initial Bond, but each substitute Bond so authenticated after such first scheduled Record Date shall bear interest from the interest payment date next preceding the date on which such substitute Bond was so authenticated, unless such Bond is authenticated after any Record Date but on or before the next following interest payment date, in which case it shall bear interest from such next following interest payment date; provided, however, that if at the time of delivery of any substitute Bond the interest on the Bond for which it is being exchanged is due but has not been paid, then such Bond shall bear interest from the date to which such interest has been paid in full. THE INITIAL BOND issued and delivered pursuant to this Resolution is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for or replacement of any Bond or Bonds issued under this Resolution there shall be printed a certificate, in the form substantially as follows:

"PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the Bond Resolution described in this Bond; and that this Bond has been issued in conversion of and exchange for or replacement of a bond, bonds, or a portion of a bond or bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

FIRST CITY NATIONAL BANK OF AUSTIN
AUSTIN, TEXAS
Paying Agent/Registrar

Dated

Authorized Representative"

An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the above Certificate, and no such Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for conversion and exchange or replacement. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Vernon's Ann. Tex. Civ. St. Art. 717k-6, and particularly Section 6 thereof, the duty of conversion and exchange or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Certificate, the converted and exchanged or

replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Bond which originally was issued pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for transferring, converting, and exchanging any Bond or any portion thereof, but the one requesting any such transfer, conversion, and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege of conversion and exchange. The Paying Agent/Registrar shall not be required to make any such conversion and exchange or replacement of Bonds or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

(e) In General. All Bonds issued in conversion and exchange or replacement of any other Bond or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF SUBSTITUTE BOND set forth in this Resolution.

(f) Payment of Fees and Charges. The Issuer hereby covenants with the registered owners of the Bonds that it will (i) pay the standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer of registration of Bonds, and with respect to the conversion and exchange of Bonds solely to the extent above provided in this Resolution.

(g) Substitute Paying Agent/Registrar. The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a

written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States Mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

Section 7. FORM OF SUBSTITUTE BONDS. The form of all Bonds issued in conversion and exchange or replacement of any other Bond or portion thereof, including the form of Paying Agent/Registrar's Certificate to be printed on each of such Bonds, and the Form of Assignment to be printed on each of the Bonds, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution.

FORM OF SUBSTITUTE BOND

NO. _____	UNITED STATES OF AMERICA STATE OF TEXAS	PRINCIPAL AMOUNT \$ _____
	BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT SAN ANTONIO, COMBINED FEE REVENUE BOND SERIES 1984	

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>CUSIP NO.</u>
_____ %	_____	_____

ON THE MATURITY DATE specified above the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (the "Issuer"), being an agency of the State of Texas, hereby promises to pay to

_____ or to the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of

and to pay interest thereon from MARCH 1, 1984, to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above; with interest being payable on SEPTEMBER 1, 1984, and semiannually on each MARCH 1 and SEPTEMBER 1 thereafter, except that if the date of authentication of this Bond is later than AUGUST 15, 1984, such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date (hereinafter defined) but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of FIRST CITY NATIONAL BANK OF AUSTIN, AUSTIN, TEXAS, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the resolution authorizing the issuance of the Bonds (the "Bond

Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States Mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at the address of the registered owner, as it appeared on the 15th day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. Any accrued interest due upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner at the principal corporate trust office of the Paying Agent/Registrar upon presentation and surrender of this Bond for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date, interest payment date, and accrued interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of an issue of Bonds initially dated MARCH 1, 1984, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$8,000,000 FOR THE PURPOSE OF PROVIDING \$5,000,000 FOR THE PURPOSE OF CONSTRUCTING A STUDENT UNION BUILDING FOR THE UNIVERSITY OF TEXAS AT SAN ANTONIO, AND PROVIDING \$3,000,000 FOR THE PURPOSE OF ACQUIRING, PURCHASING, CONSTRUCTING, IMPROVING, ENLARGING, AND/OR EQUIPPING OTHER PROPERTY, BUILDINGS, STRUCTURES, ACTIVITIES, SERVICES, OPERATIONS, OR OTHER FACILITIES AT THE UNIVERSITY OF TEXAS AT SAN ANTONIO, ALL UNDER AND IN STRICT CONFORMITY WITH THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY CHAPTER 55 OF THE TEXAS EDUCATION CODE.

ON MARCH 1, 1994, or on any interest payment date thereafter, the Bonds of this Series may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at the redemption price (expressed as a percentage of principal amount) applicable to the date of redemption, as set forth in the following schedule, plus accrued interest to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price (%)</u>
March 1, 1994 through September 1, 1995	102
March 1, 1996 through September 1, 1996	101.5
March 1, 1997 through September 1, 1997	101
March 1, 1998 through September 1, 1998	100.5
March 1, 1999, and thereafter	100

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be published once in a financial publication, journal, or reporter of general circulation among securities dealers in The City of New York, New York (including, but not limited to, The Bond Buyer and The Wall Street Journal), or in the State of Texas (including, but not limited to, The Texas Bond Reporter). Such notice also shall be sent by the Paying Agent/Registrar by United States Mail, first-class postage prepaid, not less than 30 days prior to the date fixed for any such redemption, to the registered owner of each Bond to be redeemed at its address as it appeared on the 45th day prior to such redemption date; provided, however, that the failure to send, mail, or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond, and it is hereby specifically provided that the publication of such notice as required above shall be the only notice actually required in connection with or as a prerequisite to the redemption of any Bonds or portions thereof. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such written notice of redemption is published and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Resolution.

THIS BOND OR ANY PORTION OR PORTIONS HEREOF IN ANY INTEGRAL MULTIPLE OF \$5,000 may be assigned and shall be transferred only in the Registration Books of the Issuer kept by the Paying Agent/Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Bond Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond shall be executed by the registered owner or its duly authorized attorney or representative, to evidence the assignment hereof. A new Bond or Bonds payable to such assignee or assignees (which then will be the new registered owner or owners of such new Bond or Bonds), or to the previous registered owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Paying Agent/Registrar in conversion of and exchange for this Bond, all in the form and manner as provided in the next paragraph hereof for the conversion and exchange of other Bonds. The Issuer shall pay the Paying Agent/Registrar's

standard or customary fees and charges for making such transfer, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The Paying Agent/Registrar shall not be required to make transfers of registration of this Bond or any portion hereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. The registered owner of this Bond shall be deemed and treated by the Issuer and the Paying Agent/Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Resolution, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be converted into and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for transferring, converting, and exchanging any Bond or any portion thereof, but the one requesting such transfer, conversion, and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege of conversion and exchange. The Paying Agent/Registrar shall not be required to make any such conversion and exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, sold, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the Issuer, secured by and payable from a first lien on and pledge of the "Pledged Revenues", as defined in the Bond Resolution, which include the specified "Tuition Fee", "General Fee", and "Student Union Fee" imposed on students enrolled at The University of Texas at San Antonio, as well as the "Net Revenues of the Student Book

Store", and certain interest and investment income, all as further defined in the Bond Resolution.

THE ISSUER has reserved the right, subject to the restrictions stated in the Bond Resolution, to issue Additional Bonds payable from and secured by a first lien on and pledge of the "pledged Revenues" on a parity with this Bond and series of which it is a part.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond or the interest hereon out of any funds raised or to be raised by taxation or from any source whatsoever other than specified in the Bond Resolution.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the facsimile signature of the Chairman of the Issuer and countersigned with the facsimile signature of the Executive Secretary of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

(facsimile signature)
Executive Secretary, Board of Regents, The University of Texas System

(facsimile signature)
Chairman, Board of Regents, The University of Texas System

(BOARD SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the Bond Resolution described in this Bond; and that this Bond has been issued in conversion of and exchange for or replacement of a bond, bonds, or a portion of a bond or bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

FIRST CITY NATIONAL BANK OF AUSTIN,
AUSTIN, TEXAS
Paying Agent/Registrar

Dated

Authorized Representative

FORM OF ASSIGNMENT:

ASSIGNMENT

For value received, the undersigned registered owner of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to

(print or type the name and
address of the assignee and
any other relevant information)

and authorizes the Paying Agent/Registrar to transfer the
registration of this Bond in the Registration Books.

Dated _____

Registered Owner

The signature above is hereby verified as true and genuine.

Section 8. Throughout this Resolution the following terms
as used herein shall have the meanings set forth below, unless
the text hereof specifically indicates otherwise:

The term "University" shall mean The University of Texas
at San Antonio, in San Antonio, Texas.

The terms "Issuer" and "Board" shall mean the Board of
Regents of The University of Texas System.

The terms "Bond Resolution" and "Resolution" mean this
resolution authorizing the Bonds.

The term "Parity Bonds" shall mean collectively the Board
of Regents of The University of Texas System, The University of
Texas at San Antonio, Combined Fee Revenue Bonds, Series 1980,
authorized by resolution of the Issuer on February 29, 1980
(the "Series 1980 Bonds"), and the Board of Regents of The
University of Texas System, The University of Texas at San
Antonio, Combined Fee Revenue Bonds, Series 1984, authorized by
this Resolution (hereinafter defined as the "Bonds").

The term "Bonds" means collectively the Initial Bond as
described and defined in Section 1 of this Resolution, and all
substitute bonds authenticated and delivered in exchange
therefor and all other substitute bonds and replacement bonds
issued pursuant to this Resolution.

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

The term "Tuition Fee" shall mean the gross collections of
certain tuition fixed, charged, and collected from all tuition
paying students enrolled at the University, out of and as part
of the regular general tuition at the University, and allocated
to the payment of the interest on and principal of the Parity
Bonds and any Additional Bonds, in the manner and to the extent
provided in this Resolution, as authorized by Chapter 55 of the
Education Code (Section 55.17(d)).

The term "General Fee" shall mean the gross collections of
the general fee to be fixed, charged, and collected from all
students (excepting any category of students now exempt from
paying fees by the Education Code) enrolled at the University
for the general use and availability of the University, in the
manner and to the extent provided in this Resolution, and
pledged to the payment of the Parity Bonds and any Additional
Bonds, as authorized by Chapter 55 of the Education Code
(Section 55.17(c)).

The term "Student Union Fee" shall mean the gross collections of the student union fee authorized by Section 71.07 of the Education Code to be fixed, charged, and collected from all students (excepting any category of students now exempt from paying fees by the Education Code) enrolled at the University, for the purpose of financing, constructing, operating, maintaining, and improving a student union building on the campus of the University, in the manner and to the extent provided in this Resolution, and pledged to the payment of the Parity Bonds and Additional Bonds as authorized by Chapter 55 of the Education Code (Sections 55.13 and 55.17(a)).

The term "Pledged Revenues" shall mean collectively (a) the Tuition Fee, (b) the General Fee, (c) the Student Union Fee, (d) the Net Revenues of the University Book Store, (e) all interest and investment income derived from the deposit or investment of money credited to the Pledged Revenue Fund and the Interest and Sinking Fund maintained for the Parity Bonds and any Additional Bonds, and (f) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may, at the option of the Issuer, be pledged to the payment of the Parity Bonds or the Additional Bonds.

The term "University Book Store" shall mean the bookstore owned and operated by the University located on the campus of the University in the Engineering Building, together with all improvements, extensions, and additions thereto and replacements thereof hereafter constructed or acquired.

The term "Current Expenses" shall mean all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation and ownership of the University Book Store, but excluding depreciation, and all general administrative expenses of the University.

The term "Net Revenues of the University Book Store" shall mean all gross revenues derived by the University from the ownership and operation of the University Book Store and all services and facilities afforded by same, after deduction from said gross revenues the Current Expenses.

Section 9. (a) The Parity Bonds and any Additional Bonds and interest thereon are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues, and they shall constitute special obligations of the Issuer, payable solely from the Pledged Revenues, and such obligations shall not constitute a prohibited indebtedness of the University, the Issuer, or the State of Texas, and the holders or owners of the Parity Bonds and Additional Bonds shall never have the right to demand payment of the principal thereof or interest thereon out of funds raised or to be raised by taxation.

(b) The Bonds are "Additional Bonds" as permitted by Sections 17 through 19 of the resolution adopted by the Issuer on February 29, 1980, authorizing the issuance of the Series 1980 Bonds; and it is hereby determined, declared, and resolved that the Series 1980 Bonds and the Bonds are and shall be secured and payable equally and ratably on a parity, and that Sections 8 through 26 of this Resolution are supplemental to and cumulative of Sections 6 through 22 of the resolution authorizing the issuance of the Series 1980 Bonds, with

Sections 8 through 26 of this Resolution being applicable to all of the Series 1980 Bonds and the Bonds (herein collectively called the "Parity Bonds").

Section 10. (a) In accordance with Section 55.17(d) of Chapter 55 of the Education Code, the Issuer heretofore has irrevocably assigned and pledged, and hereby irrevocably assigns and pledges, to the payment of the interest on and principal of the Parity Bonds and any Additional Bonds, out of the tuition charges required or permitted by law to be imposed on each tuition paying student enrolled at the University, commencing with the regular fall semester in 1981, the Tuition Fee as follows:

- (i) \$0.42 per registered Semester Credit Hour, with a maximum aggregate of \$5.00, for each regular fall and spring semester for each enrolled student; and
- (ii) \$0.42 per registered Semester Credit Hour, with a maximum aggregate of \$2.50, for each term of each summer session for each enrolled student.

(b) So long as any Parity Bonds or Additional Bonds are outstanding, the Tuition Fee shall not be reduced, and the Issuer covenants and agrees to fix, charge, and collect the above Tuition Fee assigned and pledged as aforesaid, and to credit same as received to the Pledged Revenue Fund, herein-after created.

(c) The Tuition Fee shall be deposited directly to the credit of the Pledged Revenue Fund, commencing with the regular fall semester in 1981, and used to make part of the payments required to be made into the Interest and Sinking Fund in connection with the Parity Bonds and any Additional Bonds.

Section 11. (a) The Issuer covenants and agrees to fix, levy, charge, and collect the General Fee from all students (excepting any category of students now exempt from paying fees by the Education Code) enrolled at the University at each regular fall and spring semester and at each term of each summer session, for the general use and availability of the University, in such amounts, without any limitation whatsoever, as will be at least sufficient at all times to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Parity Bonds and any Additional Bonds.

(b) Effective with the 1979 regular fall semester a General Fee for the general use and availability of the University has been and is hereby fixed and confirmed, and shall be levied, charged, and collected from each student enrolled in the University (excepting any student in a category now exempt from paying fees by the Education Code), as follows:

\$6.00 per registered Semester Credit Hour at each of the regular fall and spring semesters, and at each term of each summer session.

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

Resolution, but merely the carrying out of the provisions hereof.

(d) It is specifically found and determined by the Issuer that the Bonds are issued pursuant to applicable Sections of the Texas Education Code, including specifically Section 55.17(c) thereof, to be secured by a pledge of an unlimited use fee (the General Fee), and that (1) the estimated maximum amount per semester hour of the pledged General Fee (based on current enrollment and conditions) during any future semester necessary to provide for the payment of the principal of and interest on all the Parity Bonds when due, together with (2) the aggregate amount of all use fees which were levied on a semester hour basis for the current semester to pay the principal of and interest on all other previously issued bonds, do not exceed \$6.00 per semester hour. In arriving at the foregoing conclusion the Issuer has estimated that the aggregate of all available Pledged Revenues and other revenues will be more than sufficient to obviate the necessity of levying any aforesaid use fees based on a semester hour basis in excess of an aggregate of \$6.00 per semester hour.

Section 12. (a) Section 71.07 of the Education Code authorizes the Issuer to levy in addition to all other fees a student union fee (the "Student Union Fee") at the University not to exceed \$15 per student for each regular semester and not to exceed \$7.50 per student for each term of each summer session, for the purpose of financing, constructing, operating, maintaining, and improving a student union building for the University, subject to an affirmative vote of a majority of the student body voting at the University. It is officially found and determined by the Issuer that the aforesaid maximum authorized Student Union Fees of not to exceed \$15 and \$7.50, respectively, were duly approved by the affirmative vote of a majority of the students at the University voting at a student election and referendum called and held for such purpose on November 29 and November 30, 1979. It is further found and determined by the Issuer (i) that since the fall semester in 1982 the aforesaid Student Union Fees have been levied by the Issuer in the aforesaid maximum amounts, and never have been decreased, (ii) that 5/8ths of the principal amount of each of the Bonds is attributable solely to student union building purposes, and 5/8ths of each payment of principal and/or interest on each of the Bonds when due will be attributable solely to student union building purposes, (iii) that the continued levy and collection of said Student Union Fees in the aforesaid maximum amounts authorized will never produce funds sufficient to pay when due the principal of and interest on the 5/8ths portion of each of the Bonds attributable to student union building purposes, but that the entire Pledged Revenues will be more than sufficient to pay the principal of and interest on all of the Bonds, and (iv) that said Student Union Fees should continue to be levied and collected in the aforesaid maximum amounts while the Bonds are outstanding. Wherefore, said Student Union Fee has been and is hereby fixed, confirmed, and levied, and shall be charged and collected from each student enrolled at the University (excepting any student in any category now exempt from paying fees by the Education Code), as follows:

- (1) \$15.00 from each student enrolled for each regular semester, and
- (2) \$7.50 from each student enrolled for each term of the summer session,

and such Student Union Fees shall never be reduced or abrogated while the Bonds are outstanding.

(b) All Student Union Fees shall be deposited into an account to be known as "The University of Texas at San Antonio Student Union Fee Account", and shall be placed under the control of and subject to the order of the student union advisory committee (the "Committee"), which shall be constituted and function as provided and required by law and the Issuer. The Issuer covenants that it will, prior to the commencement of each fiscal year of the University, require such Committee to submit annually to the Issuer a complete and itemized budget for the student union building for the ensuing fiscal year, to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident to those activities. The Issuer annually shall advise the Committee, prior to the preparation of each annual budget, of the amount of Pledged Revenues, exclusive of the Student Union Fee, which will be available during the ensuing fiscal year for paying during such fiscal year the principal of and interest on the Bonds and any payments required to be made into the Debt Service Reserve in the Interest and Sinking Fund in connection with the Bonds. The Issuer shall advise the Committee that the annual budget for the ensuing fiscal year is required to provide and allocate for such purpose such amount of the collections of the Student Union Fee as will, together with other available Pledged Revenues, be sufficient to pay the principal of, interest on, and any Debt Service Reserve requirements in connection with, the Bonds for the ensuing fiscal year, which amount is hereby pledged for such purpose and shall constitute a first charge against the collections of the Student Union Fees, and a first lien on such amount is hereby granted and confirmed in favor of the owners of the Bonds as security therefor. In the event the Committee fails for any fiscal year to budget the above required amount the Issuer covenants and agrees that it shall, as authorized by Section 71.07 of the Education Code, make such changes in each such budget as are necessary to cause it to provide the above required amount. The Issuer covenants and agrees that, during each fiscal year of the University while the Bonds are outstanding, it will cause to be deposited into the Pledged Revenue Fund, hereinafter created, out of The University of Texas at San Antonio Student Union Fee Account, such amount of the Student Union Fees as will be required, in addition to the other Pledged Revenues available during such fiscal year, to pay the principal of, interest on, and any Debt Service Reserve requirements in connection with the Bonds.

Section 13. The Issuer covenants that it will cause all Net Revenues of the University Book Store to be deposited as realized into the Pledged Revenue Fund, hereinafter created.

Section 14. There is hereby created and established and there shall be maintained on the books of the Issuer a separate account to be entitled the "Pledged Revenue Fund". All Pledged Revenues shall be credited to the Pledged Revenue Fund, except the interest and investment income derived from the Interest and Sinking Fund and any surplus Student Union Fees which are not required to be so deposited pursuant to Section 12 hereof.

Section 15. To pay the principal of and interest on all outstanding Parity Bonds and any Additional Bonds, as the same come due, there has been created and established, and there shall be maintained at an official depository of the Issuer (which must be a member of the Federal Deposit Insurance Corporation) a separate fund to be entitled the "Combined Fee Revenue Bonds Interest and Sinking Fund" (herein sometimes called the "Interest and Sinking Fund"); and there is hereby created and established and there shall be maintained as a separate account within the Interest and Sinking Fund a Debt Service Reserve (the "Debt Service Reserve") which may be used

finally in retiring the last of the outstanding Parity Bonds and any Additional Bonds, or for paying the principal of and interest on any outstanding Parity Bonds and Additional Bonds, when and to the extent the amount in the Interest and Sinking Fund is otherwise insufficient for such purpose.

Section 16. Money in any Fund or account (including the Debt Service Reserve in the Interest and Sinking Fund) maintained pursuant to this Resolution may, at the option of the Issuer, be placed in time deposits or invested in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, and evidences of indebtedness of the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, or Federal National Mortgage Association; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund or account will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of February and August of each year. Interest and income derived from such deposits and investments shall be credited to the Fund or account from which the deposit or investment was made; provided that so long as the "Required Amount" in market value is on deposit in the Debt Service Reserve in the Interest and Sinking Fund, as hereinafter provided, such interest and income derived from the Debt Service Reserve shall be credited to the other part of the Interest and Sinking Fund and used for paying interest on the Parity Bonds and any Additional Bonds. All investments shall be sold promptly when necessary to prevent any default in connection with the Parity Bonds or Additional Bonds.

Section 17. (a) Immediately after the delivery of the Initial Bond all accrued interest and any premium received from the sale of the Initial Bond shall be deposited to the credit of the Interest and Sinking Fund.

(b) On or before August 25, 1984, and semiannually on or before each February 25th and August 25th thereafter, the Issuer shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund the amounts as follows:

(1) an amount which, together with any other amounts then on deposit therein and available for such purpose, will be sufficient to pay the interest scheduled to come due on the Parity Bonds on the next succeeding interest payment date; and

(2) such amounts, in approximately equal semiannual installments, commencing on or before August 25, 1984, as will be sufficient to pay the principal scheduled to mature and come due on the Parity Bonds on the next succeeding March 1; and

(3) to the credit of the Debt Service Reserve, an amount equal to 1/10th of the average annual principal and interest requirements of the Parity Bonds, provided that when and so long as the money and investments in the Debt Service Reserve are at least equal in market value to the amount of the average annual principal and interest requirement of the then outstanding Parity Bonds (the "Required Amount") then no additional deposits are required to be made therein; provided that if the Debt Service Reserve is at any time, or should be depleted to, less than the Required Amount in market value, then semiannual deposits into the Debt Service Reserve shall be made and continued in an amount equal to 1/10th of the

average annual principal and interest requirements of the then outstanding Parity Bonds until the Debt Service Reserve contains or is restored to the Required Amount in market value.

Section 18. (a) If on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) Subject to making all deposits to the credit of the Interest and Sinking Fund, including the Debt Service Reserve therein, as required by this Resolution, or any resolution authorizing the issuance of Additional Bonds, the surplus Pledged Revenues may be used by the Issuer for any lawful purpose.

Section 19. That all money in all Funds established by this Resolution, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the Issuer, in principal amounts at all times not less than the amounts of money credited to such Funds, respectively.

Section 20. Whenever the total amount in the Interest and Sinking Fund, including the Debt Service Reserve therein, shall be equivalent to (1) the aggregate principal amount of all Parity Bonds and Additional Bonds, if any, outstanding, plus (2) the aggregate amount of all unpaid interest thereon, no further payment need be made into the Interest and Sinking Fund. In determining the amount of Parity Bonds or Additional Bonds outstanding, there shall be subtracted the amount of any Parity Bonds or Additional Bonds which shall have been duly called for redemption and for which funds shall have been deposited with the paying agents sufficient for such redemption.

Section 21. The Issuer shall have the right and power at any time and from time to time, and in one or more Series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds") in any amounts, for any lawful purpose, including the refunding of any Parity Bonds or Additional Bonds. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Resolution, shall be secured and payable equally and ratably on a parity with the Parity Bonds, and all other outstanding Additional Bonds, by an irrevocable first lien on and pledge of the Pledged Revenues.

Section 22. (a) Each resolution under which Additional Bonds are issued shall provide that the Interest and Sinking Fund established by this Resolution shall secure and be used to pay all Additional Bonds as well as the Parity Bonds. However, each resolution under which Additional Bonds are issued shall specifically provide and require that, in addition to the amounts required by the provisions of this Resolution and the provisions of any other resolution or resolutions authorizing Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Issuer shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same comes due, and that the Issuer shall transfer from said Pledged Revenues and deposit to the credit of the Debt Service Reserve in the Interest and Sinking Fund at least such amounts as will, together with any other amounts already required to be deposited in the Debt Service Reserve in connection with the Parity Bonds and any Additional Bonds, be

sufficient to cause the Debt Service Reserve to accumulate and contain within a period of not to exceed five years from the date of the then proposed Additional Bonds a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of all Parity Bonds and Additional Bonds scheduled to be outstanding after the issuance of the then proposed Additional Bonds.

