

Meeting No. 803

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

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June 14-15, 1984

Port Aransas, Texas

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MEETING NO. 803

THURSDAY, JUNE 14, 1984.--The members of the Board of Regents of The University of Texas System convened in regular session at 1:10 p.m. on Thursday, June 14, 1984, in the Auditorium Building at The University of Texas at Austin Marine Science Institute, Port Aransas, 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. He stated that the Board was pleased to be meeting in Port Aransas with U. T. Austin as the host institution.

U. T. BOARD OF REGENTS: APPROVAL OF MINUTES OF REGULAR MEETING HELD ON APRIL 12-13, 1984, AND SPECIAL MEETING HELD ON MAY 30, 1984.--Upon motion of Vice-Chairman Baldwin, seconded by Regent Richards, the Minutes of the regular meeting of the Board of Regents of The University of Texas System held on April 12-13, 1984, in San Antonio, Texas, and the Minutes of the special meeting held on May 30, 1984