(b) The principal of all Additional Bonds must be scheduled to be paid or mature on March 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on March 1 and September 1.

Section 23. Additional Bonds shall be issued only in accordance with this Resolution, but notwithstanding any provisions of this Resolution to the contrary, no installment, Series, or issue of Additional Bonds shall be issued or delivered unless:

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

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

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

Section 24. On or before the first day of September, 1984, and on or before the first day of each March and of each September thereafter while any of the Parity Bonds and Additional Bonds, if any, are outstanding and unpaid, there shall be made available to the paying agents therefor, out of the Interest and Sinking Fund, money sufficient to pay such interest on and such principal of the Parity Bonds and Additional Bonds, if any, as will accrue or mature on such September 1 or March 1. The paying agents shall cancel all paid Parity Bonds and Additional Bonds, if any, and any coupons appertaining thereto, and shall furnish the Issuer with an appropriate certificate of cancellation.

Section 25. The Issuer covenants and agrees that:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and in each and every Parity Bond and Additional Bond; that it will promptly pay or cause to be paid from the Pledged Revenues the principal of and interest on every Parity Bond and Additional Bond, on the dates and in the

places and manner prescribed in such Parity Bonds or Additional Bonds; and that it will, at the times and in the manner prescribed herein, deposit or cause to be deposited, from the Pledged Revenues, the amounts of money specified herein.

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

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

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

(e) It will continuously and efficiently operate and maintain in good condition, and at a reasonable cost, the University and the facilities and services thereof, (including specifically the University Book Store), so long as any Parity Bonds or Additional Bonds are outstanding.

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

(g) Proper books of record and account will be kept in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Pledged Revenues, and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholder.

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

(i) The Issuer covenants to and with the purchasers of the Parity Bonds that it will make no use of the proceeds of the Parity Bonds at any time throughout the term of any issue of Parity Bonds which, if such use had been reasonably expected on the date of delivery of the Parity Bonds to and payment for the Parity Bonds by the purchasers, would have caused the Parity Bonds to be arbitrage bonds within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto and by this covenant the Issuer is obligated to comply with the requirements of the aforesaid Section 103(c) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The Issuer further covenants that the proceeds of the Parity Bonds will not otherwise be used directly or indirectly so as to cause all or any part of the Parity Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(c), or any regulations or rulings pertaining thereto.

Section 26. (a) Any Parity Bond or Additional Bond shall be deemed to be paid, retired, and no longer outstanding ("defeased") within the meaning of this Resolution when payment of the principal of, redemption premium, if any, on such Parity Bond or Additional Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided by irrevocably depositing with or making available to a paying agent therefor, in trust and irrevocably set aside exclusively for such payment (1) money sufficient to make such payment or (2) Government Obligations which mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of such paying agent pertaining to the Parity Bonds and Additional Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of such paying agent. At such time as a Parity Bond or Additional Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Resolution or a lien on and pledge of the Pledged Revenues, and shall be entitled to payment solely from such money or Government Obligations.

(b) Any moneys so deposited with a paying agent may at the direction of the Issuer also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the paying agent pursuant to this Section which is not required for the payment of the Parity Bonds and Additional Bonds, the redemption premium, if any, and so deposited, shall

be turned over to the Issuer or deposited as directed by the Issuer.

(c) For the purpose of this Section, the term "Government Obligations" shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which may or may not be in book-entry form.

(d) Notwithstanding the foregoing, the Issuer covenants that with respect to the Bonds (Series 1984) it will provide a Paying Agent/Registrar to perform the services of Paying Agent/Registrar for the Bonds as provided in this Resolution the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services.

Section 27. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS. (a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(e) Issuer for Issuing Replacement Bonds. In accordance with Section 6 of Vernon's Ann. Tex. Civ. St. Art. 717k-6, this Section of this Resolution shall constitute authority for the

issuance of any such replacement bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 6(d) of this Resolution for Bonds issued in conversion and exchange for other Bonds.

Section 28. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION, AND CUSIP NUMBERS. The Chairman of the Issuer is hereby authorized to have control of the Initial Bond issued hereunder and all necessary records and proceedings pertaining to the Initial Bond pending its delivery and its investigation, examination, and approval by the Attorney General of the State of Texas, and its registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Initial Bond said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate on the Initial Bond, and the seal of said Comptroller shall be impressed, or placed in facsimile, on the Initial Bond. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Initial Bond or on any Parity Bonds issued and delivered in conversion of and exchange or replacement of any Bond, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds.

Section 29. SALE OF INITIAL BOND. The Initial Bond is hereby sold and shall be delivered to CHEMICAL BANK, New York, N.Y., for cash for the par value thereof and accrued interest thereon to date of delivery, plus a premium of \$40.95. It is hereby officially found, determined, and declared that the Initial Bond has been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions and Official Statement dated March 15, 1984, prepared and distributed in connection with the sale of the Initial Bond. Said Official Notice of Sale and Bidding Instructions and Official Statement, and any addenda, supplement, or amendment thereto have been and are hereby approved by the Issuer, and their use in the offer and sale of the Bonds is hereby approved. It is further officially found, determined, and declared that the statements and representations contained in said Official Notice of Sale and Official Statement are true and correct in all material respects, to the best knowledge and belief of the Issuer.

Section 30. FURTHER PROCEDURES. The Chairman of the Issuer, the Executive Secretary of the Issuer, and all other officers, employees, and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Bond Resolution, the Bonds, the sale of the Bonds, and the Notice of Sale and Official Statement. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

STATEMENT BY CHAIRMAN NEWTON REGARDING WITHDRAWAL OF DR. PETER T. FLAWN FROM THE LIST OF CANDIDATES BEING CONSIDERED FOR CHANCELLOR OF THE UNIVERSITY OF TEXAS SYSTEM.--Chairman Newton stated that, as indicated on the published agenda, the Board of Regents would meet tomorrow (April 13) to receive the recommendations of the Advisory Committee for the Selection of a Chancellor for The University of Texas System. He announced that Dr. Peter T. Flawn, President of The University of Texas at Austin, who was on the list of six candidates to be recommended to the Board, had elected to withdraw his name from consideration for the Chancellorship.

Chairman Newton indicated that the Board would certainly respect President Flawn's wishes in this matter and that he has the complete confidence and best wishes of the Board in his preference to continue his outstanding leadership of U. T. Austin.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.-- At 1:45 p.m., the Board recessed for the meetings of the Standing Committees and Chairman Newton announced that at the conclusion of each committee meeting, the Board would reconvene to approve the report and recommendations of that committee.

The meetings of the Standing Committees were conducted in open session and the reports and recommendations thereof are set forth on the following pages.

REPORT AND RECOMMENDATIONS OF STANDING COMMITTEES

REPORT OF EXECUTIVE COMMITTEE (Pages 34-41).--In compliance with Section 7.14 of Chapter I of Part One of the Regents' Rules and Regulations, Chairman Newton reported to the Board for ratification and approval all actions taken by the Executive Committee since the last meeting. Unless otherwise indicated, the recommendations of the Executive Committee were in all things approved as set forth below:

1. U. T. System: Policies for Preparation of Legislative Budget Requests for 1986-1987 Biennium (Exec. Com. Letter 84-19).--Upon recommendation of the Executive Committee, the following Budget Policies for use in preparing the Legislative Budget Requests for the 1986-1987 Biennium for The University of Texas System were approved:

Policies for Preparing Legislative Budget Requests
for the Biennium 1986-1987

In preparing the Legislative Budget Requests for the biennium beginning September 1, 1985, the instructions issued by the Coordinating Board, Texas College and University System, the Legislative Budget Board and the Governor's Office of Management and Budget are to be used as guidelines. Additionally, the following policies and limitations shall be observed relating to areas not funded by formula or otherwise covered by the above-mentioned instructions:

- a. Salary Advances for Faculty and Professional Staff
Funds may be requested to grant salary increases up to 9% in 1986 and an additional 6% in 1987.
- b. Salary Advances for Classified Personnel
Funds may be requested to provide for a 6.8% increase in 1986 and an additional 3.4% increase in 1987. In addition, requests may include sufficient funds for a 3.4% merit increase for approximately one-half of all employees each year.
- c. New Positions
All requests for new positions must be based on new or expanded programs or on improvements in existing programs, and be fully justified.
- d. Maintenance, Operation and Equipment
The general guideline for requesting funds for this item should be for an increase up to 20% in 1986 plus an additional 20% increase in 1987. In limited situations such as scientific equipment, medical supplies, and like items, in which price escalation or other factors make the above limitations totally impractical, actual needs must be the basis for the request. In these situations the variance from the general standard stated above must be carefully justified.

e. Utilities

Requests for Purchased Utilities are to be based on projected needs using the best available rate estimates, carefully documented. In addition, System policy supports an emergency utility request to meet deficiencies in the 1984-85 Purchased Utilities appropriations.

f. Staff Benefits

1. Employee Insurance Premiums. Use \$112 per month in 1986 and \$146 per month in 1987 for each person in requesting funds for payment of the State's contribution toward the cost of insurance premiums. Eligible employees are those covered under provisions of the "Texas State College and University Employees Uniform Insurance Benefits Act."
2. O.A.S.I. - State's Contribution of Employees' Share of Tax. As a System policy, the Legislature will be requested to continue the payment of the employees' share of the O.A.S.I. Tax and to expand the payments from the current 5.85% on \$16,500 (included in the Legislative Budget Requests) to the actual tax levied by the Federal Government.

g. Special Items

Funds may be requested to support items which are peculiar to the particular institution and which are not otherwise included in other specific "Elements of Institutional Costs." Support for these special items must be fully justified.

h. Capital Project Items

Funds may be requested for capital projects that under existing law are eligible for General Revenue financing. These items should show high priority in the institutional Strategic Plans and be subject to completion generally within the 1986-1987 biennium. Inasmuch as equipment items included in Item d. are regular and routine acquisitions, Capital Equipment requests should be related only to new or expanded program requirements or major replacement and updating of obsolete teaching, research, and hospital equipment.

1986-1987 LEGISLATIVE BUDGET CALENDAR

Executive Committee	U. T. Board of Regents' Approval of Policies
June 1, 1984	Five draft Copies of Legislative Budget Requests (bound) due to System Administration (including five copies of supplemental data)
June 18-22, 1984	Budget Hearings with System Administration

July 2, 1984 Thirty Copies of First Submission of Legislative Budget Requests (unbound) due to System Administration for binding (with five copies of adjusted supplemental data, as applicable)

July 13, 1984 Filing Date - First Submission Legislative Budget Requests mailed to U. T. Board of Regents

August - September Hearings with staffs of Legislative Budget Board and Governor's Office of Management and Budget

October 8, 1984 Forty-five copies of Second Submission Legislative Budget Requests (unbound) due to System Administration for binding (with five copies of adjusted supplemental data, as applicable)

October 19, 1984 Filing Date - Second Submission Legislative Budget Requests mailed to U. T. Board of Regents

2. U. T. Arlington - Thermal Energy Plant and Campus Distribution System (Project No. 301-474): Award of Construction Contract to ESCON Constructors, Inc., Houston, Texas, and Approval of Plaque Inscription (Exec. Com. Letter 84-21).--The Board, upon recommendation of the Executive Committee:

a. Awarded a construction contract to ESCON Constructors, Inc., Houston, Texas, the lowest responsible bidder for construction of the Thermal Energy Plant and Campus Distribution System at The University of Texas at Arlington, as follows:

Base Bid	\$6,769,000
Correction for Error in Base Bid	270,400
Alternate No. 2 - Removal of Salvage Equipment from Existing Plant	42,000
Alternate No. 3 - Overhead Crane	<u>43,000</u>
Total Contract Award	<u><u>\$7,124,400</u></u>

b. Approved the inscription set forth on Page 37 for a plaque to be placed on the building. The inscription follows the standard pattern approved by the U. T. Board of Regents on June 1, 1979.

THERMAL ENERGY PLANT
1984

BOARD OF REGENTS

Jon P. Newton, Chairman
Robert B. Baldwin III, Vice-Chairman
Janey Slaughter Briscoe, Vice-Chairman
(Mrs. Dolph)
Jess Hay
Beryl Buckley Milburn
James L. Powell
Tom B. Rhodes
Howard N. Richards
Mario Yzaquirre

E. D. Walker
Chancellor, The University
of Texas System
Wendell H. Nedderman
President, The University
of Texas at Arlington

Friberg Alexander Maloney
Gipson Weir, Inc.
Project Engineer
ESCON Constructors, Inc.
Contractor

Soon after the bid opening, ESCON Constructors, Inc., informed the Office of Facilities Planning and Construction (OFPC) that its bid contained an error in the amount of \$270,400. At the request of OFPC, an ESCON official provided documentation which substantiated the claim that a clerical error had been made in ESCON's officially submitted bid.

All of ESCON's documentation was reviewed and examined in detail by the Project Engineer, Friberg Alexander Maloney Gipson Weir, Inc. and by the OFPC staff. The conclusion was reached that ESCON did make an honest bidding error in the amount of \$270,400.

ESCON had requested that its bid be corrected in the amount of \$270,400 or that it be excused from its bid without forfeiture of its bond.

See Page 94 , Item 3 for an addition to this award.

3. U. T. Austin - Central Chilling Station No. 5 (Project No. 102-551) - Award of Equipment Purchase Contract to Westinghouse Electric Corporation, Austin, Texas (Exec. Com. Letter 84-18).--Upon recommendation of the Executive Committee, the Board awarded a purchase contract for Electrical Equipment (Switchgear Equipment) for Central Chilling Station No. 5 at The University of Texas at Austin to the lowest responsible bidder, Westinghouse Electric Corporation, Austin, Texas, in the amount of the Base Bid of \$826,112.

4. U. T. Austin: College of Business Administration and Graduate School of Business - Phase I, University Teaching Center (Project No. 102-480) - Report of Errors in Bid and Authorization to Excuse Labry Commercial Interiors, Austin, Texas, from its Bid on Base Proposal "A" (All Seminar and Computer Tables and Seminar Chairs); Award of Contracts for Furniture and Furnishings to Abel Contract Furniture & Equipment Co., Inc., Austin, Texas; Clegg/Austin, Austin, Texas; Labry Commercial Interiors, Austin, Texas; Texas Scenic Company, Inc., San Antonio, Texas; Texas Steel Equipment Company, Houston, Texas; and Authorization for the Chancellor to Sign the Contracts (Exec. Com. Letter 84-18).--The Executive Committee recommended that the Board excuse Labry Commercial Interiors, Austin, Texas, from its bid on Base Proposal "A" (All Seminar and Computer Tables and

Seminar Chairs) for the furniture and furnishings for the College of Business Administration and Graduate School of Business - Phase I, University Teaching Center at The University of Texas at Austin because of a bidding error which would cause the company to sustain a cash loss of over \$9,000. Based upon this recommendation, the Board:

- a. Excused Labry Commercial Interiors, Austin, Texas, from its bid on Base Proposal "A" (All Seminar and Computer Tables and Seminar Chairs), College of Business Administration and Graduate School of Business - Phase I, University Teaching Center, U. T. Austin, because of an error in its bid
- b. Awarded contracts for furniture and furnishings for the College of Business Administration and Graduate School of Business - Phase I, University Teaching Center, U. T. Austin, to the following lowest responsible bidders:

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

Base Proposal "A" (All Seminar and Computer Tables and Seminar Chairs)	\$ 74,775.55
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Base Proposal "E" (Classroom Furniture)	<u>69,727.30</u>
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Total Contract Award to Abel Contract Furniture & Equipment Co., Inc.	\$144,502.85
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Clegg/Austin, Austin, Texas

Base Proposal "B" (Interaction Lounge Seating)	\$104,782.88
--	--------------

Labry Commercial Interiors,
Austin, Texas

Base Proposal "C" (Computer Laboratory Chairs)	\$ 22,164.52
--	--------------

Texas Scenic Company, Inc.
San Antonio, Texas

Base Proposal "F" (Stage Draperies)	\$ 5,645.00
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Texas Steel Equipment Company,
Houston, Texas

Base Proposal "D" (Student Lockers)	<u>\$ 46,761.64</u>
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GRAND TOTAL CONTRACT AWARDS	<u><u>\$323,856.89</u></u>
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- c. Authorized the Chancellor to sign the contracts awarding these bids

5. U. T. Austin: "Little Campus" Building - Award of Contracts for Furniture and Furnishings to Southwest Business Interiors, Houston, Texas; Abel Contract Furniture & Equipment Co., Inc., Austin, Texas; Smith Office Furniture, San Antonio, Texas; Dismukes Blind & Drapery, Austin, Texas; and Carpet Services, Inc., Austin, Texas (Exec. Com. Letter 84-20).--Upon recommendation of the Executive Committee, the Board awarded contracts for the furniture and furnishings for the "Little Campus" Building at The University of Texas at Austin to the following lowest responsible bidders:

Southwest Business Interiors,
Houston, Texas

Base Proposal "A"
(Conference Room Seating) \$ 5,708.50

Base Proposal "B"
(General Office & Lounge
Furniture) 95,351.35

Base Proposal "F"
(Wood Visitor Seating) 9,516.70

Total Contract Award to
Southwest Business Interiors \$110,576.55

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

Base Proposal "C"
(Office Seating) \$16,864.03

Base Proposal "E"
(Office Landscape
Furniture) 65,641.92

Total Contract Award to
Abel Contract Furniture &
Equipment Co., Inc. \$ 82,505.95

Smith Office Furniture,
San Antonio, Texas

Base Proposal "D"
(Upholstered Visitor
Seating) \$ 11,153.48

Dismukes Blind & Drapery,
Austin, Texas

Alternate Proposal "G-1"
In Lieu of Base Proposal "G"
(Window Treatments) \$ 59,818.87

Carpet Services, Inc.,
Austin, Texas

Base Proposal "H"
(Carpet) \$ 37,801.00

GRAND TOTAL CONTRACT AWARDS \$301,855.85

With reference to Base Proposal "B" (General Office & Lounge Furniture), the apparent low bidder, Smith Office Furniture, San Antonio, Texas, submitted an unresponsive bid in that it was a partial bid and did not include all the required items in this package. The lowest responsive bid was submitted by Southwest Business Interiors, Houston, Texas.

With reference to Base Proposal "G," Alternate Proposal "G-1" was preferred. This alternate would provide wood shutters in lieu of window blinds for approximately 110 large windows, 3-1/2 feet wide by 9 feet high. The wood shutters were believed to be more appropriate to the architectural character of this historical building, as well as more durable than window blinds.

With reference to Base Proposal "E," this base proposal was preferred rather than Alternate Proposal "E-1." This proposal for wood style office landscape furniture was believed to be more appropriate to the historic architectural style than the more contemporary, slightly lower in cost, office landscape furniture of Alternate Proposal "E-1." The favorable bid on Base Proposal "E" indicates a difference of approximately \$5,400 for the 30 work stations involved.

6. U. T. Austin: Dr. Charles W. Moore Appointed Initial Holder of the O'Neil Ford Centennial Chair in Architecture in the School of Architecture Effective September 1, 1984 (Exec. Com. Letter 84-21).--The Executive Committee recommended and the Board appointed Dr. Charles W. Moore, currently Professor and Program Head, School of Architecture, University of California at Los Angeles (UCLA), the initial holder of the O'Neil Ford Centennial Chair in Architecture in the School of Architecture at The University of Texas at Austin effective September 1, 1984.

7. U. T. Health Science Center - Houston (U. T. Public Health School - Houston) - Completion of Shelled Space (Project No. 701-557): Award of Construction Contract to Wil-Freds Construction/Southwest, Inc., Houston, Texas, and Approval of Revised Total Project Cost (Exec. Com. Letter 84-21).--The Board, upon recommendation of the Executive Committee:

- a. Awarded a construction contract to Wil-Freds Construction/Southwest, Inc., Houston, Texas, the lowest responsible bidder for the Completion of Shelled Space for the U. T. Public Health School - Houston of The University of Texas Health Science Center at Houston, as follows:

Base Bid	\$2,045,000
Alternate No. 1 Resilient Flooring for Stairs A, B, & C	<u>19,000</u>
Total Contract Award	<u><u>\$2,064,000</u></u>

- b. Approved a revised total project cost of \$3,100,000 to cover the contract award, fees, furniture, equipment, and related project expenses

The previous appropriation (\$4,647,000) from proceeds of Permanent University Fund Bonds will be reduced to \$3,040,000 and together with the \$60,000 from Unexpended Plant Funds will provide total project funding.

8. U. T. Health Science Center - San Antonio: Salary Increase Requiring Advance Regental Approval Under Budget Rules and Procedures No. 2 (Exec. Com. Letter 84-17).--
Upon recommendation of the Executive Committee, the Board approved the following salary increase at The University of Texas Health Science Center at San Antonio:

Obstetrics and Gynecology

Increase the annual compensation rate of Assistant Professor Jeffrey M. Dicke (Nontenure) from \$42,000 to \$50,050 effective January 1, 1984.

Source of Funds:

State: Obstetrics and Gynecology - Teaching Salaries

9. U. T. Cancer Center: Authorization to Acquire Land at the Southwest Corner of South Braeswood and Holcombe Boulevard, Houston, Harris County, Texas, from the Shell Oil Company, Houston, Texas (Exec. Com. Letter 84-21).--
Upon recommendation of the Executive Committee, the Board authorized the acquisition of approximately 35,070 square feet of land at the southwest corner of South Braeswood and Holcombe Boulevard, Houston, Harris County, Texas, from the Shell Oil Company, Houston, Texas, for \$1,260,000 for future use by The University of Texas System Cancer Center.

This parcel of land is important to the future development of the campus because of its proximity to the Anderson Mayfair Hotel and the proposed Rotary International Patient and Family Housing Facility.

Legislative authority to purchase this property was granted by House Bill 287 of the 60th Legislature.

REPORT AND RECOMMENDATIONS OF THE FINANCE AND AUDIT COMMITTEE (Page 42).--Committee Chairman Rhodes reported that the Finance and Audit Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Finance and Audit Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Docket No. 15 of the Office of the Chancellor (Catalog Change).--Upon the recommendation of the Finance and Audit Committee, the Board approved Docket No. 15 of the Office of the Chancellor in the form distributed by the Executive Secretary. It is attached following Page 121 in the official copies of the Minutes and is made a part of the record of this meeting.

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

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

2. U. T. Board of Regents - Regents' Rules and Regulations, Part Two: Amendment to Chapter XI, Section 1, Concerning Modification of Docket Procedures.--Approval was given to amend Part Two, Chapter XI, Section 1 of the Regents' Rules and Regulations concerning modification of docket procedures to read as set forth below.

This amendment reduces docket volume by limiting the reporting of changes in initial contracts, grants and agreements to only those that involve changes in funds over \$10,000.

- Sec. 1. Initial contracts, grants, and agreements from or with outside agencies for research, training, and educational services, including institutional support grants (except as provided in Subsection 1.1 below) shall be approved by the chief administrative officer and ratified by the Board via the institutional dockets. Subsequent institutional dockets should include only the changes in these initial contracts, grants, and agreements that involve changes in funds over \$10,000. It is not necessary to report contract extensions, amendments, modifications, changes in investigators or other changes in the institutional dockets unless they increase or decrease the total original contract by more than \$10,000. Although these items will not be reported in the institutional docket, copies of such changes shall be provided to the U. T. System Comptroller.

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 43 - 64).--Committee Chairman Baldwin reported that the Academic Affairs Committee had met in open session to consider those items on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Academic Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Board of Regents - Regents' Rules and Regulations, Part One: Amendment to Chapter III, by Adding a New Subsection 6.26 and Amending Section 6.3.--Upon recommendation of the Health Affairs and Academic Affairs Committees, approval was given to amend Chapter III of Part One of the Regents' Rules and Regulations by adding a new Subsection 6.26 and amending Section 6.3 to read as set forth below.

These amendments explicitly state the position of The University of Texas System with regard to faculty appointed to the title of Instructor, Assistant Professor, Associate Professor, or Professor at a component institution of the U. T. System, while at the same time holding a tenured position on the faculty of an institution of higher education outside the U. T. System.

6.26 A person appointed to a faculty position with the title of Instructor, Assistant Professor, Associate Professor, or Professor at a component institution of the System may not, during the term of such appointment, hold a tenured position on the faculty of another educational institution outside the System.

6.261 Appointments within the System to the above specified titles shall be conditioned upon the appointee having resigned any tenured position that the appointee may then hold on the faculty of an educational institution outside the System. Such resignation must be completed and effective prior to the effective date of the appointment at the System component; otherwise, such appointment shall be void and of no effect.

6.262 The acceptance of an appointment to a tenured position on the faculty of an educational institution outside the System shall be considered as a resignation of any faculty position with the title of Instructor, Assistant Professor, Associate Professor, or Professor that such appointee may hold at a System component.

6.3 Termination by an institution of the employment of a faculty member who has been granted tenure and of all other faculty members before the expiration of the stated period of their appointment, except as is otherwise provided in Subsection 6.26, or by resignation or retirement for age in accordance with these rules, will be only for good cause shown. In each case the issue will be determined by an equitable procedure, affording protection to the rights of the individual and to the interests of the System.

2. U. T. System, U. T. Austin, and U. T. Dallas: Approval of Memoranda of Understanding with The University of Texas Foundation, Inc., The University of Texas Foundation No. 1, Inc., No. 2, Inc., No. 3, Inc., No. 4, Inc., The Business School Foundation and The UTD Management School Foundation (External Foundations).--On December 8, 1983, the Regents' Rules and Regulations were amended to comply with Article 6252-11f, Vernon's Texas Civil Statutes, which requires a State agency which is authorized to accept money from private donors or from "private organization[s] designed to further the purposes and duties of the agency" to adopt rules governing the relationship between the agency and such organizations or donors. Therefore, in order to bring the relationship between the following components and external foundations into full compliance with Article 6252-11f, approval was given to the Memoranda of Understanding set out on Pages 44 - 47 by and between:

- (a) The University of Texas System and:

The University of Texas Foundation, Inc.
The University of Texas Foundation No. 1, Inc.
The University of Texas Foundation No. 2, Inc.
The University of Texas Foundation No. 3, Inc.
The University of Texas Foundation No. 4, Inc.

- (b) The University of Texas at Austin and The Business School Foundation

- (c) The University of Texas at Dallas and The UTD Management School Foundation

The Memorandum of Understanding with each of these external foundations is substantially identical and memorializes the nature of the relationship between the component and the external foundation.

It was requested by Regent Milburn that a report on the assets and income of these external foundations be given to the Board at a later date.

MEMORANDUM OF UNDERSTANDING

By this Memorandum of Understanding, The University of Texas System ("University") and The University of Texas Foundation, Inc. ("Foundation") agree as follows:

1. The Foundation has engaged in development activities for the University and its component institutions ("Components"), has provided various and substantial support for the development of the University and its Components, and has furnished important administrative and other services to the University. The continuation of these activities is essential to the maintenance of the University. The University and the Foundation deem it appropriate to, and do hereby, memorialize the nature of the relationship

between the Foundation and the University and its Components, ratify and approve these past activities by the Foundation, and agree mutually for the future regarding the respective roles, rights, and obligations of the University and the Foundation in this relationship.

2. The Foundation is a nonprofit educational corporation chartered in 1967, for the purposes of supporting the educational undertakings of the University by furthering education, research, and financial assistance to deserving students and of accepting donations for particular objectives to accomplish such purposes and of cooperating with the advancement of the general welfare of the University as a whole. The policy of the Board of Directors of the Foundation includes the activities of securing, holding in trust, and administering funds for the benefit of the University and its Components.

3. The Foundation agrees that, during the term of this Memorandum of Understanding, the Foundation will:

- (1) continue to invest and administer the funds presently on hand for the benefit of the University;
- (2) continue to accept and administer gifts for the benefit of the University to enrich the educational environment of the University and by other reasonable means to enhance the prestige of, and to advance, the University and utilize the Foundation's expertise, resources, and personnel for such purposes;
- (3) continue to render other assistance to the University of the general nature of the assistance it has rendered in the past and to render other assistance to the University in the future as may mutually appear desirable; and
- (4) continue to recognize the University and its Components as the sole beneficiary of its development policy and its educational support.

4. The University agrees that, during the term of this Memorandum of Understanding, the University will: (1) provide reasonable space in or near its buildings, as approved

by the University Chancellor, to the Foundation for the purpose of carrying out its obligations hereunder and for its general operations on behalf of the University; (2) provide the utilities and telephone services reasonably needed by the Foundation in carrying out its activities under this Memorandum of Understanding; (3) permit reasonable use of University equipment and personnel as needed to coordinate the activities of the Foundation with the educational operations of the University and hereby expressly recognizes that the Chancellor and University officers and employees may reasonably assist from time to time in development programs as may be needed or helpful in coordinating those Foundation activities with the operations of the University; and (4) in conjunction with the Foundation, execute annual written agreements specifying the use of University personnel to directly assist in the operation of the Foundation, setting forth a reasonable sum to be paid by the Foundation to the University for the assistance rendered by such personnel.

5. It is expressly mutually agreed that funds raised by the development activities of the Foundation may be subject to a reasonable management or operations charge or fee by the Foundation, or its agent, but all such charges or fees with regard to endowed funds shall come from income, not from corpus. All funds, whether endowed, restricted, or unrestricted, accepted by the Foundation shall be held, invested, managed, and disbursed by the Foundation for the sole benefit of the University, subject to any restrictions placed thereon by particular donors.

This agreement is effective immediately upon execution by the parties and approval by the Board of Regents of The University of Texas System, and it shall remain in effect from year to year unless modified in writing by mutual agreement of the Foundation and the University or terminated

by either the Foundation or the University upon giving notice twelve (12) months prior to the end of a fiscal year of the University.

Approved by the Board of Regents of The University of Texas System on the _____ day of _____, 1984.

Approved by the Foundation on the _____ day of _____, 1984.

BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM

By: _____
E. D. Walker, Chancellor

THE UNIVERSITY OF TEXAS
FOUNDATION, INC.

By: _____
Rex G. Baker, Jr., President

Dated: _____, 1984.

3. U. T. Arlington: Authorization to Offer a Bachelor of Science Degree in Nursing at East Texas State University-Texarkana and to Submit the Program to the Coordinating Board for Approval (Catalog Change).--Authorization was given for The University of Texas at Arlington to offer a Bachelor of Science degree in Nursing at East Texas State University-Texarkana and to submit the program to the Coordinating Board, Texas College and University System for approval. This program will provide registered nurses the option of obtaining a baccalaureate degree in nursing, and offers a means of sharing institutional resources, while delivering a needed educational program.

It was noted that one and one-half full-time equivalent faculty positions will be needed to initiate the program and two full-time equivalent faculty will be needed to continue it through 1988-89. Adequate library and clinical facilities are available at East Texas State University-Texarkana and area medical facilities. After initial start up costs, funding for the program will come from formula-generated funds.

This program was developed in response to a recommendation of the Nursing Education Advisory Committee to the Coordinating Board, Texas College and University System.

Upon Coordinating Board approval, the next appropriate catalog published at U. T. Arlington will be amended to reflect this action.

4. U. T. Arlington: Approval to Collect an Instrument User's Fee and a Microscope User's Fee Effective with the Fall Semester 1984 (Catalog Change).--In order to initiate a program of maintenance, repair and replacement for institutionally-owned musical instruments and microscopes used by students at The University of Texas at Arlington, the Board approved collection of an Instrument User's Fee of \$25.00 per semester and a Microscope User's Fee ranging from \$5.00 to \$10.00 per semester depending on the amount of usage and value of the instruments used. Both of these fees are effective with the Fall Semester 1984.

It was noted that the next appropriate catalog published at U. T. Arlington will be amended to conform to this action.

5. U. T. Arlington: Approval of Rate Increases for University-Owned Residence Halls (Dormitories), University Village (Formerly New Student Housing) and Other Apartments Acquired Through the Land Acquisition Program Effective with the Fall Semester 1984 (Catalog Change).--In order to remain consistent with inflationary trends and to meet anticipated increased operating costs for 1984-85, the Board approved the rate schedule set out on Pages 48 - 49 for University-Owned Residence Halls (Dormitories), University Village (Formerly New Student Housing), and other apartments acquired through the land acquisition program at The University of Texas at Arlington effective with the Fall Semester 1984.

The University of Texas at Arlington
Rate Schedule for 1984-85

University-Owned Residence Halls (Dormitories)

LONG SESSION

	<u>Effective Fall Semester 1984</u>
<u>Air Conditioned Halls</u>	
Lipscomb (North)	\$1,100
Trinity	1,100
<u>Non-Air Conditioned Halls</u>	
Lipscomb (South)	1,010
Pachl	950
Brazos	950

SUMMER SESSION

<u>Air Conditioned Halls</u>	
Lipscomb (North)	390
Trinity	390
<u>Non-Air Conditioned Halls</u>	
Lipscomb (South)	350
Pachl	350
Brazos	350
Summer Groups	\$9.00 per night per person

Apartments

	<u>No. of Units</u>	<u>1984-85 Rates</u>
<u>University Village</u>		
(Formerly New Student Housing)		
1 Bedroom (2 People)	80	\$280*
1 Bedroom (2 People)	28	300*
1 Bedroom (2 People)	12	295*
1 Bedroom (2 People)	4	320*
1 Bedroom (3 People)	4	350*
<u>Other Apartments**</u>		
<u>Complex</u>		
Border West		
1 Bedroom	18	290
2 Bedroom	19	385
Cooper South		
1 Bedroom	14	290
2 Bedroom	15	385
West		
1 Bedroom	7	250*
2 Bedroom	7	340*
Pisces		
1 Bedroom	58	300
3 Bedroom	1	385
Capricorn		
1 Bedroom	48	290
1 Bedroom	4	300
Campus		
1 Bedroom	28	230*
3 Bedroom	1	320*
San Suz		
1 Bedroom	22	220*
2 Bedroom	1	325
Del Mar		
1 Bedroom	12	195*
Shelmar North		
1 Bedroom	12	190*
Shelmar South		
1 Bedroom	7	240
2 Bedroom	1	270
El Rancho		
1 Bedroom	16	235
Efficiency	4	190

* Tenant pays electrical bills

** These apartments were acquired through the land acquisition program for U. T. Arlington. Rates are based on size and condition of apartments in comparison with pricing schedules in the City of Arlington.

It was pointed out that the next appropriate catalog published at U. T. Arlington will be amended to conform to this action.

6. U. T. Austin: Appointments to Endowed Academic Positions in the (a) College of Business Administration and Graduate School of Business; (b) College of Communication; (c) College of Engineering; (d) School of Law; (e) College of Liberal Arts; (f) Lyndon B. Johnson School of Public Affairs; (g) College of Natural Sciences; (h) School of Social Work; and (i) Institute of Latin American Studies.--The Board approved the following appointments to endowed academic positions at The University of Texas at Austin with the understanding that the professors would vacate any currently held endowed positions on the effective date of the new appointments.

(a) College of Business Administration and Graduate School of Business effective September 1, 1984

- (1) Dr. Karl E. Weick, currently the Nicholas H. Noyes Professor of Organizational Behavior at Cornell University, Ithaca, New York, initial holder of the Harkins and Company Centennial Chair in the Graduate School of Business
- (2) Dr. Gerald L. Thompson, currently the IBM Professor of Systems and Operations Research at Carnegie-Mellon University, Pittsburgh, Pennsylvania, initial holder of the George Kozmetsky Centennial Chair in the Graduate School of Business
- (3) Dr. Glenn A. Welsch, currently the Peat, Marwick, Mitchell and Company Centennial Professor in Accounting, initial holder of the James L. Bayless Chair for Free Enterprise
- (4) Dr. Ray M. Sommerfeld, currently the Glenn A. Welsch Centennial Professor in Accounting, initial holder of the James L. Bayless/Rauscher Pierce Refsnes, Inc. Chair in Business Administration
- (5) Dr. Kenneth E. Knight, Professor, Department of Management, initial holder of the Arthur James Douglass Centennial Professorship in Entrepreneurship and Small Business
- (6) Dr. Michael H. Granof, Professor, Department of Accounting, to the Ernst and Wainney Distinguished Centennial Professorship of Accounting
- (7) Dr. Robert D. Mettlen, Professor, Department of Finance, initial holder of the Lamar Savings Centennial Professorship in Finance
- (8) Dr. Stephen P. Magee, currently the Margaret and Eugene McDermott Professor of Banking and Finance and Chairman, Department of Finance, initial holder of the Fred H. Moore Centennial Professorship in International Management in the Graduate School of Business
- (9) Dr. Edward B. Deakin, Professor, Department of Accounting, initial holder of the Price Waterhouse and Co. Centennial Professorship in Accounting

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- (10) Dr. Victor L. Arnold, Professor, Department of Management, Director of the Bureau of Business Research and Associate Dean for Research, initial holder of the Rex A. Sebastian/Dresser Foundation, Inc. Centennial Professorship in Business Administration
 - (11) Dr. Robert G. May, currently the Ernst and Whinney Distinguished Centennial Professor of Accounting and Chairman, Department of Accounting, to the Glenn A. Welsch Centennial Professorship in Accounting
 - (12) Dr. Jack C. Robertson, currently the Price Waterhouse and Co. Centennial Professor in Accounting, initial holder of the Charles T. Zlatkovich Centennial Professorship in Accounting
- (b) College of Communication for the period June 1, 1984 through July 31, 1984
- Dr. Frederick D. Williams, currently Professor in the Annenberg School of Communications, University of Southern California, initial holder of the Jesse H. Jones Centennial Chair in Communication
- (c) College of Engineering effective September 1, 1984
- (1) Dr. John E. Breen, Professor and holder of the Carol Cockrell Curran Chair in Engineering, to the Nasser I. Al-Rashid Chair in Civil Engineering
 - (2) Dr. Robert S. Schechter, Professor and holder of the Ernest Cockrell, Sr. Chair in Engineering, to the Getty Oil Company Centennial Chair in Petroleum Engineering
 - (3) Dr. B. Frank McCullough, currently the Phil M. Ferguson Professor in Civil Engineering and Director of the Center for Transportation Research, initial holder of the Adnan Abou-Ayyash Centennial Professorship in Transportation Engineering for the 1984-85 academic year only
 - (4) Dr. Joel W. Barlow, Professor, Department of Chemical Engineering, initial holder of the Z. D. Bonner Professorship of Chemical Engineering
 - (5) Dr. James O. Jirsa, currently the Stanley P. Finch Professor in Engineering, to the Phil M. Ferguson Professorship in Civil Engineering for the 1984-85 academic year only
 - (6) Dr. Edward R. Holley, Professor, Department of Civil Engineering, to the Stanley P. Finch Centennial Professorship in Engineering
 - (7) Dr. Roy E. Olson, Professor, Department of Civil Engineering, to the L. P. Gilvin Centennial Professorship in Civil Engineering

- (8) Dr. Gary A. Pope, Associate Professor and holder of the Sun Exploration and Production Company Centennial Fellowship #1 in Petroleum Engineering, to The Halliburton Annual Professorship, funded annually, for the 1984-85 academic year only
 - (9) Dr. Augusto L. Podio, currently The Halliburton Professor, to the H. B. (Burt) Harkins, Jr. Professorship in Petroleum Engineering for the 1984-85 academic year only
 - (10) Dr. Paul A. Jensen, currently the Jack S. Josey Professor in Energy Studies, initial holder of the Hughes Tool Company Centennial Professorship in Mechanical Engineering for the 1984-85 academic year only
- (d) School of Law effective September 1, 1984
- (1) Mr. John A. Robertson, currently the Marrs McLean Professor in Law, initial holder of the Edward Clark Centennial Professorship in Law for the 1984-85 academic year only
 - (2) Mr. Douglas Laycock, currently the Thomas Watt Gregory Professor in Law, to the Fulbright & Jaworski Professorship in Law
 - (3) Mr. David B. Filvaroff, Professor, School of Law, reappointed to the W. St. John Garwood Centennial Professorship in Law
 - (4) Mr. Edward R. Cohen, Professor, School of Law, initial holder of the H. O. Head Centennial Professorship in Real Property Law
 - (5) Mr. David G. Epstein, currently the Fulbright & Jaworski Professor in Law, to the Joseph C. Hutcheson Professorship in Law
 - (6) Mr. Roy M. Mersky, Professor, School of Law, initial holder of the Elton M. and Martha R. Hyder, Jr. Centennial Professorship
 - (7) Mr. Richard S. Markovits, currently the Lloyd M. Bentsen, Jr. Centennial Professor in Law, to the Marrs McLean Professorship in Law
 - (8) Mr. John J. Sampson, currently the Joseph C. Hutcheson Professor in Law, to the Ben Gardner Sewell Professorship in Civil Trial Advocacy
 - (9) Mr. John F. Sutton, Jr., currently the William Stamps Farish Professor in Law, initial holder of the Earl Sheffield Centennial Professorship in Law
 - (10) Mr. Michael E. Tigar, Professor, School of Law, initial holder of the Raybourne Thompson Centennial Professorship in Law

(11) Dr. Barbara Bader Aldave, Professor,
School of Law, initial holder of the Joe A.
Worsham Centennial Professorship in Law

(e) College of Liberal Arts effective September 1, 1984

- (1) Dr. Thomas M. Cable, Professor, Department of English, initial holder of the Jane and Roland Blumberg Centennial Professorship in English (No. 2)
- (2) Dr. Richard N. Adams, Professor, Department of Anthropology, initial holder of the Rapoport Centennial Professorship of Liberal Arts
- (3) Dr. David Kendrick, Professor, Department of Economics, initial holder of the Ralph W. Yarborough Centennial Professorship of Liberal Arts
- (4) Dr. Edgar C. Polomé, Professor, Center for Asian Studies and the Departments of Linguistics, Germanic Languages, and Oriental and African Languages and Literatures, initial holder of the Christie and Stanley E. Adams, Jr. Centennial Professorship in Liberal Arts

See Page 98, Item 2 for the redesignation of this Professorship.

(f) Lyndon B. Johnson School of Public Affairs effective September 1, 1984, for the 1984-85 academic year only

Dr. Ernest T. Smerdon, Professor, Department of Civil Engineering, reappointed to the Bess Harris Jones Centennial Professorship in Natural Resource Policy Studies

(g) College of Natural Sciences effective September 1, 1984

- (1) Dr. Harry L. Swinney, Professor, Department of Physics, initial holder of one of the Trull Centennial Professorships in Physics
- (2) Dr. Edsger W. Dijkstra, Professor Extraordinarius at Eindhoven University of Technology (Netherlands) and Burroughs Corporation Research Fellow, initial holder of the Schlumberger Centennial Chair in Computer Sciences
- (3) Dr. William E. Galloway, Senior Research Scientist, Bureau of Economic Geology, reappointed to the Leslie Bowling Professorship in Geological Sciences on a half-time visiting basis for the 1984 Fall Semester
- (4) Dr. Daniel S. Barker, Professor, Department of Geological Sciences, reappointed to the Fred M. Bullard Professorship in Geological Sciences for the 1984-85 and 1985-86 academic years

- (h) School of Social Work effective September 1, 1984

Dr. Richard A. English, currently on leave from the School of Social Work at the University of Michigan, reappointed as Visiting Professor to The Robert Lee Sutherland Chair in Mental Health and Social Policy for the 1984-85 academic year only

- (i) Institute of Latin American Studies effective September 1, 1984

- (1) Mr. Pedro Pinchas Geiger, currently a geographer at the Brazilian Institute of Geography and Statistics, to the Edward Larocque Tinker Chair in Latin American Studies for the Fall Semester 1984

It was noted that Mr. Geiger will teach in the U. T. Austin Department of Geography as a Visiting Professor.

- (2) Mr. Enrique Lihn, currently Professor of Literature at the University of Chile, to the Edward Larocque Tinker Chair in Latin American Studies for the Fall Semester 1984

It was noted that Mr. Lihn will teach in the U. T. Austin Department of Spanish and Portuguese as a Visiting Professor.

7. U. T. Austin: Appointment of (a) Dr. Raymond E. Davis to the William David Blunk Memorial Professorship for the 1984-85 Academic Year; and (b) Professor Stephen L. McDonald to the Jack S. Josey Professorship in Energy Studies for the 1984-85 and 1985-86 Academic Years Effective September 1, 1984.--Upon recommendation of the Academic Affairs Committee, the Board approved the following appointments to endowed academic positions at The University of Texas at Austin effective September 1, 1984:

- (a) Dr. Raymond E. Davis, Professor, Department of Chemistry, to the William David Blunk Memorial Professorship for the 1984-85 academic year only
- (b) Professor Stephen L. McDonald, Departments of Economics and Finance, to the Jack S. Josey Professorship in Energy Studies for the 1984-85 and 1985-86 academic years

8. U. T. Austin: Approval to Transfer the Engineers' Loan Fund from an Externally Managed Corporation (Board of Directors of the Engineers' Loan Fund) to the Engineering Foundation, College of Engineering.--The Board approved the transfer of the Engineers' Loan Fund from an externally managed corporation (Board of Directors of the Engineers' Loan Fund) to the Engineering Foundation of the College of Engineering at The University of Texas at Austin, subject to a determination by the Office of General Counsel that all necessary legal steps have been taken.

The assets from this fund, which are approximately \$360,000, including \$255,000 in outstanding notes, some portion of which may ultimately not be collectable, will be used to make loans to students in the College of Engineering. Income from these loans will also be available for scholarship aid to engineering students.

9. U. T. Austin: Approval of Amendments to the Guidelines for Matching Grants Under The Regents' Endowed Teachers and Scholars Program.--In order to place with the Board the option for the use of matching funds so that areas of academic priority will receive the benefit of the matching monies and to provide maximum flexibility to U. T. Austin in meeting its academic goals, the Board amended Guidelines 2 and 10 of the Guidelines for Matching Grants Under The Regents' Endowed Teachers and Scholars Program at The University of Texas at Austin. These amendments are to be effective after the processing and acceptance of all private gifts for the August 1984, U. T. Board of Regents' meeting.

Further, the Board encouraged the administration of U. T. Austin and potential donors to establish the Liberal Arts, Fine Arts, and other areas of special need as identified by the President of U. T. Austin as a first priority for use of matching monies.

These Guidelines, as amended, are set out below in their entirety:

GUIDELINES FOR MATCHING GRANTS UNDER
THE REGENTS' ENDOWED TEACHERS AND SCHOLARS PROGRAM,
THE UNIVERSITY OF TEXAS AT AUSTIN

Subject to the availability of matching funds, the President of U. T. Austin and the Office of the Chancellor of the U. T. System shall make recommendations to the U. T. Board of Regents for the matching of individual private grants with Available University Fund monies under The Regents' Endowed Teachers and Scholars Program, The University of Texas at Austin pursuant to the following guidelines:

- (1) that matching monies be available only for grants from private sources in amounts that will, at a minimum, fully fund one of the endowed academic positions provided for in Section 4, Chapter I, Part Two of the Regents' Rules and Regulations as the section now reads or as it later may be amended;
- (2) that once the condition in (1) above is met, the President of U. T. Austin shall make recommendations to the Office of the Chancellor and to the Board of Regents to match from the Available University Fund each dollar granted by private sources as follows:
 - (a) The Board of Regents will provide matching monies in an amount sufficient to double the size of the grant for the establishment of one endowed academic position; or
 - (b) the Board of Regents will allow the grant to be divided and will provide matching monies on a dollar-for-dollar basis to each divided portion of the grant in order to establish additional endowed academic positions that require the same or a lesser minimal amount for establishment; or

- (c) if a donor endows two or more academic positions in one academic unit of the University which endowments, when added together, are equivalent to or greater than the value of another endowed academic position, the Board of Regents will, from matching monies, create in the same or another academic unit of the University an endowed academic position of the equivalent value; or
- (d) the Board of Regents will add the matching monies to one or more endowments of previously established endowed positions so as to increase these endowment levels;
- (3) that, other than the matching of private grants with Available University Fund monies, all provisions of Section 4, Chapter I, Part Two of the Regents' Rules and Regulations, as that section now reads or as it later may be amended, will be in full force and effect;
- (4) that the investment procedures for the endowments established under The Regents' Endowed Teachers and Scholars Program, The University of Texas at Austin be the same as those established for other endowments of academic positions;
- (5) that The Regents' Endowed Teachers and Scholars Program, The University of Texas at Austin be effective for gifts or pledges received on or after September 1, 1983 and, except as provided in (6) below, on or before August 31, 1985;
- (6) that matching monies made available under The Regents' Endowed Teachers and Scholars Program, The University of Texas at Austin be available for matching pledges made on or before August 31, 1985, if the pledges are to be fulfilled during the two-year period following August 31, 1985;
- (7) that matching monies made available under The Regents' Endowed Teachers and Scholars Program, The University of Texas at Austin be available for matching testamentary grants, insofar as the terms of the last will and testament of the donor, the wishes of the donor as determined by the last will and testament, and these guidelines are in harmony;
- (8) that payments of pledges for the establishment of endowed positions be matched as received if the first amount paid is at least equivalent to the value of the smallest endowed academic position provided for in the Regents' Rules and Regulations with the provision that, should any subsequent pledge not be received, the endowed academic position established pursuant to the original pledge will be reduced to a level or levels equivalent to the value of payments received and in hand at the time the pledges cease to be paid;

- (9) that potential donors be informed that for such time as an endowed professorship is unfilled by regular appointment, annual or semester appointments in the same academic area may be made to a fellowship that bears the name of the endowed professorship;
 - (10) that donors be encouraged to make undesignated gifts to The University of Texas at Austin so that chairs, professorships, and other endowed positions can be established by the President in academic areas where they are most needed; and
 - (11) that donors be encouraged to establish endowed fellowships and teaching fellowships to support and encourage outstanding assistant and associate professors who have not yet achieved the distinction required for a professorship or chair.
10. U. T. Austin: Approval of Rate Increases for University Apartments-Married Student Housing, Student Housing Units-Women's Cooperatives and University Residence Halls Effective for the Fall Semester 1984 (Catalog Change).--In order to meet the projected increase in fixed and general operating expenses anticipated for 1984-85, the Board approved the rate schedule set out on Pages 57 - 59 for University Apartments-Married Student Housing, Student Housing Units-Women's Cooperatives and University Residence Halls at The University of Texas at Austin effective for the Fall Semester 1984.

The University of Texas at Austin
 RATE SCHEDULE EFFECTIVE 1984-85
 University Apartments - Married Student Housing

	<u>Monthly Rate</u>
Mobile Home Lot	\$ 55
Colorado and Gateway Apartments	
Unfurnished	
1 bedroom	216
2 bedroom	238
Furnished	
1 bedroom	253
2 bedroom	278
Brackenridge Apartments	
1 bedroom	251
2 bedroom	311
3 bedroom	381

- a. Rates for Colorado Apartments include gas and water. Rates for the Mobile Home Park, Gateway Apartments and Brackenridge Apartments include only water.
- b. The resident is responsible for the electric bill in all units.

The University of Texas at Austin
 RATE SCHEDULE EFFECTIVE 1984-85
 Student Housing Units - Women's Cooperatives

Monthly Rental Per Co-op Paid to the University

	<u>Number of Residents Per Co-op</u>	<u>Monthly Rent Paid to University</u>
<u>Air-conditioned</u>		
Double Rooms	17	\$1227.00
	19	1371.40
<u>Non air-conditioned</u>		
Double Rooms	15	721.50

The University of Texas at Austin
 RATE SCHEDULE EFFECTIVE 1984-85
 University Residence Halls

	<u>Long Session Rate</u>		
	<u>Room</u>	<u>Meals</u>	<u>Total</u>
<u>Air-conditioned</u>			
<u>Double Rooms</u>			
Jester, Kinsolving, Blanton, Moore-Hill, Simkins			
community bath	\$1350	\$1608	\$2958
connecting bath	1566	1608	3174
<u>Non air-conditioned</u>			
<u>Double Rooms</u>			
Andrews, Carothers, Littlefield, Brackenridge- Roberts-Prather			
community bath	1046	1608	2654

- a. The above rates include twenty meals per week. Meal contract options of thirteen meals per week (\$1536 for the Long Session) and ten meals per week (\$1392 for the Long Session) are available to all residents where meals are a part of the contract.
- b. Meals are available but not required as a part of the contract for Moore-Hill, Simkins, Brackenridge-Roberts-Prather and 50 rooms in Carothers.

Other University Residence Hall Rates

- a. Rates for single rooms and double rooms as singles are 1.667 times the double rate.
- b. Summer Session rates are based on the long session per diem rate multiplied by the number of days in the Summer Session.

- c. Short-term, Orientation and Summer Conference Program rates vary based on the length of stay, number of participants and the services provided. Base rates are as follows:

<u>Daily Rate Per Person</u>	
Meals	\$12.00
Double Room	9.50
Total	<u>\$21.50</u>
Single Room	(1½ times the double rate)

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

11. U. T. Austin: Approval to Name Room 3.136 in the Chemical and Petroleum Engineering Building The Dresser Atlas Well Logging Laboratory (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--Upon the recommendation of the Academic Affairs Committee and in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, related to the naming of facilities other than buildings, Room 3.136 in the Chemical and Petroleum Engineering Building at The University of Texas at Austin was named The Dresser Atlas Well Logging Laboratory.

The naming of this room is to recognize the Dresser Foundation for its contribution of \$50,000 to the College of Engineering which is to be placed in a permanent endowment with the income being used to support teaching and research related to well logging in petroleum engineering.

12. U. T. Dallas: Approval to Increase the Student Services Fee (Required) Effective with the Fall Semester 1984 (Catalog Change).--The Board approved an increase in the Student Services Fee (Required) at The University of Texas at Dallas from \$5.00 per semester credit hour to \$7.50 per semester credit hour to be effective with the Fall Semester 1984.

This increase will raise the maximum for a full-time student enrolled for twelve hours from \$60.00 to \$90.00 for any one semester or summer session and will generate sufficient revenue to cover mandated salary and benefits increases and maintain the current level of services provided to the students.

It was noted that the next appropriate catalog published at U. T. Dallas will be amended to conform to this action.

13. U. T. El Paso: Approval to Increase the Student Services Fee (Required) Effective with the Fall Semester 1984 (Catalog Change).--Approval was given to increase the Student Services Fee (Required) at The University of Texas at El Paso from \$4.25 per semester credit hour to \$5.25 per semester credit hour to be effective with the Fall Semester 1984.

This increase will raise the maximum for a full-time student enrolled for twelve hours from \$51.00 to \$63.00 for any one semester and provide funding to support the current level of activities financed from this revenue source.

It was pointed out that the next appropriate catalog published at U. T. El Paso will be amended to conform to this action.

14. U. T. Permian Basin: Approval of Lease Agreement with The Art Institute for the Permian Basin, Odessa, Texas.--Approval was given to the Lease Agreement set out on Pages 60 - 64 by and between The University of Texas of the Permian Basin and The Art Institute for the Permian Basin, Odessa, Texas. This agreement, approved in principle by the U. T. Board of Regents on June 16, 1983, provides for the long-term lease of approximately 2.42 acres of campus land on which The Art Institute for the Permian Basin plans to construct an art museum facility.

Under the provisions of this lease agreement, the facility will be open to faculty, staff and students on the same basis as the general public, and the University will have prior access, without charge, for formal university classes, art shows and similar activities.

It was reported that all the costs associated with the construction and maintenance of the building are to be borne by the Institute, and upon termination of the lease, the facility will become the property of U. T. Permian Basin.

LEASE

THE STATE OF TEXAS §
 §
COUNTY OF ECTOR §

WHEREAS, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, at a regularly scheduled meeting on April 12th, 1984, authorized THE ART INSTITUTE FOR THE PERMIAN BASIN to lease a certain portion of the campus lands of The University of Texas of the Permian Basin, in the City of Odessa, Texas, upon which to construct a building for The Art Institute for the Permian Basin, such building to be a permanent structure of approximately 11,000 square feet in a color and style compatible with existing University buildings;

NOW, THEREFORE, the Board of Regents of The University of Texas System and The Art Institute for the Permian Basin have mutually agreed that it would be for the best interest and convenience of all parties that the terms and conditions of the Lease hereinbelow set out shall govern and control the tract above referred to.

This lease is entered into and effective as of the 21st day of April, 1984, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM ("Lessor") and THE ART INSTITUTE FOR THE PERMIAN BASIN ("Lessee").

1. For valuable consideration paid and covenants herein contained on the part of Lessee to be kept and performed, Lessor does hereby lease to Lessee, and Lessee does hereby lease from Lessor, the tract of land described on Exhibit "A" which is attached to and made a part of this agreement (the "leased premises"), in its present condition, located in the City of Odessa, Ector County, Texas.

The initial term of this lease is ninety-nine (99) years, commencing on January 1, 1984, and ending on December 31, 2082.

However, anything herein to the contrary notwithstanding, should Lessor determine that the leased premises are required for use as a part of the campus of The University of Texas of the Permian Basin, Lessor may terminate this Lease by giving Lessee written notice at least one (1) year prior to the termination date, except that it may not be so terminated during the initial thirty (30) years of this lease.

2. The premises leased hereunder shall be used by Lessee solely for the operation of an art gallery and art institute by Lessee, along with associated services such as parking, receptions, art shows, and art classes. The planning, construction, and operation of such facilities shall be accomplished by, and at the expense of, Lessee; provided, however, that all plans for the building, exterior improvements, modifications, site work, and additions to the leased premises must be approved in writing in advance by the President of The University of Texas of the Permian Basin. Lessee further agrees that all costs related to the use, occupancy, or surrender of this property shall be borne by Lessee.

3. The facilities shall be open to faculty, staff, and students at The University of Texas of the Permian Basin on the same basis as to the general public. For formal University classes, art shows, and the like, the University will have priority access, without charge. Priority access by the University shall not supersede activities scheduled by Lessee.

4. Lessee agrees to incur all expenses and to pay all charges for bringing to the leased premises and using whatever electricity, gas, heat, water, telephone, and other utility services Lessee may desire for the leased premises, including all taxes that may be levied or assessed against Lessee. Lessee further agrees to indemnify and save Lessor harmless from all such expenses and charges.

5. Lessee, at its own cost and expense, shall keep and maintain in thorough repair, good order, and safe condition all buildings, sidewalks, curbs, parking areas, fences, and other improvements of whatever character hereinafter erected upon the leased premises and their full equipment and appurtenances, both interior and exterior, structural and non-structural. Lessee shall use all reasonable precaution to prevent waste, damage, or injury and shall keep and maintain all portions of the leased premises in an attractive, neat, and orderly condition and free of accumulation of dirt and rubbish, and shall comply with all state, federal, and local laws, rules, and regulations with regard to the use and condition of the leased premises and improvements and equipment thereon.

6. At the termination of this Lease, Lessee shall promptly surrender the premises in substantially as good condition as when received, ordinary wear and tear and damage by fire or the elements alone excepted, and all improvements located thereon shall become the property of Lessor.

7. It is agreed and understood that Lessor is not to be liable for any damages or injuries to any person or persons

or property on account of the occupancy, use, or improvements placed on the leased premises by the Lessee, its successors or assigns. Lessee agrees to indemnify and save Lessor harmless from any and all liability, damage, expense, causes of action, suits, claims, or judgments arising from injury to person or property in or on the leased premises. Lessee shall, at its sole cost and expense, procure and maintain in force and effect during the term hereof public liability insurance covering both bodily injury and property damage protecting Lessor and Lessee from all claims of whatsoever character that might arise out of Lessee's use of the leased premises or the improvements thereon in an amount at least equal to the maximum limits of liability as contained in Article 6252-19, Vernon's Civil Statutes, the Texas Tort Claims Act, or any successor or companion statutes, as amended from time to time. Copies of Lessee's insurance policy, showing Lessor to be a named insured thereunder, shall be delivered to Lessor prior to the effective date of this lease, and the insurer of each policy shall agree to give Lessor at least ten (10) days' prior written notice before any cancellation or modification of such insurance coverage.

8. Lessee shall not have the right to sublease or sublet the premises and the rights and privileges hereby granted may be transferred or assigned by Lessee only after obtaining the written consent of Lessor to such transfer or assignment.

9. Nothing contained in this agreement or any development and use by Lessee shall ever be construed as the dedication of the leased premises for the purpose of Lessee.

10. Any notice provided for herein shall be given by registered or certified United States Mail, postage prepaid, addressed, if to Lessor, to the President, The University of

Texas of the Permian Basin, Odessa, Texas, 79762, and if to Lessee, to it at the leased premises. The person and the place to which notices are mailed may be changed by either party by written notice to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the 12th day of April, 1984.

ATTEST:

Arthur H. Dilly
Arthur H. Dilly
Executive Secretary

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By: Jon P. Newton
JON P. NEWTON
Chairman

LESSOR

ATTEST:

George Kelly
Secretary of the Board
of Directors of The Art
Institute for the Permian
Basin

ART INSTITUTE FOR THE PERMIAN
BASIN

By: Joana Lambert
Chairperson of the Board of
Directors of The Art
Institute for the Permian
Basin

LESSEE

Approved as to Form:

James R. Irion III
James R. Irion III
University Attorney

Approved as to Content:

Tom E. Smith
Tom E. Smith
Real Estate Officer

15. U. T. Tyler - Appointments to Nonendowed Positions:
(a) Dr. Robert A. Geffner to the J. S. Hudnall Professor-
ship for American Affairs; and (b) Dr. Davor Jedlicka to
the J. S. Hudnall Professorship in Energy and Technology
Effective September 1, 1984.--The Academic Affairs Commit-
tee recommended, and the Board approved, the following
appointments to two nonendowed positions at The University
of Texas at Tyler effective September 1, 1984:

(a) Dr. Robert A. Geffner, Assistant Professor
of Psychology, to the J. S. Hudnall Profes-
sorship for American Affairs

(b) Dr. Davor Jedlicka, Associate Professor
of Sociology, to the J. S. Hudnall Profes-
sorship in Energy and Technology

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE
(Pages 65 - 77).--Committee Chairman Briscoe reported that the Health Affairs Committee had met in open session to consider those items on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Health Affairs Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas): James T. Willerson, M.D., Appointed Initial Holder of the Mary Nell and Ralph B. Rogers Chair in Cardiovascular Diseases Effective Immediately.--Upon the recommendation of the Health Affairs Committee, the Board approved the appointment of James T. Willerson, M.D., as the initial holder of the Mary Nell and Ralph B. Rogers Chair in Cardiovascular Diseases effective immediately. Dr. Willerson is currently serving as Professor and Chief of the Cardiology Division in the Department of Internal Medicine at the U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas.

See Page 110 , Item 34 for establishment of this Chair.

2. U. T. Medical Branch - Galveston: Authorization for Fourth-Year Leave of Absence, Without Salary, Effective March 1, 1984, for Edward N. Brandt, Jr., M.D., Ph.D., to Serve as Assistant Secretary for Health in the U.S. Department of Health and Human Services (Exception to Regents' Rules and Regulations, Part One, Chapter III, Section 16.4).--An exception was made to Part One, Chapter III, Section 16.4 of the Regents' Rules and Regulations, and Edward N. Brandt, Jr., M.D., Ph.D., Professor with tenure, Departments of Family Medicine, and Preventive Medicine and Community Health at The University of Texas Medical Branch at Galveston, was granted a fourth-year leave of absence, without salary, effective March 1, 1984, in order that he may continue to serve as Assistant Secretary for Health in the United States Department of Health and Human Services.

Dr. Brandt's continued service in this prestigious position is bringing exceptional credit to the U. T. Medical Branch - Galveston and The University of Texas System.

3. U. T. Medical Branch - Galveston (U. T. Allied Health Sciences School - Galveston): Approval of Affiliation Agreement with Shriners Hospitals for Crippled Children, Houston, Texas.--The affiliation agreement set out on Pages 66 - 67 by and between The University of Texas Medical Branch at Galveston and Shriners Hospitals for Crippled Children, Houston, Texas, was approved.

This agreement, executed by the appropriate officials of the institution and facility on December 30, 1983, to be effective upon approval by the U. T. Board of Regents, will provide unique learning activities for students at the U. T. Allied Health Sciences School - Galveston.

AFFILIATION AGREEMENT

THIS AGREEMENT, made and entered into this 30th day of December, 19 83, by and between Shriners Hospitals for Crippled Children, which owns and operates the Houston Unit (hereinafter referred to as "HOSPITAL") and the School of Allied Health Sciences (hereinafter referred to as the "SCHOOL") of The University of Texas Medical Branch at Galveston, a component of The University of Texas System.

WITNESSETH:

WHEREAS, it is agreed by the parties to be of mutual interest and advantage that the students and faculty of the SCHOOL be given the opportunity to utilize the HOSPITAL for clinical and educational purposes:

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

1. The HOSPITAL will permit students of the SCHOOL to administer physical therapy under the direct supervision and responsibility of the faculty of the SCHOOL. If the number of students is too few to warrant the assignment of a SCHOOL faculty member at the HOSPITAL, then the students will be under the direction of the HOSPITAL'S Senior Physical Therapist. In both instances, the SCHOOL will be responsible for the training these students receive, though oversight will rest with the HOSPITAL'S Senior Physical Therapist.
2. The period of assignment, number of students during each period and distribution of students between areas of the HOSPITAL will be mutually agreed upon between the SCHOOL and the HOSPITAL at the beginning of each clinical training period.
3. The SCHOOL will not discriminate against any applicant for enrollment in its course of study because of race, creed, sex, religion or national origin. The SCHOOL and its faculty accept full responsibility for the students' learning activities.
4. The SCHOOL shall assume responsibility for seeing that all their students and faculty members comply with the policies, procedures, and Rules and Regulations of HOSPITAL, and for seeing that all their students and faculty members respect the confidential nature of all information which may come to them with respect to patient and hospital records.
5. The HOSPITAL may request the SCHOOL to withdraw from the HOSPITAL any student whose performance is unsatisfactory or whose characteristics and activities are detrimental to the HOSPITAL in carrying out its health care responsibilities.
6. It is understood between the parties that under no circumstances is any member of the SCHOOL student body or faculty to be considered an agent or employee of the HOSPITAL.
7. The SCHOOL shall assume responsibility for the cost of equipment that is broken, damaged, or lost due to any negligence of its students.
8. The SCHOOL shall, to the extent authorized under the constitution and laws of the State of Texas, hold HOSPITAL harmless from liability resulting from acts or omissions of University's employees or students within the terms of this Agreement.
9. The SCHOOL will arrange for liability and malpractice insurance coverage for its faculty members and students assigned to the HOSPITAL and agrees to verify that each student so participating has acquired such insurance coverage.

10. The HOSPITAL further agrees as follows:

- (a) to provide to the SCHOOL the necessary space or facilities for conference and classroom areas for student teaching as available;
- (b) to provide lounge and locker space for students, as available;
- (c) to allow students and faculty members of the SCHOOL to utilize the HOSPITAL'S eating facilities at the students' and faculty's sole expense;
- (d) to make available clinical areas for students' training, including the necessary equipment and supplies for administering physical therapy;
- (e) to provide first aid treatment for students or faculty members who are injured or become ill while at the HOSPITAL;
- (f) to provide an orientation for the SCHOOL'S faculty members and plan with them all joint programs; and
- (g) to conduct an orientation for each student in respect to the policies, Rules and Regulations of the HOSPITAL and the facilities of the HOSPITAL.

11. It is understood between the parties that there will be no exchange of funds between the HOSPITAL and the SCHOOL or its students and instructors.

12. This Agreement is for a term of one year, and therefore from year to year unless terminated by either party upon giving three months advance notice to the other party by certified mail.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day, month and year first above written.

December 30, 1983
Date

WITNESS:

Jeanne E. Fricke

HOSPITAL

W. W. Bennett
W. W. Bennett, President
Shriners Hospitals for Crippled Children

UNIVERSITY - SCHOOL

Michael C. Linn
President
The University of Texas Medical Branch
at Galveston

FORM APPROVED:

M. Lynn Tate
Office of the General Counsel
The University of Texas System

CONTENT APPROVED:

Charles H. Williams
Executive Vice Chancellor for Health
Affairs
The University of Texas System

ATTEST:

Arthur H. Kelly
Executive Secretary, Board of
Regents
The University of Texas System

THE BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

Jon P. Neill
Chairman

4. U. T. Health Science Center - Houston: Authorization to Collect a Transcript Fee Effective April 16, 1984, and an Application Fee Effective with the Fall Semester 1984 (Catalog Change).--Authorization was given for The University of Texas Health Science Center at Houston to collect a Transcript Fee of \$5.00 effective April 16, 1984, and an Application Fee of \$10.00 effective with the Fall Semester 1984.

The Transcript Fee will be used to cover the operational costs of preparing, copying and issuing transcripts, and the Application Fee will offset costs incurred in processing applications at the U. T. Health Science Center - Houston.

It was noted that the next appropriate catalog published at the U. T. Health Science Center - Houston will be amended to conform to this action.

5. U. T. Health Science Center - Houston (U. T. Dental Branch - Houston): Approval of Affiliation Agreement with Tokyo Dental College, Tokyo, Japan.--The Board approved the affiliation agreement set out on Pages 68 - 73 by and between The University of Texas Health Science Center at Houston and Tokyo Dental College, Tokyo, Japan.

This agreement, executed by the appropriate officials of the institution and facility on November 11, 1983, to be effective upon approval by the U. T. Board of Regents, will provide educational programs for dental students at the U. T. Dental Branch - Houston.

HEALTH CARE

EDUCATION EXPERIENCE PROGRAM

AFFILIATION AGREEMENT

THIS AGREEMENT, made the 11th day of November, 1983, by and between The University of Texas Health Science Center at Houston, ("University"), a component institution of The University of Texas System, ("System"), and Tokyo Dental College, (TDC), an institution of higher education having its principal office in Tokyo, Japan,

WITNESSETH

WHEREAS, TDC now operates educational facilities located in the City of Chiba City, Japan, and therein provides educational programs and dental health care services for persons in need of such services; and University provides an academic program with respect to health care; and,

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

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

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

NOW, THEREFORE, in consideration of the premises and of the benefits derived and to be derived therefrom the programs established and implemented by said parties, University of TDC and University, during the term of this Agreement, for purposes of achieving the above described objectives of said parties (hereinafter called "Program"), shall be covered by and subject to the following terms and conditions:

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

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

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

4. After Program Agreement becomes effective, no amendments thereto shall be valid unless in writing and executed by the duly authorized representative of TDC and University, and approved by the Chancellor of The University of Texas System and the Board of Directors, Tokyo Dental College.

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

- (a) To comply to the extent possible under Japanese and municipal law, United States, State of Texas and City of Houston laws, ordinance, rules and regulations applicable to performance by TDC of its obligations under this Agreement, and all applicable accreditation requirements, and to certify such compliance to University or other entity when requested to do so by University.
- (b) To permit the authority responsible for accreditation of University's curriculum to inspect such facilities, services, and other things provided by TDC pursuant to this Agreement as are necessary for accreditation evaluation.
- (c) To appoint a person to serve TDC as liaison ("Liaison") to the faculty and students engaged in the Program; provided, however, that no person not having the prior written approval of University shall be appointed Liaison; and, in such connection, TDC shall furnish in writing to University (not later than thirty (30) days prior to the date the Liaison appointment is to become effective) the name and professional and academic credentials of the person proposed by TDC to be Liaison, and within ten days after receipt of same, University shall notify TDC of University's approval or disapproval of such person. In the event the Liaison becomes unacceptable to University after appointment, and University so notifies TDC in writing, TDC will appoint another person to serve as Liaison in accordance with the procedure stated in the first sentence of this sub-paragraph (c).

6. University hereby agrees:

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

(b) To assign for participation in the program only these students.

(1) who have satisfactorily completed these portions of its curriculum which, according to Program Agreement, are prerequisite to such participation or as determined in its discretion and

(2) who have entered into a written agreement with University and TDC that they will not publish any material relating to the Program, or their experience in participating therein, without the prior written approval of University and TDC.

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

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

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

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

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

11. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System and the Council Board of Directors of Tokyo Dental College. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one (1) year after the date and year of execution by TDC and University, and after such initial term, from year to year unless one party shall have given one hundred eighty (180) days' written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (a) at the end of the term of this Agreement during which the last day of such one hundred eighty (180) day notice period falls; or, (b) when all students enrolled in the Program at the end of the term of this Agreement have completed their respective courses of study under the Program; whichever event last occurs.

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

ATTEST:

(Title)

UNIVERSITY

BY:

Roger J. Sulger
Roger J. Sulger, M.D.
President
The University of Texas Health
Science Center at Houston

ATTEST:

Kazuo Takagi
(Title)

TOKYO DENTAL COLLEGE

BY:

(Title)
Dr. T. Kashima, The Chairman
Board of Directors

FORM APPROVED:

William R. ...
General Counsel of the System

CONTENT APPROVED:

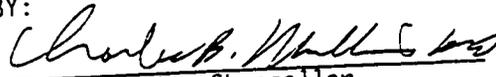
FACILITY

BY:

(Title)

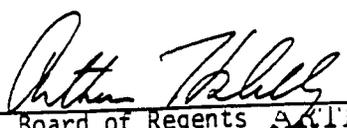
CONTENTS APPROVED:

BY:


Executive Vice Chancellor
for Health Affairs

CERTIFICATION OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the 12th day of April, 1984.


Secretary, Board of Regents
The University of Texas System
ARTHUR H. DILLY

6. U. T. Cancer Center: James A. Neidhart, M.D., Appointed Initial Holder of the Hubert L. and Olive Stringer Chair in Oncology Effective May 1, 1984.--The Board appointed James A. Neidhart, M.D., initial holder of the Hubert L. and Olive Stringer Chair in Oncology at The University of Texas System Cancer Center effective May 1, 1984.

It was noted that Dr. Neidhart has accepted a tenured position as Internist and Professor of Medicine in the Department of Medical Oncology at the U. T. Cancer Center.

7. U. T. Health Center - Tyler: Memorandum of Agreement with the Texas Department of Health for and on Behalf of Public Health Regions 7 and 10 (Supersedes Memorandum of Agreement Approved by the U. T. Board of Regents on December 7, 1979).--The Board approved the Memorandum of Agreement set out on Pages 74 - 77 by and between The University of Texas Health Center at Tyler and the Texas Department of Health for and on behalf of Public Health Regions 7 and 10.

This agreement, executed by the appropriate officials of the institution and facility to be effective upon approval by the U. T. Board of Regents, provides for the U. T. Health Center - Tyler to maintain up to 40 beds to accommodate tuberculosis patients referred to the U. T. Health Center - Tyler, to make public health reports to the Texas Department of Health, and to provide necessary physicians to conduct tuberculosis control clinics in Public Health Regions 7 and 10. The Texas Department of Health will provide all other medical staff, supplies, and equipment for these clinics.

It was noted that this Memorandum of Agreement supersedes the one approved by the U. T. Board of Regents on December 7, 1979.

MEMORANDUM OF AGREEMENT

This AGREEMENT made this 12th day of April, 1984 by and between The University of Texas Health Center at Tyler, hereinafter referred to as the "Health Center", and The Texas Department of Health for and on behalf of Public Health Region 7 and 10, hereinafter referred to as the "Department".

WITNESSETH, the Health Center and the Department acting pursuant to the provisions of Article 4414b, 3201a-4, 4477-11 and 4477-12, Texas Civil Statutes, enter into this agreement for the examination, diagnosis, referral, hospitalization, and treatment of tuberculosis patients.

NOW THEREFORE, in consideration of the promises and terms, conditions, and provisions set forth hereinafter, the parties hereby agree as follows:

I.

The Health Center agrees, subject to the terms and conditions herein, to reserve up to forty (40) beds to accommodate all tuberculosis patients or suspected tuberculosis patients both hereinafter referred to as "patients", referred by the Department, local health authorities, or other sources and physicians in private practice.

II.

The priority of admissions of tuberculosis patients will be as follows:

- (1) Referral from the Department, including the out-patient clinics;
- (2) Referral from local health departments or other local health authorities.
- (3) Referral from physicians in private practice.

III.

The Health Center agrees to hospitalize, within forty-eight (48) hours any and all acutely ill tuberculosis patients, referred to the Health Center, unless such hospitalization would

result in over-crowding that could not reasonably be handled by the medical staff, or such over-crowding would result in the Health Center being advised by a State or Federal agency or accrediting body that such over-crowding is in violation of State and Federal law or regulation.

IV.

The Health Center agrees to make informal weekly reports and formal written reports on a monthly basis to the Department with the number of tuberculosis patients at the Health Center. The monthly report will include the number, characteristics, and length of stay of patients with tuberculosis at the Health Center.

V.

Regarding the operation and continuation of Public Health Region 7 and 10, Tuberculosis Control Medical Clinics, the parties agree as follows:

The Health Center will provide the necessary physicians to conduct clinics in the following locations at the estimated frequency indicated:

<u>LOCATION</u>	<u>FREQUENCY</u>
Livingston	Monthly
Texarkana	Monthly
Center	Quarterly
Jasper	Quarterly
Lufkin	Quarterly
Nacogdoches	Quarterly
Palestine (Vernon Calhoun Packing Company)	Quarterly (As Needed)
Paris	Quarterly (As Needed)
Carthage	Quarterly (As Needed)

The Health Center further agrees to provide necessary physicians to conduct such additional tuberculosis control clinics with Public Health Region 7 and 10 as may be necessary to provide adequate tuberculosis control services, not to exceed eight (8) such additional clinics per year. Physicians of the Health Center

will complete the tuberculosis control forms necessary to comply with requirements of the Department. The Health Center also agrees to provide radiologic interpretations, record evaluations, and prescription renewals as needed in instances where circumstances prevent a patient's attendance at a clinic.

The Department will provide all other necessary medical staff, supplies, and equipment for these clinics. Specifically, the Department agrees to:

- (1) Schedule the clinics.
- (2) Provide adequate clinic facilities with necessary supplies and medical equipment, including x-ray view boxes.
- (3) Provide anti-tuberculosis medications.
- (4) Provide necessary nursing or clerical personnel.
- (5) Have available up-to-date records and previous roentgenograms on all patients to be evaluated by the physician.
- (6) Provide reimbursement for mileage and per diem travel expenses of such Health Center physicians, conducting the above tuberculosis medical clinics according to State travel regulations and as agreed upon under separate contract.

It is mutually agreed that ongoing coordination will be maintained between the Health Center and Public Health Regions 7 and 10 to assure continuity and adequacy of tuberculosis control activities.

VI.

Regarding the remaining Public Health Regions 7 and 10 Tuberculosis Control Clinics staffed by contract physicians, the Health Center agrees to provide for such contract physicians any initial or inservice training which may be needed for the detection of tuberculosis and the proper conduct of the clinics.

VII.

The parties each agree to appoint one or more persons to serve as a committee to review and recommend changes to resolve any

problems which may arise under the procedures and revisions outlined in this agreement.

VIII.

The Health Center agrees to notify the appropriate Public Health Regional authority of the patient's city or county of residence at least seven (7) days in advance of any planned discharge ("with medical advice") of a tuberculosis patient who is in an infectious stage of the disease.

IX

The parties further agree that the Health Center will assist as appropriate the Department in carrying out its duties in controlling tuberculosis.

X.

This Agreement is for a term of two (2) years and will terminate on August 31, 1985. This agreement can not be extended, amended, or terminated prior to said date of termination unless the parties mutually agree in writing, sixty (60) days prior to effecting such extension, amendment, or termination.

TEXAS DEPARTMENT OF HEALTH

By Robert Bernstein 1/9/84
Robert Bernstein, M.D., F.A.C.P.
Commissioner of Health

By Robert MacLean
Robert MacLean, M. D.
Deputy Commissioner of Health

RECOMMENDED:

By Jerome H. Greenberg
Jerome H. Greenberg, M. D.
Associate Commissioner for
Preventable Diseases

APPROVED AS TO FORM:

By David J. Miller
Office of General Counsel

THE UNIVERSITY OF TEXAS
HEALTH CENTER AT TYLER

By George A. Hurst
George A. Hurst, M. D.
Director

OFFICE OF THE CHANCELLOR

By Charles B. Mullins
Charles B. Mullins, M.D.
Executive Vice Chancellor for
Health Affairs
BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By Jon P. Newcom
JON P. NEWCOM
APPROVED AS TO FORM:

By M. Lynn Taylor
Office of General Counsel

2411

REPORT AND RECOMMENDATIONS OF THE BUILDINGS AND GROUNDS COMMITTEE (Pages 78-95).--Committee Chairman Hay reported that the Buildings and Grounds Committee had met in open session to consider those items on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Buildings and Grounds Committee and approved in open session and without objection by the U. T. Board of Regents:

1. U. T. System: Response to the Phase I Report of the Capital Improvements Advisory Committee Including (a) Procedures for the Selection of Architects and Engineers to Be Effective Immediately, (b) Revision of the Terms and Conditions of Agreement Between Owner and Architect to Be Effective June 1, 1984, with Authorization for Office of General Counsel to Make Additional Editorial Changes Therein, and (c) Revision of the Schedule of Fees to Reflect the Size and Complexity of Projects to Be Effective June 1, 1984.--Committee Chairman Hay commended the Capital Improvements Advisory Committee, chaired by Mr. John Wacker of Dallas, Texas, for its thoughtful and well-reasoned Phase I Report which had been previously distributed to the Board. Following a detailed discussion, the Buildings and Grounds Committee recommended the following specific actions which were approved by the Board without objection:
 - (a) Procedures for the Selection of Architects and Engineers to be effective immediately
 - (1) General Screening of Firms:
 - 1.1 OFPC shall accept and maintain up-to-date written statements of interest and credentials on those firms that express an interest in being considered for U. T. System work.
 - 1.2 OFPC shall pre-qualify interested firms for further consideration in accordance with simple but rigorous and objective criteria.

OFPC shall be responsible for defining and applying pre-qualification criteria and would on request notify firms that they are pre-qualified for future consideration.
 - 1.3 As part of pre-qualification activity, OFPC shall meet personally with representatives of interested firms and, if appropriate, visit the offices of interested firms.
 - (2) Screening of Firms for Specific Project Assignments:
 - 2.1 OFPC, utilizing criteria appropriate to the specific project assignment and in consultation with the Component President, or his designee, shall prepare a slate of 5 to 8 firms to be given initial consideration for the specific project.

- 2.2 OFPC shall mail to that slate of firms a general description of the project and invite the firms to update their statements of interest and supply in writing for consideration any other material concerning their credentials relative to the project.
- 2.3 OFPC and the Component President, or his designee, shall review the responses and, based on such review (and, if appropriate or necessary, on subsequent interviews with the firms), shall jointly recommend three (3) firms in order of preference to the Board of Regents' Buildings and Grounds Committee through the Office of the Chancellor.
- 2.4 The Buildings and Grounds Committee shall review the recommendations and then submit the list of three (3), in order of the Committee's preference, to the Board of Regents for final selection. If none on the list is acceptable to the Board of Regents, then the recommendation shall be returned to the Buildings and Grounds Committee with a request for a new recommendation.
- 2.5 Architects assigned to do feasibility studies shall be neither guaranteed the Project Architect assignment for the project under consideration nor excluded from it, but be given every consideration in the Architect selection process.

Committee Chairman Hay noted that these selection procedures varied only slightly from the recommendations of the Capital Improvements Advisory Committee.

- (b) Revised Terms and Conditions of Agreement Between Owner and Architect (Pages 80-91) to be effective June 1, 1984, with authorization for the Office of General Counsel to make additional editorial changes

TERMS AND CONDITIONS OF AGREEMENT BETWEEN OWNER AND ARCHITECT

ARTICLE 1

ARCHITECT'S SERVICES AND RESPONSIBILITIES

BASIC SERVICES

The Architect's Basic Services consist of the five phases described in Paragraphs 1.1 through 1.5 and include all normal architectural, landscaping, and acoustical, structural, mechanical and electrical engineering services and any other services necessary for design of the complete structure. The Owner reserves the right to reject any person or firm which the Owner may deem to be not qualified or competent to render such services. It is understood that pay for such services shall be paid by the Project Architect out of fees provided for in this Contract and that the Owner accepts no responsibility whatsoever for such associated persons or firms.

The Architect shall provide the Owner with a copy of each contract or agreement he enters into with any consultant.

It is understood that the Architect shall carry such professional liability and errors and omissions insurance, covering the services provided by himself and any and all consultants, as is acceptable to and approved by the Owner. The fees for such insurance will be at the expense of the Architect.

The Architect shall submit his plans and specifications to the Owner for review at approximately 35%, 50%, 90% and 100% stages of completion of construction documents. He shall incorporate into the plans such corrections and amendments as the Owner requests, unless he has objected in writing and has received the Owner's concurrence not to make the incorporation to which he objects. If added costs are incurred at a later date due to a failure to incorporate requested corrections and amendments, the added costs shall be at the Architect's expense.

The Architect shall not proceed beyond the stage of design authorized by the Owner, except at his own financial risk.

1.1 SCHEMATIC DESIGN PHASE

1.1.1 The Architect shall review the preliminary program and maximum construction cost proposed by the Owner to ascertain the requirements of the Project and shall review the understanding of such requirements with the Owner.

1.1.2 The Architect shall review with the Owner alternative approaches to design and construction of the Project.

1.1.3 The Architect, subject to the Owner's concurrence and at the Owner's cost, shall secure the services of surveyors, soils engineers or other special consultants to develop such additional information as may be necessary for the design of the project but which is not available from information provided by the Owner. It is the responsibility of the Architect to verify to his satisfaction any information provided by the Owner, which information is not warranted to be fully correct or up-to-date but simply the best information available to the Owner at the time it is provided.

1.1.4 Before proceeding into the Design Development Phase, the Project Architect shall carefully prepare schematic studies, as much of a detailed program as possible and a construction cost estimate and shall certify in writing to the Owner his concurrence in same unless this requirement of concurrence is waived in writing by the Owner.

1.2 DESIGN DEVELOPMENT PHASE

Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program or Project budget, the Architect shall prepare, for approval by the Owner, Design Development Documents consisting of plans, elevations and other drawings, outline specifications, models and/or renderings, and construction cost estimate to fix and describe the size and character of the entire Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

1.3 CONSTRUCTION DOCUMENTS PHASE

1.3.1 Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the Project budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for construction of the Project.

1.3.2 The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and the Contractor.

1.3.3 The Project Architect shall employ and pay a recognized and specialized company acceptable to the Owner to prepare full scope and detailed Cost Quantity Surveys of the construction Project in a form acceptable to the Owner. Said Surveys shall be submitted with plans and specifications, when submitted for review at the 35% and 90% stages of completion, in such a manner that the construction cost of the Project is affirmed to the Owner by the Project Architect in writing.

1.3.4 The Architect shall assist the Owner in connection with the Owner's responsibility and procedures for obtaining approval of authorities having jurisdiction over the Project.

1.3.5 The plans, drawings and specifications for the entire Project shall be so prepared that same will call for the construction of the building and related facilities, together with its built-in permanent fixtures and equipment which will cost not more than \$_____. The Project Architect will be responsible for managing the design to stay within this Construction Cost Limitation.

1.3.6 The Project Architect shall be responsible for including in the Construction Documents such designs and construction details, where applicable, as are found in the Owner's Design Guidelines.

1.3.7 The Project Architect, at his own expense at each stage of review, shall deliver to the Owner six complete printed copies of all plans, drawings and specifications of every character made or furnished in connection with the Work, which copies shall become the property of the Owner. The Project Architect shall incorporate into the plans, drawings and specifications such changes as are necessary to satisfy the Owner's review comments, any of which may be appealed in writing for good cause.

1.3.8 The Project Architect shall, at his own expense, furnish as many as 25 additional sets of plans and specifications for bidding purposes. Any additional sets required by the Owner to be furnished shall be considered to be an Additional Service. Any sets required by the Project Architect or his Consultants shall be supplied at the Project Architect's expense.

1.4 BIDDING PHASE

1.4.1 The Architect, following the Owner's approval of the Construction Documents and acceptance of the Cost Quantity Survey, shall assist the Owner in obtaining and evaluating bids or proposals, and assist in awarding and preparing contracts for construction.

1.4.2 In the event the lowest acceptable bid received for the Project exceeds the Construction Cost Limitation set by the Owner, the Project Architect, without charge to the Owner, shall make such revisions to the drawings and specifications as may be necessary to bring the cost of the Project within the above stipulated cost limitation. If it is determined to be in the Owner's best interest, instead of requiring the Project Architect to revise the drawings and specifications, the Owner reserves the right to accept a bid and award a construction contract that exceeds the stipulated Construction Cost Limitation and shall revise the maximum design fee accordingly.

1.5 CONSTRUCTION PHASE--ADMINISTRATION OF THE CONSTRUCTION CONTRACT

1.5.1 The Construction Phase shall commence with the award of the Contract for Construction and, together with the Architect's obligation to provide Basic Services under this Agreement, will terminate when final payment to the Contractor is made, or sixty days after the Date of Completion of the Warranty Work, whichever occurs last.

1.5.2 Unless otherwise provided in this Agreement and incorporated in the Contract Documents, the Architect shall provide administration of the Contract for Construction as set forth below and in the edition of the Owner's Guidelines for Architect/Engineer Services current as of the date of this Agreement.

1.5.3 The Architect shall be a representative of the Owner during the Construction Phase, and shall advise and consult with the Owner. Instructions to the Contractor shall be forwarded through the Architect. The Architect shall have authority to act on behalf of the Owner to the extent provided in the Contract Documents unless otherwise modified by written instrument.

1.5.4 The Architect and his Consultants shall visit the site at intervals appropriate to the stage of construction, generally at least twice each month, to inspect the progress and quality of the Work and to determine if the Work is proceeding in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site visits to inspect the quality or quantity of the Work. On the basis of such on-site inspections, the Architect shall keep the Owner informed of the progress and quality of the Work, and shall endeavor to guard the Owner against defects and deficiencies in the Work of the Contractor.

1.5.5 The Architect shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, for the acts or omissions of the Contractor, Subcontractors or any other persons performing any of the Work, or for the failure of any of them to carry out the Work in accordance with the Contract Documents.

1.5.6 The Architect shall at all times have access to the Work wherever it is in preparation or progress.

1.5.7 The Architect shall determine the amounts owing to the Contractor based on inspections at the site and on evaluations of the Contractor's Estimate for Partial Payment, and shall approve Estimates for Partial Payment in such amounts.

1.5.8 The approval of an Estimate for Partial Payment shall constitute a representation by the Architect to the Owner, based on the Architect's observations at the site as provided in Sub-paragraph 1.5.4 and on the data comprising the Contractor's Estimate for Partial Payment, that the Work has progressed to the point indicated; that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the results of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in the Estimate for Partial Payment); and that the Contractor is entitled to payment in the amount certified. However, the approval of an Estimate for Partial Payment shall not be a representation that the Architect has made any examination to ascertain how and for what purpose the Contractor has used the moneys paid on account of the Contract Sum.

1.5.9 The Architect shall be the interpreter of the technical requirements of the Contract Documents and the judge of the performance thereunder by the Contractor. The Architect shall render interpretations necessary for the proper execution or progress of the Work with reasonable promptness on written request of either the Owner or the Contractor, and shall render written recommendations, within a reasonable time, on all claims, disputes and other matters in question between the Owner and the Contractor relating to the execution or progress of the Work or the interpretation of the Contract Documents.

1.5.10 Interpretations and recommendations of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in written or graphic form.

1.5.11 Subject to approval of the Owner, the Architect's decisions in matters relating to artistic effect shall be final if consistent with the intent of the Contract Documents. If requested by the Owner, the Architect shall review interior designs and/or furniture selections proposed by the Owner to ensure aesthetic compatibility with the Architect's design.

1.5.12 The Architect shall have the responsibility and the authority to reject Work which does not conform to the Contract Documents. Whenever, in the Architect's reasonable opinion, it is necessary or advisable for the implementation of the intent of the Contract Documents, the Architect will have authority to require special inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work be then fabricated, installed or completed.

1.5.13 The Architect and his Consultants shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformance with the design concept of the Work and with the information given in the Contract Documents. Such action shall be taken with reasonable promptness so as to cause no delay to the Contractor's scheduled progress. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

1.5.14 The Architect shall prepare Change Orders for the Owner's approval and execution in accordance with the Contract Documents, and shall have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents. In conjunction with each Change, the Project Architect shall prepare an independent cost and time estimate for comparison with the Contractor's proposal and recommend to the Owner whether the proposal is acceptable.

1.5.15 The Project Architect shall prepare revised Contract Drawings, where appropriate, to illustrate and document the work required by the Change. If the revised drawings are due to Changes ordered by the Owner and not due to errors and omissions on the part of the Project Architect, the extra expenses will be treated as Additional Services.

1.5.16 The Architect shall conduct overhead inspections and Substantial Completion inspections to determine the Dates of Substantial Completion, shall receive and forward to the Owner for the Owner's review written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall certify final payment.

1.6 ADDITIONAL SERVICES

The following services are not included in Basic Services. They shall be provided if authorized or confirmed in writing by the Owner, and they shall be paid for by the Owner as provided in this Agreement, in addition to the compensation for Basic Services.

1.6.1 Providing financial feasibility or other special studies.

1.6.2 Providing planning surveys, site evaluations, environmental studies or comparative studies of prospective sites.

1.6.3 Providing services relative to future facilities, systems and equipment which are not intended to be constructed during the Construction Phase.

1.6.4 Providing services to make detailed investigation of existing conditions or facilities or to make measured drawings thereof, other than to verify the accuracy of drawings or other information furnished by the Owner.

1.6.5 Providing coordination of Work performed by Owner's separate contractors or by the Owner's own forces.

1.6.6 Providing services in connection with the Work of a construction manager or separate consultants retained by the Owner.

1.6.7 Providing interior design and other similar services, beyond those called for in paragraph 1.5.11, required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.

1.6.8 Providing services for planning tenant or rental spaces.

1.6.9 Making revisions in Drawings, Specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given, are required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents or are due to other causes not solely within the control of the Architect.

1.6.10 Revising the drawings and specifications upon completion of the project, to incorporate all Addenda, all Change Orders for the Work and any modifications recorded by the Contractor on the As-Built Drawings maintained at the job site. The Architect shall label the revised drawings and specifications as "Record Drawings" and "Record Specifications" and shall deliver copies to the Owner for record purposes, as follows:

Reproducible Mylar Film Prints - 1 set
"Record Drawings" (blue line) - 2 sets
"Record Specifications" - 2 sets

1.6.11 Making investigations, surveys, valuations, inventories or detailed appraisals of existing facilities, and services required in connection with construction performed by the Owner.

1.6.12 Providing consultation concerning replacement of any Work damaged by fire or other cause during construction, and furnishing services as may be required in connection with the replacement of such Work.

1.6.13 Providing services made necessary by the default of the Contractor, or by major defects or deficiencies in the Work of the Contractor, or by failure of performance of the Contractor under the Contract for Construction.

1.6.14 Providing extensive assistance in the utilization of any equipment or system such as initial start-up or testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.

1.6.15 Providing services after final payment to the Contractor, or expiration of the Warranty, whichever is later.

1.6.16 Preparing to serve or serving as an expert witness at the request of the Owner in connection with any public hearing, arbitration proceeding or legal proceeding.

1.6.17 Providing services of consultants for other than the normal architectural, landscaping, acoustical, structural, civil, mechanical and electrical engineering services for the Project.

1.6.18 Providing any other services not otherwise customarily furnished in accordance with generally accepted architectural practice.

1.7 TIME

The Architect shall perform Basic and Additional Services as expeditiously as is consistent with professional skill and care and the orderly progress of the Work. Upon request of the Owner, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services which shall be adjusted as required as the Project proceeds, and shall include allowances for periods of time required for the Owner's review and approval of submissions and for approvals of authorities having jurisdiction over the Project. This schedule, when approved by the Owner, shall not, except for reasonable cause, be exceeded by the Architect.

ARTICLE 2

THE OWNER'S RESPONSIBILITIES

2.1 The Owner shall provide information regarding requirements for the Project including an abbreviated program, which shall set forth the Owner's design objectives, constraints and criteria, including approximate space requirements and relationships, flexibility and expandability, special equipment and systems and site requirements.

2.2 The Owner shall provide a budget for the Project. It shall include the construction cost, contingencies for bidding, changes in the Work during construction, and other costs which are the responsibility of the Owner.

2.3 The Owner designates the Office of Facilities Planning and Construction as its representative authorized to act in the Owner's behalf with respect to the Project. The Owner's authorized representative shall examine the documents submitted by the Architect and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of the Architect's services. The Director of the Office of Facilities Planning and Construction is also designated as the Owner's representative for the purpose of administering this contract, including determination of fees earned by the Architect and equitable backcharges against the Architect for errors and omissions.

2.4 The Owner shall furnish a land survey of the site, giving, as applicable, grades and lines of streets, alleys, pavements and adjoining property; rights-of-way, restrictions, easements, encroachments, deed restrictions, boundaries and contours of the site; locations, dimensions and data pertaining to existing buildings, other improvements and trees; and available information concerning service and utility lines both public and private.

2.5 The Owner shall pay for the services of surveyors, soils engineers or other special consultants when the Owner agrees that such services are necessary. Such services may include, as applicable, test borings, test pits, soil bearing values, percolation tests, air and water pollution tests, ground corrosion and resistivity tests, with reports and appropriate professional recommendations.

2.6 The Owner shall arrange and pay for structural, mechanical, chemical and other laboratory tests as necessary during construction.

2.7 The Owner shall furnish all legal, accounting, auditing and insurance counseling services as may be necessary for the Project.

2.8 The services, information, surveys and reports required by Paragraphs 2.4 through 2.7 inclusive shall be furnished at the Owner's expense.

2.9 If the Owner observes or otherwise becomes aware of any design fault or defect in the Project or conflict in the Contract Documents, written notice thereof shall be given by the Owner to the Architect. The Owner shall review the Architect's design at the 35%, 50%, 90% and 100% stages of completion. Comments concerning corrections or amendments to the plans and specifications will be furnished in writing to the Architect as promptly as possible after receipt of the documents for review, generally on the order of three weeks later. The Owner may not require the Architect to halt production during design review.

2.10 The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of the Architect's services and of the Work.

2.11 At the time the Construction Documents are issued to bidders, the Owner shall submit to the Architect for his concurrence a letter of agreement stating the precise basis upon which the Architect's fees will be calculated when bids are received. The said letter of agreement shall be based upon the provisions of this contract and any mutually agreed deviations resulting from peculiarities encountered during the design. The letter of agreement will have the force of amending this Agreement and shall be binding upon both parties. The Owner's representative shall have the authority to sign the letter of agreement.

2.12 The Owner shall furnish the Construction Inspector who shall be responsible for detailed inspection of the Work, consisting of close, on-site examination of the materials, structure and equipment; and surveillance of the workmanship and methods used to insure that the Project is reasonably accomplished in accordance with the Contract Documents and good construction practices.

ARTICLE 3

CONSTRUCTION COST -- DEFINITION

3.1 The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the project designed or specified by the Architect.

3.2 The Construction Cost shall include at current market rates, including a reasonable allowance for overhead and profit, the cost of labor and materials furnished by the Owner and any equipment which has been designed, specified, selected or specially provided for by the Architect.

3.3 Construction Cost does not include the compensation of the Architect and the Architect's consultants, the cost of the land, rights-of-way, or other costs which are the responsibility of the Owner as provided in Article 2.

ARTICLE 4

DIRECT PERSONNEL EXPENSE

Direct Personnel Expense is defined as the direct salaries of all the Architect's personnel directly engaged on the Project, and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

ARTICLE 5

REIMBURSABLE EXPENSES

5.1 Reimbursable Expenses are in addition to the Compensation for Basic and Additional Services and include actual expenditures made by the Architect and the Architect's employees and consultants in the interest of the Project for the expenses listed in the following subparagraphs:

5.1.1 Expense of transportation and living expenses in connection with out-of-state travel directed by the Owner; and fees paid for securing approval of authorities having jurisdiction over the Project.

5.1.2 Expense of reproductions, postage and handling of Drawings, Specifications and other documents, over and above those required under Basic Services, but excluding reproductions for the office use of the Architect and the Architect's consultants.

5.1.3 Expense of data processing and photographic production techniques when used in connection with Additional Services.

5.1.4 If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates.

5.1.5 Expense of any additional insurance coverage or limits, excluding professional liability and errors and omissions insurance required under Basic Services of this contract, requested by the Owner in excess of that normally carried by the Architect and the Architect's consultants.

ARTICLE 6

PAYMENTS TO THE ARCHITECT

6.1 PAYMENTS ON ACCOUNT OF BASIC SERVICES

6.1.1 Payments for Basic Services shall be made monthly and shall be in proportion to services performed within each Phase of services, as demonstrated by work product, on the basis set forth in Article 13.

6.1.2 When compensation is based on a percentage of Construction Cost, and any portions of the Project are deleted or otherwise not constructed, compensation for such portions of the Project shall be payable to the extent services are performed on such portions, in accordance with the schedule set forth in Article 13, based on (1) the lowest bona fide bid or negotiated proposal or, (2) if no such bid or proposal is received, an up-to-date Detailed Estimate of Construction Cost for such portions of the Project.

6.2 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES

Payments on account of the Architect's Additional Services as defined in Paragraph 1.6 and for Reimbursable Expenses as defined in Article 5 shall be made monthly upon presentation of the Architect's statement of services rendered or expenses incurred.

6.3 PAYMENTS WITHHELD

No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which the Architect is liable.

6.4 PROJECT SUSPENSION OR TERMINATION

If the Project is suspended or abandoned in whole or in part for more than three months, the Architect shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due. If the Project is resumed after being suspended for more than three months, the Architect's compensation shall be equitably adjusted if, in the Owner's opinion, such adjustment is warranted.

ARTICLE 7

ARCHITECT'S ACCOUNTING RECORDS

Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a Multiple of Direct Personnel Expense shall be kept on the basis of generally accepted accounting principles and shall be available to the Owner or the Owner's authorized representative at mutually convenient times.

ARTICLE 8

OWNERSHIP AND USE OF DOCUMENTS

8.1 Drawings and Specifications as instruments of service are and shall remain the property of the Architect whether the Project for which they are made is executed or not. The Owner shall be permitted to retain copies, including reproducible copies, of Drawings and Specifications for information and reference in connection with the Owner's use and occupancy of the Project. The Drawings and Specifications shall not be used either by the Owner or the Architect on other projects, except by agreement in writing.

8.2 Submission or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's rights.

ARTICLE 9

TERMINATION OF AGREEMENT

9.1 This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

9.2 This Agreement may be terminated by the Owner upon at least seven days' written notice to the Architect in the event that the Project is to be temporarily or permanently abandoned.

9.3 In the event of termination not the fault of the Architect, the Architect shall be compensated for all services performed to termination date, together with Reimbursable Expenses then due.

ARTICLE 10

MISCELLANEOUS PROVISIONS

Unless otherwise specified, this Agreement shall be governed by the law of the principal place of business of the Owner.

ARTICLE 11

SUCCESSORS AND ASSIGNS

The Owner and the Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign, sublet or transfer any interest in this Agreement without the written consent of the other.

ARTICLE 12

EXTENT OF AGREEMENT

This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

ARTICLE 13

BASIS OF COMPENSATION

The Owner shall compensate the Architect for the Scope of Services provided, in accordance with Article 6, Payments to the Architect, and the other Terms and Conditions of this Agreement, as follows:

13.1 BASIC COMPENSATION

13.1.1 FOR BASIC SERVICES, as described in Paragraphs 1.1 through 1.5.16, and any other services included in Article 14 as part of Basic Services, Basic Compensation shall be computed as follows:

13.1.2 Where compensation is based on a Percentage of Construction Cost, payments for Basic Services shall be made as provided in Subparagraph 6.1.1, so that Basic Compensation for each Phase shall equal the following percentages of the total Basic Compensation payable:

Schematic Design Phase:	15%
Design Development Phase:	20%
Construction Documents Phase:	40%
Bidding or Negotiation Phase:	5%
Construction Phase:	20%

13.2 COMPENSATION FOR ADDITIONAL SERVICES

13.2.1 FOR ADDITIONAL SERVICES OF THE ARCHITECT, as described in Paragraph 1.6, and any other services included in Article 14 as part of Additional Services, but excluding Additional Services of Consultants, Compensation shall be computed as follows: When so authorized in writing, at an amount not to exceed 2.75 times direct salary cost, plus \$60.00 per hour for principals.

13.2.2 FOR ADDITIONAL SERVICES OF CONSULTANTS, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 1.6.17 or identified in Article 14 as part of Additional Services, a multiple of 1.10 times the amounts billed to the Architect for such services.

13.3 FOR REIMBURSABLE EXPENSES, as described in Article 5, and any other items included in Article 14 as Reimbursable Expenses, a multiple of 1.0 times the amounts expended by the Architect, the Architect's employees and consultants in the interest of the Project.

13.4 The Owner and the Architect agree in accordance with the Terms and Conditions of this Agreement that if the scope of the Project or of the Architect's Services is changed materially, the amounts of compensation shall be equitably adjusted.

ARTICLE 14

OTHER CONDITIONS OR SERVICES

The Owner and Project Architect hereby agree to the full performance of the covenants contained herein.

IN WITNESS WHEREOF they have executed this Agreement, as of the day and year first above written.

ATTEST:

THE BOARD OF REGENTS
THE UNIVERSITY OF TEXAS SYSTEM

Executive Secretary

BY: _____
Chairman

ATTEST:

FIRM OF:

BY: _____

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:

Director, Office of
Facilities Planning and
Construction
The University of Texas System

University Attorney

Regent Hay noted that the preceding Agreement responds directly to several recommendations from the Capital Improvements Advisory Committee:

1. Architects shall be compensated on the basis of actual construction cost (Article 1.4.2)
2. While the Capital Improvements Advisory Committee recommended that a multiplier of three (3.0) times salary be used to compute personnel charges for additional services, the Board adopted a 2.75 multiplier for this purpose which is increased from the previous 2.5 multiplier. (Article 13.2.1)
3. The Board approved that compensation for project architect principals for additional services be set at \$60 per hour. The Capital Improvements Advisory Committee had recommended an increase from the previously approved \$20 per hour to \$75 per hour. (Article 13.2.1)
4. The Board did not concur with the Capital Improvements Advisory Committee recommendation that the project architect be directly compensated for time spent by non-technical personnel (typists, clerical and administrative personnel) in providing additional services. The Board continues to believe these should be recovered as part of the increased multiplier set forth in Item 2. above.
5. The Board concurred with the recommendation of the Capital Improvements Advisory Committee that the project architect be compensated for the services of engineer consultants utilized in providing additional services by allowing the project architect a mark-up of 10% to compensate him for the assumption of liability associated with the work of his consultants on additional services. (Article 13.2.2)

(c) Revised Schedule of Fees for Architects/Engineers for basic services which are graduated as to size and complexity of the project to be effective June 1, 1984:

Construction Cost of Project	<u>Architect/Engineer Fees</u>		
	<u>Dormitories, Garages and Warehouses</u>	<u>Classroom, Office and Other Bldgs.</u>	<u>Health, Research, Special Education Facilities</u>
New Construction			
\$20,000,000 and above	5.0%	5.5%	6.0%
\$10,000,000	5.5%	6.0%	6.5%
\$ 1,000,000	6.0%	6.5%	7.0%
\$ 200,000 and below	7.0%	7.5%	8.0%

<u>Construction Cost of Project</u>	<u>Dormitories, Garages and Warehouses</u>	<u>Classroom, Office and Other Bldgs.</u>	<u>Health, Research, Special Education Facilities</u>
Remodeling & Renovation			
\$5,000,000 and above	7.0%	7.5%	8.0%
\$1,000,000 and below	8.0%	8.5%	9.0%
\$ 200,000 and below	9.0%	9.5%	10.0%

NOTE: When construction cost falls between the tabular limits, the rate will be determined by direct interpolation.

Committee Chairman Hay noted that, while the Board did not adopt the specific fee schedule suggested by the Capital Improvements Advisory Committee, the approved schedule does incorporate many of the Committee's concepts regarding size and complexity as factors in determining the project fee.

2. U. T. Arlington - Engineering Building Addition and Renovation (Project No. 301-475): Approval of Increase in Project Scope and Additional Appropriation Therefor.--
Upon recommendation of the Academic Affairs and Buildings and Grounds Committees, the Board:

- a. Authorized an increase in project scope for the Engineering Building Addition and Renovation at The University of Texas at Arlington to a new estimated total project cost of \$39,909,710
- b. Appropriated \$400,000 from Ad Valorem Tax Proceeds and related interest earned thereon for fees and miscellaneous expenses through completion of final plans. Previous appropriations had been \$1,050,000 from the same source.

A committee constituted in 1978 to develop plans for this building predicted that enrollment would grow approximately 25% over the subsequent 5 to 10 years. Based on projections that the enrollment would grow from 3,000 to 3,750, the building was designed to accommodate 4,500 students and 100 faculty. Actual enrollment has shattered the planning committee's growth projections. Current projections of enrollment in the College of Engineering for 1988 indicate there will be more than 6,500 students and 150 faculty.

Although final plans had been developed to be consistent with the program authorized by the U. T. Board of Regents, it was authorized that the scope of new construction be increased from 175,000 square feet to approximately 244,000 square feet. This increase will be accomplished by adding additional floors for laboratories, classrooms and offices. The plans continue to call for renovation of 130,000 square feet in the existing building.

Although funds are not available to award a construction contract, expansion of the project will permit completion of final plans and specifications so that time may be saved and escalation minimized when funds become available.

3. U. T. Arlington - Thermal Energy Plant and Campus Distribution System (Project No. 301-474): Award of Additional Alternate Bids to ESCON Constructors, Inc., Houston, Texas, and Additional Appropriation Therefor.--The Board, upon recommendation of the Buildings and Grounds Committee:

- a. Awarded additional alternate bids to ESCON Constructors, Inc., Houston, Texas, the lowest responsible bidder for the Thermal Energy Plant and Campus Distribution System at The University of Texas at Arlington as follows:

Alternate No. 1 (Utility Tunnel to School of Architecture and Environmental Design Building)	\$492,000
Alternate No. 4 (Utility Tunnel to Activities Building)	<u>169,500</u>
Additional Construction Contract Award	<u>\$661,500</u>

- b. Approved a revised total project cost of \$10,997,900
- c. Appropriated an additional \$597,900 from appropriations from the Special Session of the 67th Legislature, 1982, for total project funding

It was noted that award of these additional alternate bids was the most cost effective way to accomplish this needed additional work.

See Page 36, Item 2 for the award of this contract.

4. U. T. Dallas - Emergency Generators for Campus Buildings and Rebuilding of Campus Streets: Authorization for Project; Advertisement for Bids and Award of Contracts by Institution; and Appropriation Therefor.--The Buildings and Grounds Committee recommended and the Board:

- a. Authorized projects for Emergency Generators for Campus Buildings and Rebuilding of Campus Streets at The University of Texas at Dallas at an estimated total project cost of \$802,000
- b. Authorized completion of plans and specifications, advertisement for bids, and award of contracts by the U. T. Dallas Administration
- c. Appropriated \$802,000 from the General Appropriations Bill, 68th Legislature, 1983, for total project funding

Plans and specifications for this work will be prepared by the U. T. Dallas Administration with their own forces and through contract services in consultation with the Office of Facilities Planning and Construction. One or more packages of work may exceed \$300,000, but the total for all work will be within the \$802,000 appropriation. Contracts will be awarded on the basis of competitive bids.

5. U. T. Health Science Center - San Antonio - Addition to Administration Services Building (Project No. 402-576): Approval of Final Plans; Authorization to Advertise for Bids and for Executive Committee to Award Contract.--
The Buildings and Grounds Committee recommended and the Board:

- a. Approved the final plans for an Addition to the Administration Services Building at The University of Texas Health Science Center at San Antonio at an estimated total project cost of \$885,000
- b. Authorized the Office of Facilities Planning and Construction to advertise for bids
- c. Authorized the Executive Committee to award a construction contract within funds previously appropriated for this project

REPORT AND RECOMMENDATIONS OF THE LAND AND INVESTMENT COMMITTEE (Pages 95-115).--Committee Chairman Milburn reported that the Land and Investment Committee had met in open session to consider those matters on its agenda and to formulate recommendations for the U. T. Board of Regents. Unless otherwise indicated, all actions set forth in the Minute Orders which follow were recommended by the Land and Investment Committee and approved in open session and without objection by the U. T. Board of Regents:

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

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

I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

1. Report on Clearance of Monies to Permanent University Fund for January and February 1984, and Report on Oil and Gas Development as of February 29, 1984.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for January and February 1984, and (b) Oil and Gas Development as of February 29, 1984, were submitted by the Executive Director for Investments and Trusts:

<u>Permanent University Fund</u>	<u>January 1984</u>	<u>February 1984</u>	<u>Cumulative Through February of This Fiscal Year (1983-1984)</u>	<u>Cumulative Through February of Preceding Fiscal Year (1982-1983)</u>	<u>Per Cent Change</u>
<u>Royalty</u>					
Oil	\$10,162,090.51	\$ 8,235,718.98	\$ 54,059,806.37	\$60,201,939.48	(10.20%)
Gas	2,943,059.58	3,163,517.47	19,624,610.44	21,610,950.45	(9.19%)
Sulphur	10,000.00	10,000.00	50,000.00	594,169.96	
Water	15,663.44	19,515.70	239,314.58	140,899.19	
Brine	5,088.63	12,779.27	109,004.19	30,061.89	
<u>Rental</u>					
Oil and Gas Leases	313,312.01	863,101.47	1,328,282.07	994,982.54	
Other	797.96	200.00	1,597.96	2,530.86	
Sale of Sand, Gravel, Etc.	1,193.75	-0-	6,724.75	10,007.90	
Gain or (Loss) on Sale of Securities	15,728,034.07	350,358.17	23,929,753.05	6,075,540.86	
Sub-Total	<u>29,179,239.95</u>	<u>12,655,191.06</u>	<u>99,349,093.41</u>	<u>89,661,083.13</u>	10.81%
<u>Bonuses</u>					
Oil and Gas Lease Sales	-0-	-0-	7,006,200.00	-0-	
Amendments and Extensions to Mineral Leases	1,203.38	4,805.25	215,427.19	492,717.43	
Total Bonuses	<u>1,203.38</u>	<u>4,805.25</u>	<u>7,221,627.19</u>	<u>492,717.43</u>	
<u>TOTAL CLEARANCES</u>	<u>\$29,180,443.33</u>	<u>\$12,659,996.31</u>	<u>\$106,570,720.60</u>	<u>\$90,153,800.56</u>	18.21%

Oil and Gas Development - February 29, 1984
Acreage Under Lease - 863,012

Number of Producing Acres - 547,574

Number of Producing Leases - 2,210

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2430

2. Permanent University Fund Bonds, New Series 1984, in an Approximate Amount of \$35,000,000: Authorization to Issue and to Advertise for Bids, Appointment of McCall, Parkhurst & Horton, Dallas, Texas, Bond Counsel and Rotan Mosle, Inc., San Antonio, Texas, Bond Advisor and Establishment of Account for Miscellaneous Costs.-- Upon recommendation of the Land and Investment Committee, the Board:

- (a) Authorized the issuance of Permanent University Fund Bonds, New Series 1984, in an approximate amount of \$35,000,000
- (b) Appointed the firm of McCall, Parkhurst & Horton, Dallas, Texas, Bond Counsel and the firm of Rotan Mosle, Inc., San Antonio, Texas, Bond Advisor
- (c) Authorized the Office of Investments and Trusts to advertise for bids for the sale of bonds, the paying agent/registrar, and printing of the bonds, to be submitted to the U. T. Board of Regents at a subsequent meeting
- (d) Established an account in the amount of \$60,000 from proceeds of the bond sale for Miscellaneous Costs - Permanent University Fund Bonds, New Series 1984, to pay bond counsel, bond advisor, and paying agent/registrar fees, and other miscellaneous costs

The sale of the bonds will be coordinated with a Texas A&M University System Permanent University Fund Bond sale scheduled for the same time.

At Regent Richards' suggestion, the Administration agreed to prepare a list of bond counselors for consideration by the Land and Investment Committee with the thought that the Board would approve a list of firms to be used on a rotating basis in connection with these services on various bond issues.

B. LAND MATTERS

Permanent University Fund: Approval of Increase in Fees Charged for Instruments Furnished by the University Lands Accounting Office and for Geophysical Permits Effective May 1, 1984.-- Upon recommendation of the Land and Investment Committee, the Board approved the following fees for geophysical permits and instruments furnished by the University Lands Accounting Office effective May 1, 1984:

Preparation for Certificates of Fact

Certificates of Facts involving examination of one file	\$50.00
Each additional file	10.00
Other certificates not otherwise provided for	10.00
<u>Copies</u>	
All records of the University Lands Accounting Office, per page	2.50
Geophysical permits usable within ninety days	400.00

II. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

1. U. T. System and U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston): Acceptance of Gift of 872.03 Acres of Land in Eastland County, Texas, from Mrs. Alma Moreton, Houston, Texas, and Establishment of The Robert and Alma Moreton 1983 Unitrust and Eligibility for Matching Funds from the Texas Eminent Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board accepted a gift of 872.03 acres of land in Eastland County, Texas, from Mrs. Alma Moreton, Houston, Texas, and established The Robert and Alma Moreton 1983 Unitrust. The Unitrust agreement provides for an annual payment to the Grantor, during her life, and to Dr. Robert Moreton, for his life if he survives her, of an amount equal to the lesser of (a) the income of the trust, or (b) 10% of the net fair market value of the trust assets. Upon termination of the trust, the trust assets are to be distributed to the U. T. Board of Regents for the following purposes:
 - a. The first \$50,000 for establishment of the Robert D. and Alma W. Moreton Endowed Lecture-ship at the U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston)
 - b. The next \$100,000 for establishment of the Robert D. and Alma W. Moreton Endowed Professorship in Diagnostic Radiology at the U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston)
 - c. The next \$100,000 for establishment of the Billy Carr Distinguished Teaching Fellowship at a component institution to be selected by the U. T. Board of Regents

Further, the actual income earned on this gift will be certified for matching under the Texas Eminent Scholars Program as set out in Subchapter I, Chapter 51 of the Texas Education Code.

2. U. T. Austin: Christie and Stanley E. Adams, Jr. Centennial Fellowship in Liberal Arts in the College of Liberal Arts - Acceptance of Gifts and a Transfer of Funds; Redesignation as the Christie and Stanley E. Adams, Jr. Centennial Professorship in Liberal Arts; and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--The Board, upon recommendation of the Land and Investment Committee, accepted \$10,000 in gifts from various donors and a \$10,000 transfer from the income account of the Lamar Savings Centennial Professorship in Finance for addition to the Christie and Stanley E. Adams, Jr. Centennial Fellowship in Liberal Arts in the College of Liberal Arts at The University of Texas at Austin for a total endowment of \$100,000. Further, the Christie and Stanley E. Adams, Jr. Centennial Fellowship in Liberal Arts was redesignated the Christie and Stanley E. Adams, Jr. Centennial Professorship in Liberal Arts.

The \$10,000 in gifts will be matched under The Regents' Endowed Teachers and Scholars Program and used to

increase the endowment of the Elsie and Stanley E. (Skinny) Adams, Sr. Centennial Fellowship in Liberal Arts in the College of Liberal Arts to total of \$90,000.

See Page 53 for the initial appointment to the Christie and Stanley E. Adams, Jr. Centennial Professorship in Liberal Arts.

3. U. T. Austin: Acceptance of Gift and Pledge from Chevron U.S.A. Inc., Denver, Colorado, and Establishment of the Chevron Lectureship in Petroleum Engineering in the College of Engineering and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--Approval was given to accept a \$7,000 gift and \$13,000 pledge, due prior to August 31, 1987, from the Chevron U.S.A. Inc. office in Denver, Colorado, and to establish the Chevron Lectureship in Petroleum Engineering in the College of Engineering at The University of Texas at Austin.

The gift and pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and, in accordance with the donor's wishes, used to double the endowment of the Lectureship.

4. U. T. Austin: Loraine O'Gorman Gonzalez Trust - Acceptance of a Waiver of Life Interest from Dr. Richard J. Gonzalez, Austin, Texas, Termination of the Trust, Establishment of the Richard J. Gonzalez Regents Chair in Economic Development Based on Freedom and Private Enterprise in the College of Liberal Arts, and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--The Land and Investment Committee recommended and the Board accepted a waiver from Dr. Richard J. Gonzalez, Austin, Texas, of his life interest in the Loraine O'Gorman Gonzalez Trust. With the acceptance of this waiver, the Loraine O'Gorman Gonzalez Trust terminated and the assets with a current market value of \$644,812.16 reverted to the U. T. Board of Regents.

The assets of the Trust will be used to establish the Richard J. Gonzalez Regents Chair in Economic Development Based on Freedom and Private Enterprise in the Department of Economics, College of Liberal Arts, at The University of Texas at Austin; and the \$644,812.16 will be matched under The Regents' Endowed Teachers and Scholars Program and used to double the endowment of the Chair.

5. U. T. Austin: Acceptance of Pledge from the College of Business Administration Foundation Advisory Council and Establishment of the Thomas A. Loomis Endowed Lectureship in the College of Business Administration and the Graduate School of Business and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$25,000 pledge, payable prior to August 31, 1987, from the members of the College of Business Administration Foundation Advisory Council and established the Thomas A. Loomis Endowed Lectureship in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

Further, the \$25,000 pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and, in accordance with the donors' wishes, used to double the endowment of the Lectureship.

6. U. T. Austin: Acceptance of Gifts and Pledges and Establishment of the John J. McKetta Centennial Energy Chair in Engineering in the College of Engineering and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--Approval was given to accept \$165,500 in gifts and \$334,500 in pledges, payable prior to August 31, 1987, for a total of \$500,000, from various donors and to establish the John J. McKetta Centennial Energy Chair in Engineering in the College of Engineering at The University of Texas at Austin.

The \$165,500 in gifts and the \$334,500 in pledges, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and used to double the endowment of the Chair.

7. U. T. Austin: Acceptance of Gifts and Pledges and Establishment of the First George H. Newlove Endowed Faculty Fellowship in Accounting in the College of Business Administration and the Graduate School of Business and Establishment of the Second George H. Newlove Endowed Faculty Fellowship in Accounting in the College of Business Administration and the Graduate School of Business with Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--The Board, upon recommendation of the Land and Investment Committee, accepted \$40,295 in gifts and \$22,133 in pledges, payable prior to August 31, 1987, for a total of \$62,428, from various donors and established the First George H. Newlove Endowed Faculty Fellowship in Accounting in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

The \$40,295 in gifts and \$22,133 in pledges, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and will be used to establish the Second George H. Newlove Endowed Faculty Fellowship in Accounting in the College of Business Administration and the Graduate School of Business.

8. U. T. Austin: Foster Parker Centennial Professorship of Finance and Management in the Graduate School of Business - Authorization for Use of Previously Approved Matching Funds from The Centennial Teachers and Scholars Program.--The Land and Investment Committee recommended and the Board authorized the use of the previously approved matching funds from The Centennial Teachers and Scholars Program in the amount of \$116,861.79 which remained undesignated when the Foster Parker Centennial Professorship of Finance and Management in the Graduate School of Business at The University of Texas at Austin was established. These matching funds will be added to the endowment for the Professorship.

9. U. T. Austin: Joyce Bowman Payne Centennial Teaching Fellowship in the College of Natural Sciences - Establishment of the Bill R. Payne Centennial Teaching Fellowship in the College of Natural Sciences with Matching Funds from The Centennial Teachers and Scholars Program.--Approval was given to establish the Bill R. Payne Centennial Teaching Fellowship in the Department of Geological Sciences, College of Natural Sciences, at The University of Texas at Austin, with \$50,000 matching funds from The Centennial Teachers and Scholars Program. This Teaching Fellowship was designated as the matching endowment to the previously established Joyce Bowman Payne Centennial Teaching Fellowship in the College of Natural Sciences.
10. U. T. Austin: Katherine Ross Richards Centennial Lectureship in Nutrition in the College of Natural Sciences and the Katherine Ross Richards Centennial Lectureship in English in the College of Liberal Arts - Redesignation as the Katherine Ross Richards Centennial Teaching Fellowship in Nutrition in the College of Natural Sciences and the Katherine Ross Richards Centennial Teaching Fellowship in English in the College of Liberal Arts.--Upon recommendation of the Land and Investment Committee, the Board redesignated the Katherine Ross Richards Centennial Lectureship in Nutrition in the Department of Home Economics, College of Natural Sciences, at The University of Texas at Austin, the Katherine Ross Richards Centennial Teaching Fellowship in Nutrition. A transfer of unrestricted gifts in the amount of \$6,406.18 will complete the required funding of \$50,000.

Further, the Katherine Ross Richards Centennial Lectureship in English in the Department of English, College of Liberal Arts, was redesignated the Katherine Ross Richards Centennial Teaching Fellowship in English. A transfer of unrestricted gifts in the amount of \$16,320 will complete the required funding of \$50,000.

See Page 102, Item 13 for a related item authorizing an additional \$6,000 in matching funds.

11. U. T. Austin: Mary John and Ralph Spence Centennial Professorship in the College of Business Administration and the Graduate School of Business - Acceptance of an Additional Pledge from Mr. and Mrs. Ralph Spence, Tyler, Texas, and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--Approval was given to accept a \$25,000 pledge, payable prior to April 1, 1985, from Mr. and Mrs. Ralph Spence, Tyler, Texas, for addition to the Mary John and Ralph Spence Centennial Professorship in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

This pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and will be used, in accordance with the donors' wishes, to increase the endowment of the Professorship to \$157,000.89.

12. U. T. Austin: Acceptance of Gifts and Pledges and Establishment of the Texas Exes in Home Economics Centennial Lectureship in the College of Natural Sciences and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--The Board, upon recommendation of the Land and Investment Committee, accepted gifts in the amount of \$19,000 and pledges in the amount of \$1,000 for a total of \$20,000 from graduates of the Department of Home Economics and established the Texas Exes in Home Economics Centennial Lectureship in the Department of Home Economics, College of Natural Sciences, at The University of Texas at Austin.

The \$19,000 in gifts and \$1,000 in pledges, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and used to double the endowment of the Lectureship.

13. U. T. Austin: Allocation of Additional Matching Funds Under The Regents' Endowed Teachers and Scholars Program for Previously Established Endowed Academic Positions.--Upon recommendation of the Land and Investment Committee, the Board approved the allocation of matching funds totaling \$67,160.32 under The Regents' Endowed Teachers and Scholars Program for additional gifts to the endowments of the following previously established endowed academic positions at The University of Texas at Austin:

<u>Eligible Position and Date of Establishment</u>	<u>Matching Designation</u>	<u>Total Previously Approved</u>	<u>Additional Gifts</u>
<u>College of Communication</u>			
DeWitt Carter Reddick Centennial Professorship in Journalism Education 6/10-11/82	DeWitt Carter Reddick Cen. Lec. in Communication	\$120,000.00	\$ 2,704.00
<u>College of Liberal Arts</u>			
Liz Sutherland Carpenter Distinguished Visiting Lectureship in the Humanities and Sciences 8/11-12/83	Added to Lectureship	50,000.00	14,325.14
Mildred Caldwell and Baine Perkins Kerr Centennial Professorship in English History and Culture 2/11-12/82	Mildred Caldwell and Baine Perkins Kerr Cen. Prof. in Mathematics	100,000.00	1,206.25
Lillian and Tom B. Rhodes Centennial Teaching Fellowships #1 and #2 10/13-14/83	One-half each Lillian and Tom B. Rhodes Cen. Teaching Fellowships #3 and #4	100,000.00	1,531.25
Student Endowed Centennial Lectureship 8/11-12/83	Added to Lectureship	50,000.00	4,543.49

<u>Eligible Position and Date of Establishment</u>	<u>Matching Designation</u>	<u>Previously Approved</u>	<u>Additional Gifts</u>
<u>College of Natural Sciences</u>			
Morgan J. Davis Centennial Professorship in Petroleum Geology 4/7-8/82	Added to Professorship	132,647.39	20,000.00
Dr. Joe Thorne Gilbert Centennial Lectureship in Health Professions 6/16-17/83	Added to Lectureship	34,535.00	900.00
Katherine Ross Richards Centennial Lectureship in Nutrition 2/11-12/82	Katherine Ross Richards Cen. Lectureship in English	27,680.00	6,000.00
Albert W. and Alice M. Weeks Centennial Professorship in Geological Sciences 10/13-14/83	Added to Professorship	29,213.50	2,980.19
<u>Lyndon B. Johnson School of Public Affairs</u>			
Stephen H. Spurr Centennial Fellowship 8/11-12/83	Added to Fellowship	30,000.00	12,970.00

14. U. T. Austin: Authorization to Redesignate Titles of Endowed Positions Approved Under The Regents' Endowed Teachers and Scholars Program.--The Board, upon recommendation of the Land and Investment Committee, authorized that the three endowed professorships set forth below, which were established at the February 9, 1984 U. T. Board of Regents' meeting, be redesignated as indicated to reflect their establishment under "The Regents' Endowed Teachers and Scholars Program."

Initial Designation

Redesignation

Fred Hofheinz Professorship in Economics

Fred Hofheinz Regents Professorship in Economics

Cooper K. Ragan Professorship in Law

Cooper K. Ragan Regents Professorship in Law

Susan Menefee Ragan Professorship in Fine Arts

Susan Menefee Ragan Regents Professorship in Fine Arts

It was noted that the word "Regents" will be included in the official name of any designated professorship or chair established under The Regents' Endowed Teachers and Scholars Program similar to inclusion of the word "Centennial" in the name of positions established under the endowed program during the Centennial period.

15. U. T. Austin: Establishment of The Mort Baranoff Endowed Scholarship in the College of Fine Arts.-- Approval was given to establish The Mort Baranoff Endowed Scholarship in the Department of Art, College of Fine Arts, at The University of Texas at Austin, with previously docketed gifts and accumulated income totaling \$10,776.73.

Income earned from the endowment will be used for scholarship grants to undergraduate and graduate students specializing in printmaking in the Department of Art.

16. U. T. Austin: Establishment of the Department of Chemistry Excellence Endowment in the College of Natural Sciences.--Upon recommendation of the Land and Investment Committee, the Board established the Department of Chemistry Excellence Endowment in the Department of Chemistry, College of Natural Sciences, at The University of Texas at Austin, with Department of Chemistry discretionary funds totaling \$100,000.

Income earned from the endowment will be used to promote excellence in chemistry programs at both the undergraduate and graduate levels in a variety of ways, including graduate research supplements, research equipment purchases, and faculty support for special teaching and research projects.

17. U. T. Austin: Marsha L. Hamby Memorial Scholarship in the College of Engineering - Acceptance of Gifts and Redesignation as the Marsha L. Hamby Endowed Presidential Scholarship in the College of Engineering.--The Board, upon recommendation of the Land and Investment Committee, accepted \$10,000 in gifts from various donors for addition to the Marsha L. Hamby Memorial Scholarship in the Department of Civil Engineering, College of Engineering, at The University of Texas at Austin.

Further, the Marsha L. Hamby Memorial Scholarship was redesignated the Marsha L. Hamby Endowed Presidential Scholarship.

18. U. T. Austin: Estates of Wolf E. Jessen and Janet C. Jessen - Final Reports and Establishment of the Wolf E. Jessen Endowment Fund in the School of Architecture and the Wolf E. Jessen Endowment Fund in Fine Arts in the College of Fine Arts.--The Board received a report of the final distributions from the Estates of Wolf E. Jessen and Janet C. Jessen for the benefit of The University of Texas at Austin.

Cash distributions totaling \$196,618.26 and one-half of a real estate note valued at \$22,665.55 had been received from the Estate of Wolf E. Jessen for a total bequest of \$219,283.81 and as prescribed by the Will, the Board established the Wolf E. Jessen Endowment Fund in the School of Architecture with \$54,820.95 and the Wolf E. Jessen Endowment Fund in Fine Arts in the College of Fine Arts with \$164,462.86. The income from each endowment will be used to encourage and assist students of any age within the State of Texas in the study of architecture, dance, music, art or drama.

Cash distributions totaling \$213,636.61 and one-half of a real estate note valued at \$22,665.55 had been received from the Estate of Janet C. Jessen for a total bequest of \$236,302.16 which will be used in equal shares to fund the previously established Wolf and Janet Jessen Centennial Lectureship in Architecture, The Wolf and Janet Jessen Centennial Lectureship in Art, The Wolf and Janet Jessen Centennial Lectureship in Drama, and The Wolf and Janet Jessen Centennial Lectureship in Music.

19. U. T. Austin: Liddell, Sapp, Zivley & Brown Professorship in Banking, Financial, Commercial and Corporate Law in the School of Law - Redesignation as the Liddell, Sapp, Zivley, Brown & LaBoon Professorship in Banking, Financial, Commercial and Corporate Law in the School of Law.--Upon recommendation of the Land and Investment Committee, the Board redesignated the Liddell, Sapp, Zivley & Brown Professorship in Banking, Financial, Commercial and Corporate Law in the School of Law the Liddell, Sapp, Zivley, Brown & LaBoon Professorship in Banking, Financial, Commercial and Corporate Law in the School of Law at The University of Texas at Austin.
20. U. T. Austin: Acceptance of Gifts and Pledges and Establishment of the Peter L. Reid Memorial Scholarship in the College of Business Administration.--Approval was given to accept gifts totaling \$13,349 and pledges in the amount of \$335 for a total of \$13,684 from various donors and to establish the Peter L. Reid Memorial Scholarship in the College of Business Administration at The University of Texas at Austin.

Income earned from the endowment will be used to provide a scholarship annually to an upper division student enrolled full-time in the College of Business Administration.

21. U. T. Austin: Acceptance of Gifts and Pledges and Establishment of the Eugene A. Ripperger Scholarship Fund in Engineering Mechanics in the College of Engineering.--The Land and Investment Committee recommended and the Board accepted \$7,380 in gifts and \$2,620 in pledges for a total of \$10,000 from various donors and established the Eugene A. Ripperger Scholarship Fund in Engineering Mechanics in the College of Engineering at The University of Texas at Austin.

Income earned from the endowment will be used for scholarship awards to attract and recognize outstanding graduate students for the Engineering Mechanics Program in the College of Engineering.

22. U. T. Austin: Establishment of the Robert E. Witt Faculty Excellence Fund in the College of Business Administration and the Graduate School of Business.--Approval was given to establish the Robert E. Witt Faculty Excellence Fund in the Department of Marketing Administration, College of Business Administration and

the Graduate School of Business at The University of Texas at Austin with a \$50,000 transfer from the Department of Marketing Administration's discretionary funds.

Income earned from the endowment will be used to support academic and research activities of the faculty members of the Department of Marketing Administration.

23. U. T. El Paso: Acceptance of Gift from General Electric Company, Fairfield, Connecticut, and Establishment of the J. S. Armijo-Steinmetz Scholarship Fund in Metallurgical Engineering in the College of Engineering.-- Upon recommendation of the Land and Investment Committee, the Board accepted a \$10,000 cash gift from the General Electric Company, Fairfield, Connecticut, and established the J. S. Armijo-Steinmetz Scholarship Fund in Metallurgical Engineering in the Department of Metallurgical Engineering, College of Engineering, at The University of Texas at El Paso.

Income earned from the endowment fund will be used to provide a scholarship of approximately \$1,500, renewable every other year, to a junior/senior level student in the Department of Metallurgical Engineering at U. T. El Paso. The student recipient must be a citizen of the United States.

The General Electric Company has honored Dr. Armijo, a U. T. El Paso graduate, by presenting him with the Charles P. Steinmetz Award for Technical Achievement. This award is presented to leading General Electric engineers and scientists in recognition of their outstanding contributions to the company and society.

24. U. T. El Paso: Acceptance of Bequest from the Estate of Anne Meriam Claudius, Deceased, El Paso, Texas, and Establishment of the Anne and Roland W. Claudius Memorial Scholarship Fund (Redesignation of Roland W. Claudius Memorial Scholarship Fund).--The Land and Investment Committee recommended and the Board accepted a bequest of one-half interest in the Estate of Anne Meriam Claudius, deceased, El Paso, Texas, and established the Anne and Roland W. Claudius Memorial Scholarship Fund at The University of Texas at El Paso. Previously reported gifts in the amount of \$22,596.85 will be combined with the bequest to fund the Scholarship.

It is anticipated that when the estate is settled the total amount to be received by U. T. El Paso will be approximately \$100,000. A partial distribution in the amount of \$5,500 has been received.

The First City National Bank of El Paso, El Paso, Texas, is the executor of the Estate of Anne Meriam Claudius.

The previously reported gifts of \$22,596.85 were funding the Roland W. Claudius Memorial Scholarship Fund at U. T. El Paso which, through an oversight, was never presented to the U. T. Board of Regents. The Anne and Roland W. Claudius Memorial Scholarship Fund is actually a redesignation of the Roland W. Claudius Memorial Scholarship Fund.

25. U. T. El Paso: Establishment of the Diamond Jubilee Endowed Fund for Academic Resources with a Transfer of Funds from the Diamond Jubilee Endowed Fund for Academic Resources Account.--Approval was given to establish the Diamond Jubilee Endowed Fund for Academic Resources at The University of Texas at El Paso with a transfer of previously reported gifts, accumulated during 1983, in the amount of \$30,010.88 from the Diamond Jubilee Endowed Fund for Academic Resources Account. It is anticipated that by 1988, the 75th anniversary of U. T. El Paso, the total principal endowment of this fund will be large enough to partially fund the Presidential Endowed Scholarship Program, the Junior Scholars Program, the Honors Program, and the Student Recruitment Program at U. T. El Paso.

Income earned from the endowment fund will be used for one or more of the academic resource programs at U. T. El Paso.

26. U. T. El Paso: Acceptance of Bequest from the Estate of Grace Miller Mapel, Deceased, El Paso, Texas, and Gifts from the Mapel Family and Establishment of the Dexter R. Mapel, Jr. and Grace Miller Mapel Memorial Scholarship Fund in the College of Liberal Arts.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$4,375 bequest from the Estate of Grace Miller Mapel, deceased, El Paso, Texas, and cash gifts in the amount of \$5,625 from the sons, daughter and other members of the Mapel family, El Paso, Texas, for a total of \$10,000, and established the Dexter R. Mapel, Jr. and Grace Miller Mapel Memorial Scholarship Fund in the Department of Art, College of Liberal Arts, at The University of Texas at El Paso.

Income earned from the endowment fund will be used to provide a scholarship to a Department of Art student at U. T. El Paso in accordance with the Presidential Endowed Scholarship Program.

27. U. T. El Paso: Establishment of the Sunturians Endowed Scholarship Fund.--The Board, upon recommendation of the Land and Investment Committee, established the Sunturians Endowed Scholarship Fund at The University of Texas at El Paso to be funded with a transfer of \$10,354.11 from a restricted account of U. T. El Paso.

Income earned from the endowment fund will be used for one or more academic scholarships at U. T. El Paso in accordance with the Presidential Endowed Scholarship Program.

28. U. T. San Antonio: George Muller Scholarship Fund - Acceptance of Gift of Undivided One-Fourth Interest in Lots 24-1 and 24-2, Block 6-1, and Lot 24-16, Block 6-2, Tewksbury Township; Lot 1-1, Block 139, Mount Olive Township; and Lot 8, Block 2, Chester Borough, Morris County, New Jersey, from Mr. Ken Muller and Mrs. Ruth C. Muller, Boerne, Texas, and Approval of Boerne Area Community Center, Boerne, Texas, to Act as Trustee.--The Board accepted a gift of an undivided one-fourth interest in Lots 24-1 and 24-2, Block 6-1, and Lot 24-16, Block 6-2, Tewksbury Township; Lot 1-1,

Block 139, Mount Olive Township; and Lot 8, Block 2, Chester Borough, all in Morris County, New Jersey, from Mr. Ken Muller and Mrs. Ruth C. Muller, Boerne, Texas. The total appraised value of the interest conveyed to The University of Texas at San Antonio is \$42,875.00 for the George Muller Scholarship Fund.

Mr. Ken Muller and Mrs. Ruth C. Muller had executed Warranty Deeds conveying the other undivided three-fourths interest in these tracts to the following entities in the percentages indicated:

Troop 9, Chester, New Jersey, Boy Scout Building Fund	25%
Boerne Area Community Center	50%

As requested by the donors, the Boerne Area Community Center, Boerne, Texas, was approved to act as trustee for the management and sale of the property.

29. U. T. Tyler: Acceptance of Gift from Mr. and Mrs. Eugene Talbert, Tyler, Texas, and Establishment of the Zoe and Eugene Talbert Presidential Endowed Scholarship.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$25,000 cash gift from Mr. and Mrs. Eugene Talbert, Tyler, Texas, and established the Zoe and Eugene Talbert Presidential Endowed Scholarship at The University of Texas at Tyler.

Income earned from the endowment fund will be used to award annual scholarships to outstanding students at U. T. Tyler in accordance with the Presidential Endowed Scholarship Program.

30. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas): Acceptance of Gift from Mrs. Aradine S. Ard, Dallas, Texas, and Establishment of the Aradine S. Ard Professorship in Brain Science and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--Approval was given to accept a \$100,000 cash gift from Mrs. Aradine S. Ard, Dallas, Texas, and to establish the Aradine S. Ard Professorship in Brain Science in the Department of Psychiatry at the U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas. The faculty member holding this position would have a primary interest in the study of Alzheimer's disease. Additional contributions above the initial \$100,000 gift may be made to the endowment in the future to upgrade this Professorship to a Chair.

Further, the actual income which will be earned on the \$100,000 cash gift will be certified for matching under the Texas Eminent Scholars Program as set out in Subchapter I, Chapter 51 of the Texas Education Code.

31. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas): Redesignation of the Professorship in Geriatric Medicine as the Seymour Eisenberg Professorship in Geriatric Medicine.--The Land and Investment Committee recommended and the Board redesignated the Professorship in Geriatric Medicine as the Seymour Eisenberg Professorship in Geriatric Medicine at the U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas.

32. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas): Frank H. Kidd, Jr., M.D., Professorship in Surgery - Acceptance of Gift of Securities from Mr. Ralph B. Rogers and The Ralph B. Rogers Foundation, Dallas, Texas, and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--Approval was given to accept a gift of 2,650 shares of Texas Industries, Inc., common stock valued at \$100,037.50, from Mr. Ralph B. Rogers and The Ralph B. Rogers Foundation, Dallas, Texas, for addition to the Frank H. Kidd, Jr., M.D., Professorship in Surgery at the U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas for a total endowment of \$200,037.50.

The actual income earned on the endowment will be certified for matching under the Texas Eminent Scholars Program as set out in Subchapter I, Chapter 51 of the Texas Education Code.

33. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas): Acceptance of Grant and Pledge from the Communities Foundation of Texas, Inc., Dallas, Texas, and Establishment of the Lectureship in the Brain Sciences, and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--The Board, upon recommendation of the Land and Investment Committee, accepted a \$50,000 cash grant and a \$200,000 pledge, for a total of \$250,000, from the Communities Foundation of Texas, Inc., Dallas, Texas, and established the Lectureship in the Brain Sciences in the Department of Psychiatry at the U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas. The pledge will be paid in \$50,000 installments each December through 1987. It is the donor's wish that the Lectureship be upgraded to a Professorship when the principal endowment of this Lectureship reaches the \$100,000 level.

The actual income which will be earned on the cash grant and pledge, as received, will be certified for matching under the Texas Eminent Scholars Program as set out in Subchapter I, Chapter 51 of the Texas Education Code.

34. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas): Acceptance of Gifts of Securities from Mr. Ralph B. Rogers, Mr. Robert D. Rogers, and The Ralph B. Rogers Foundation, All of Dallas, Texas, and Establishment of the Mary Nell and Ralph B. Rogers Chair in Cardiovascular Diseases, and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--
 Upon recommendation of the Land and Investment Committee, the Board accepted eight gifts of securities with a total value of \$500,118.84 from Mr. Ralph B. Rogers, Mr. Robert D. Rogers and The Ralph B. Rogers Foundation, all of Dallas, Texas, and established the Mary Nell and Ralph B. Rogers Chair in Cardiovascular Diseases in the Department of Internal Medicine, Division of Cardiology, at the U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas.

The individual donors, securities and values are as follows:

<u>Security</u>	<u>Number of Shrs./Par Value</u>	<u>Value</u>
<u>Mr. Ralph B. Rogers</u> Texas Industries, Inc.	2,000-common stock	\$ 77,000.00
<u>Mr. Robert D. Rogers</u> Texas Industries, Inc.	1,000-common stock	35,500.00
<u>The Ralph B. Rogers Foundation</u>		
Texas Industries, Inc.	1,325-common stock	50,018.75
Texas Industries, Inc.	4,435-common stock	176,845.63
Unilever N.V.	500-common stock	41,125.00
Texas Utilities Company	1,000-common stock	26,250.00
GNMA Pool #05283	\$53,472.84 Par Value	44,181.94
GNMA Pool #13160	\$62,078.89 Par Value	49,197.52
	<u>TOTAL</u>	<u>\$500,118.84</u>

It is the donors' wish that when Dr. James T. Willerson, the initial holder of the Mary Nell and Ralph B. Rogers Chair in Cardiovascular Diseases, is no longer a member of the faculty that, upon his request or the request of his estate, the name of this Chair be changed so that from that day forward it will carry his name.

The actual income earned on the endowment will be certified for matching under the Texas Eminent Scholars Program as set out in Subchapter I, Chapter 51 of the Texas Education Code.

See Page 65, Item 1 for the initial appointment to the Mary Nell and Ralph B. Rogers Chair in Cardiovascular Diseases.

35. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas): Establishment of the Charles D. Tandy Visiting Professorship in Cardiology (Nonendowed).--
 Approval was given to establish a nonendowed professorship named the Charles D. Tandy Visiting Professorship in Cardiology at the U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas with previously reported gifts from the Anne Burnett Tandy and Charles D. Tandy Foundation, Fort Worth, Texas.

The trustees of the Anne Burnett Tandy and Charles D. Tandy Foundation have made annual contributions of \$10,000 since 1979 and plan to make future contributions in support of this Professorship. Should these contributions cease, this Professorship will become inactive.

36. U. T. Medical Branch - Galveston (U. T. Medical School - Galveston): Acceptance of Gift from Dr. Michael T. Phillips, Arlington, Texas, and Transfer of Funds, Establishment of the Clara Tibbetts Phillips Professorship in Anesthesiology, and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$50,000 cash gift from Dr. Michael T. Phillips, Arlington, Texas, and a \$50,000 transfer from the Anesthesiology Department's MSRDP funds, for a total principal endowment of \$100,000, and established the Clara Tibbetts Phillips Professorship in Anesthesiology in the Department of Anesthesiology at the U. T. Medical School - Galveston of The University of Texas Medical Branch at Galveston.

Further, the actual income earned on the \$50,000 cash gift will be certified for matching under the Texas Eminent Scholars Program as set out in Subchapter I, Chapter 51 of the Texas Education Code.

37. U. T. Health Science Center - Houston (U. T. Medical School - Houston): Acceptance of Bequest from the Estate of Bettie Collins, Deceased, Houston, Texas, and Establishment of the Bettie Collins and Helene Collins Sprong Fund in the Department of Ophthalmology.--The Board, upon recommendation of the Land and Investment Committee, accepted a bequest of one-half the residuary estate of Bettie Collins, deceased, Houston, Texas, and established the Bettie Collins and Helene Collins Sprong Fund in the Department of Ophthalmology at the U. T. Medical School - Houston of The University of Texas Health Science Center at Houston. The gross value of this estate before specific bequests or residual bequests have been made was \$375,424.26. Since final distributions have not been made, the value of the U. T. Health Science Center - Houston's one-half residual interest could not be determined. Partial distributions in the amount of \$26,333.35 have been received. An excerpt from the Will of Bettie Collins follows:

5.

"My sister, Helen, being deceased, the remainder of my estate shall be delivered in equal shares to:

- (1) The Board of Regents of the University of Texas System, as trustees, without bond, to establish a fund to be called the BETTIE COLLINS AND HELENE COLLINS SPRONG FUND, the net income from which shall be devoted to research in the Department of Ophthalmology at The University of Texas Medical School at Houston."

Herbert W. Winkelman of Houston, Texas, is the independent executor under the terms of the Will of Bettie Collins.

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38. U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston): Acceptance of Gift of Securities from Mr. Hubert Hudson, Brownsville, Texas, and Establishment of the Hubert Hudson Educational Fund in Urology.-- The Land and Investment Committee recommended and the Board accepted a gift of 5,000 shares of Rustenburg Platinum ADR stock valued at \$49,375, from Mr. Hubert Hudson, Brownsville, Texas, and established the Hubert Hudson Educational Fund in Urology in the Department of Urology at the U.T. M. D. Anderson Hospital - Houston of The University of Texas System Cancer Center. This endowment will be funded with the proceeds from the sale of the stock gift plus earnings for a total endowment of \$50,000.

Income earned from the endowment fund will be used to support the resident and fellowship programs in the Department of Urology, U. T. Cancer Center.

39. U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston): Establishment of the PRS Patient Service Programs Fund, the PRS Cancer Research Programs Fund, the PRS Program Development Fund, the PRS Faculty Associates Program Fund, and the PRS Patient Referral and Communication Program Fund.--Approval was given to establish five endowment funds for the benefit of the U.T. M. D. Anderson Hospital - Houston of The University of Texas System Cancer Center with a transfer of funds in the amount of \$25,000,000 from the Physicians Referral Service. The endowments established and level of funding are as follows:

<u>Endowment Fund</u>	<u>Level of Funding</u>
PRS Patient Service Programs Fund	\$ 4,000,000
PRS Cancer Research Programs Fund	5,000,000
PRS Program Development Fund	7,000,000
PRS Faculty Associates Program Fund	7,000,000
PRS Patient Referral and Communication Program Fund	2,000,000
TOTAL:	<u>\$25,000,000</u>

Income earned from the PRS Patient Service Programs Fund will be used to provide support to the Patient Care Coordinators program, special patient care equipment needs and other special patient care needs for which funds have not been budgeted.

Income earned from the PRS Cancer Research Programs Fund will be allocated to departments to provide start up funds for new and innovative research programs not otherwise supported. It may also be used to provide interim support for promising and productive programs where ongoing support is terminated and applications for new support are in process.

Income earned from the PRS Program Development Fund will be used to support major new programs particularly for promising investigators who are new to the institution.

Income earned from the PRS Faculty Associates Program Fund will be used for the continuation of a current

program that has been very effective in the development of promising young physicians who have completed fellowship training and are being considered as permanent medical staff members after a year of independent service in providing state of the art patient care for cancer patients.

Income earned from the PRS Patient Referral and Communication Program Fund will be used for the continuing development of patient referrals from practicing physicians in the State of Texas. It will also provide funding for programs to communicate to Texas practicing physicians new treatment techniques and current information relating to the progress of treatment of patients referred to the U. T. Cancer Center by such physicians.

B. REAL ESTATE MATTERS

1. U. T. Austin: Walter Prescott Webb Chair in History - Ratification of Ground Lease of Approximately 11.975 Acres in Austin, Travis County, Texas, to Northfair Partners, Ltd., Austin, Texas, Ratification of Termination Declaration of Party Wall Agreement with Mr. C. B. Smith, Sr., and Authorization to Terminate Dedication of Ingress and Egress of Certain Driveways, Relating to Northfair Shopping Center, Austin, Travis County, Texas.--
Upon recommendation of the Land and Investment Committee, the Board ratified the Ground Lease dated January 13, 1984, between the Board of Regents of The University of Texas System, as Lessor, and Northfair Partners, Ltd., Austin, Texas, as Lessee, covering a tract of approximately 11.975 acres in Austin, Travis County, Texas (Walter Prescott Webb Chair in History - The University of Texas at Austin), and ratified the Termination Declaration dated January 13, 1984, terminating a Party Wall Agreement dated December 21, 1976, between Mr. C. B. Smith, Sr., First Party, and the Board of Regents of The University of Texas System, Second Party.

Authorization was also given to release a certain Dedication of Ingress and Egress of Certain Driveways dated December 21, 1976.

2. U. T. El Paso: Frank B. Cotton Trust - Authorization to Exchange 12,502.45 Acres of Land in Culberson County, Texas, for 14,378 Acres of Land in Hudspeth County, Texas, with Lado Compania Naviera, S.A., Athens, Greece.--
Upon recommendation of the Land and Investment Committee, the Board authorized the exchange of 12,502.45 acres of land in Culberson County, Texas (Frank B. Cotton Trust - The University of Texas at El Paso), for 14,378 acres in Hudspeth County, Texas, owned by Lado Compania Naviera, S.A., Athens, Greece. No mineral ownership will be exchanged, and ingress and egress will be permitted by all parties to allow for future mineral development.

The executor and trustee of the Will of Frank B. Cotton conveyed over 35,000 acres of land in Hudspeth and Culberson Counties to the U. T. Board of Regents in 1937. These lands are interspersed with lands owned by others, principally Lado Compania Naviera, S.A. The exchange will consolidate the surface ownership, making the land more manageable and increasing the income potential. The appraised value of the land owned by the U. T. Board of Regents is approximately 15% higher than that owned by Lado Compania Naviera, S.A. Therefore, the University will receive an additional 1,875.55 acres in the exchange.

3. U. T. El Paso: Josephine Clardy Fox Fund - Lease of Real Property at 5001-5003 Alameda, El Paso, Texas, to West Texas Energy Company, El Paso, Texas.--The Board, upon recommendation of the Land and Investment Committee, authorized a lease covering the land and improvements at 5001-5003 Alameda, El Paso, Texas (Josephine Clardy Fox Fund - The University of Texas at El Paso), to West Texas Energy Company, El Paso, Texas. The lease provides for a term of two years with a rental of \$5,400 for the first year and \$6,000 for the second year.

4. U. T. Medical Branch - Galveston: Robertson-Poth Charitable Remainder Trust #2 - Report of Failure to Close Sale of Land (Lot 59, Section 1, Spanish Grant Subdivision), Galveston, Galveston County, Texas, to Mr. and Mrs. Michael E. Schmidt, Galveston, Texas, and Authorization for Sale of Same Land to Mr. Jim Akins, Galveston, Texas.--The Land and Investment Committee reported that the sale of Lot 59, Section 1, Spanish Grant Subdivision, Galveston, Galveston County, Texas (Robertson-Poth Charitable Remainder Trust #2 - The University of Texas Medical Branch at Galveston), to Mr. and Mrs. Michael E. Schmidt, Galveston, Texas, for \$12,000, with a 10% real estate commission, which was approved at the June 16-17, 1983 meeting of the U. T. Board of Regents, was not closed because requirements of the title company could not be satisfied within the time limits specified in the contract.

Further, the Land and Investment Committee recommended and the Board approved the sale of Lot 59, Section 1, Spanish Grant Subdivision, Galveston, Galveston County, Texas, to Mr. Jim Akins of Galveston, Texas, for \$12,000 cash with a 10% real estate commission payable to Pomeroy Realtors, Inc.

5. U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston): Barbara G. Horowitz Fund - Authorization for Sale of Lot 8A Out of the North Part of Lots 8 and 9, Block 40, New City Block 557, in San Antonio, Bexar County, Texas, to Mr. Seth Newberger, San Antonio, Texas.-- Authorization was given for the sale of Lot 8A out of the north part of Lots 8 and 9, Block 40, New City Block 557, San Antonio, Bexar County, Texas (Barbara G. Horowitz Fund - U.T. M. D. Anderson Hospital - Houston of The University of Texas System Cancer Center), to Mr. Seth Newberger, San Antonio, Texas, for \$2.25 per square foot, or approximately \$16,875.00 cash.

6. U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston): Kenneth D. and Janet M. Muller Fund for Cancer Research and Education - Authorization for Sale of Lot 4C, Mountain Spring Farms Subdivision, Kendall County, Texas, to Mr. and Mrs. C. L. Newsome, Boerne, Texas.-- Upon recommendation of the Land and Investment Committee, the Board authorized the sale of Lot 4C, Mountain Spring Farms Subdivision, Kendall County, Texas (Kenneth D. and Janet M. Muller Fund for Cancer Research and Education - U.T. M. D. Anderson Hospital - Houston of The University of Texas System Cancer Center), to Mr. and Mrs. C. L. Newsome, Boerne, Texas, for \$17,500, with a 10% real estate commission payable to Davis Realty. The purchasers will pay \$3,500 cash at closing and will execute a ten year, 12% note in the principal amount of \$14,000.

III. OTHER MATTERS

U. T. Austin: Progress Report on The Regents' Endowed Teachers and Scholars Program.--President Flawn reported that since the February meeting of the U. T. Board of Regents, the number of endowed academic positions at The University of Texas at Austin has increased by 2 chairs, 3 professorships and 5 fellowships and lectureships, for a total of 10 new endowed positions, as a result of The Regents' Endowed Teachers and Scholars Program. The University of Texas at Austin now has 84 chairs, 372 professorships and 219 fellowships and lectureships for a total of 675 endowed academic positions in the total amount of \$48,900,000.

President Flawn also reported that U. T. Austin expects to receive funds for the endowment of 29 additional positions by August 1987. He noted that this number does not include the endowments which are in negotiation. As a result of the matching programs, 531 new endowed academic positions have been established at U. T. Austin.

ITEMS FOR THE RECORD

1. U. T. Arlington: Acceptance of Membership on the School of Architecture and Environmental Design Advisory Council.--
On February 9, 1984, nominees were approved for the initial membership on the School of Architecture and Environmental Design Advisory Council at The University of Texas at Arlington. The acceptance of membership by those listed below is herewith reported for the record:

Mr. Daniel Boone, FAIA, Abilene
Mr. Bill Booziotis, FAIA, Dallas
Mr. David Braden, FAIA, Dallas
Mr. David Browning, Dallas
Mr. Hugh Cunningham, Dallas
Mr. Ed Denny, Austin
Mr. David Dillon, Dallas
Mr. William P. Dunaway, Arlington
Mr. Tonny Foy, Fort Worth
Mr. Preston Geren, FAIA, Fort Worth
Mr. Ralph Hawkins, Dallas
Ms. Janet Kutner, Dallas
Mr. Brooks Martin, FAIA, San Antonio
Mr. Bill Marvel, Dallas
Ms. Julia Ousley, Arlington
Mr. Reginald H. Roberts, FAIA, San Antonio
Mr. Pat Y. Spillman, FAIA, Dallas
Mr. Max Sullivan, Fort Worth
Mr. William Sullivan, Grand Prairie
Mr. Thomas Taylor, Dallas
Mr. James Wiley, FAIA, Dallas
Mr. Thomas Woodward, AIA, Dallas
Mr. Emory O. Young, Jr., AIA, Fort Worth

Unfilled Term
Unfilled Term
Unfilled Term
Unfilled Term

Terms of membership will be determined at the first meeting of the Advisory Council by drawing lots so that one-third of the total initial membership will serve for a one-year term, one-third for a two-year term, and one-third for a three-year term. Thereafter, all terms shall be for three years.

2. U. T. Permian Basin: Acceptance of Membership on the College of Business Administration Advisory Council.--
On February 9, 1984, nominees were approved for membership on the College of Business Administration Advisory Council at The University of Texas of the Permian Basin. The acceptance of membership by those listed below is herewith reported for the record:

	<u>Term Expires</u>
Mr. Earl W. Husband, Odessa	1986
Mr. Walter Kleine, Odessa	1985
Mr. R. Y. Walker, Midland	1985

3. U. T. Health Science Center - San Antonio: Acceptance of Membership on the Medical School Advisory Council.--
On August 12, 1983, Mr. Tucker Dorn, San Antonio, Texas, was approved for membership on the Medical School Advisory Council at The University of Texas Health Science Center at San Antonio for a term to expire August 31, 1984. Mr. Dorn's acceptance of membership is herewith reported for the record.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Regent Yzaguirre, a member of the Board for Lease of University Lands, submitted the following report on behalf of that Board:

Report

The Board, at its meeting on April 4, 1984, approved the sealed bid procedure to be used in future oil and gas lease sales on Permanent University Fund Lands. The staff advised the Board that presently there is very little demand for an oil and gas lease sale.

The Board heard and approved Atlantic Richfield's plans for a tertiary project on University leases in Crane County. The Permanent University Fund should receive an additional \$9,000,000 by virtue of this proposed pressure maintenance program.

Mid-American Petroleum Company presented to the Board its plans for a secondary water flooding program in Pecos County. Fresh water will not be used in the flood program which is expected to recover an additional 8,000,000 barrels of oil. The University's royalties should exceed \$30,000,000 from this project.

Hopefully, there will be other enhanced oil recovery programs on University Lands. The ARCO and Mid-American projects alone should add over \$40,000,000 to the Permanent University Fund.

FOUNDATION MATTERS

Winedale Stagecoach Inn Fund.--In accordance with Section 5 of Chapter VII of Part One of the Regents' Rules and Regulations, the Board of Regents recessed its meeting to meet independently in its capacity as the Board of Trustees for the Winedale Stagecoach Inn Fund and took the following actions:

- a. Approved the Minutes of the preceding meeting held on August 11, 1983.
- b. Approved the acquisition of approximately 3,160 square feet of land in Fayette County, Texas, from Edrol and Marilyn Wagner, Round Top, Texas, for \$3,000 cash.

This tract is a narrow, irregularly shaped parcel which is surrounded by Winedale Historical Center property.

Its acquisition will eliminate the gap in ownership and will facilitate management and control of the Center. Funds for the purchase are available from gifts donated by Friends of Winedale.

OTHER MATTERS

U. T. Board of Regents: Memorial Resolution Honoring Mr. Herman Adams, Jr., Former Executive Director for Governmental Relations.--Regent Richards read the following memorial resolution honoring Mr. Herman Adams, Jr., former Executive Director for Governmental Relations for The University of Texas System, and moved its adoption:

MEMORIAL RESOLUTION

WHEREAS, With profound sorrow the Board of Regents of The University of Texas System records the death of Mr. Herman Adams, Jr. on January 30, 1984, and wishes to acknowledge his dedicated service to the University;

WHEREAS, Mr. Adams served with distinction as Executive Director for Governmental Relations where his wise counsel and valuable insight were devoted to improving and strengthening The University of Texas System; and

WHEREAS, Mr. Adams had countless friends in the University and Governmental Communities who respected his judgment and knowledge of the political process; now, therefore, be it

RESOLVED, That the Board of Regents of The University of Texas System meeting in San Antonio this 12th day of April, 1984, does pay tribute to the memory of this outstanding colleague of The University and does recognize his contribution; and, be it further

RESOLVED, That the Board of Regents does express its sympathy and condolences to the family of Herman Adams, Jr. We share with them a deep sense of loss.

Regent Hay seconded the motion and said resolution was adopted by unanimous vote.

SCHEDULED MEETING.--Chairman Newton announced that the next meeting of the U. T. Board of Regents would be held at the U. T. Austin Marine Science Institute at Port Aransas on June 14-15, 1984.

RECESS.--At 4:20 p.m., Chairman Newton announced that the Board would recess to convene in Executive Session to discuss matters pursuant to V.T.C.S., Article 6252-17, Sections 2(e), (f) and (g) and that the Executive Session would continue on Friday morning.

Friday, April 13, 1984

At 9:00 a.m. on Friday, April 13, 1984, the Board reconvened in Executive Session in Room 4.02.12 of the John Peace Library Building at The University of Texas at San Antonio to discuss matters in accordance with Article 6252-17, Sections 2(e), (f) and (g) of Vernon's Texas Civil Statutes: Litigation, Land Acquisition and Personnel Matters.

RECONVENE.--At 11:55 a.m., the Board reconvened in open session for the purpose of acting on items discussed in Executive Session.

EXECUTIVE SESSION OF THE BOARD OF REGENTS

Chairman Newton reported that the Board had met in Executive Session in Room 4.02.12 of the John Peace Library Building on Thursday afternoon (April 12) following the meetings of the Standing Committees and continued its meeting on Friday morning (April 13) to discuss matters in accordance with Article 6252-17, Sections 2(e), (f) and (g) of Vernon's Texas Civil Statutes. In response to Chairman Newton's inquiry regarding the wishes of the Board, the following actions were taken:

1. U. T. Health Center - Tyler: Consideration of Further Settlement Negotiations in the Litigation Styled "Hazel Roy et al v. The University of Texas Health Center at Tyler."--Chairman Newton reported that the Board heard a report from the General Counsel on further settlement negotiations in the litigation styled "Hazel Roy et al v. The University of Texas Health Center at Tyler" and stated that no further action was to be taken at this time.
2. U. T. System: Consideration of Amendments to Lease Agreement with Gill-Richter-Cordier Corporation, a Texas Corporation, for Operation of a Commercial Wine Grape Vineyard and an Associated Winery on Permanent University Fund Lands in Pecos County, Texas.--Chairman Newton reported that the Board discussed proposed amendments to the lease agreement with Gill-Richter-Cordier Corporation, a Texas Corporation, for operation of a commercial wine grape vineyard and an associated winery on Permanent University Fund Lands in Pecos County, Texas, and that no action was to be taken on this matter.
3. U. T. System: Consideration of Lease or Sale of Permanent University Fund Lands in West Texas for Low-Level Radioactive Waste Disposal Site.--Chairman Newton reported that the Board heard a report on the proposed lease or sale of Permanent University Fund Lands in West Texas for a low-level radioactive waste disposal site and that no action was to be taken at this time.

4. U. T. Austin: Authorization to Conclude Negotiations for Gifts Related to the Establishment of Endowed Academic Positions in the Colleges of Natural Sciences and Engineering. --Upon motion of Regent Milburn, seconded by Vice-Chairman Briscoe and Regent Richards, President Flawn was authorized to conclude negotiations and enter into agreements for the establishment of endowed academic positions in the Colleges of Natural Sciences and Engineering at The University of Texas at Austin.

Chairman Newton stated that the negotiations for additional endowed academic positions in the Colleges of Natural Sciences and Engineering will be concluded over the weekend and that President Flawn will be able to hold a news conference on Monday, April 16, to announce the details of a significant and exciting increase in the number of academic positions in the Colleges of Natural Sciences and Engineering at U. T. Austin.

5. U. T. Dallas: Authorization to Negotiate the (a) Sale of Land in the John Clay Survey, City of Dallas, Collin County, Texas, (b) Design and Construction of a Major Divided Thoroughfare Connecting Independence Parkway in the City of Plano with Waterview Drive in the City of Richardson, Collin County, Texas, and (c) Establishment of Reservations, Restrictions & Covenants to Govern Design, Construction, Landscaping, and Use of All Property Sold or Leased in the John Clay Survey, City of Dallas, Collin County, Texas, by the Special Committee on Endowment Lands in Collin and Dallas Counties, Texas, and (d) Authorization for the Chairman to Sign the Necessary Documents. --Upon motion of Regent Rhodes, seconded by Regent Hay, the Board authorized:

- a. The Special Committee on Endowment Lands in Collin and Dallas Counties, Texas, to negotiate the sale of 5 - 7.5 acres of land in the John Clay Survey located in the City of Dallas, Collin County, Texas, to VMX, Inc., at a cash price of not less than \$5.25 per square foot.
- b. The Special Committee on Endowment Lands in Collin and Dallas Counties, Texas, to negotiate the sale or long-term lease of 6 - 10 acres of land in the John Clay Survey located in the City of Dallas, Collin County, Texas, at a cash price of \$5.75 per square foot on a long-term lease to Espey Huston & Associates, Inc.
- c. The Special Committee on Endowment Lands in Collin and Dallas Counties, Texas, to negotiate an option for the purchase or long-term lease of 5 - 10 acres of land in the John Clay Survey located in the City of Dallas, Collin County, Texas, to Espey Huston & Associates, Inc.
- d. U. T. Dallas to commit to participate as land owner with Collin County, the City of Dallas, the City of Plano and the City of Richardson in the design and construction of a major divided thoroughfare connecting Independence Parkway in

the City of Plano, Collin County, Texas, with Waterview Drive in the City of Richardson, Collin County, Texas.

- e. U. T. Dallas to establish Reservations, Restrictions & Covenants to govern design, construction, landscaping, and use of all property sold or leased in the John Clay Survey, City of Dallas, Collin County, Texas, after approval by U. T. System Administration.
 - f. The Chairman of the Board to execute all documents necessary to consummate the above actions.
6. U. T. Health Science Center - San Antonio: Report on Negotiated Contract for the Acquisition and/or Gift of Real Property.--Chairman Newton reported that the Board heard a report from President Harrison, the General Counsel and Executive Vice Chancellor Mullins regarding a negotiated contract for the acquisition and/or gift of real property related to The University of Texas Health Science Center at San Antonio. No formal action was taken on this matter and it was noted that the Health Affairs Committee will bring a report and recommendation to the Board at a later date.
7. U. T. System: Report of the Advisory Committee for the Selection of a Chancellor and Consideration of Those Recommendations.--Chairman Newton announced that following the adjournment of the meeting, the Board of Regents would reconvene in Executive Session to receive and consider the recommendations of the Advisory Committee for the Selection of a Chancellor for The University of Texas System. He reported that the Board would not take any action with regard to those recommendations at this meeting.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 12:10 p.m.


Arthur H. Dilly
Executive Secretary

April 16, 1984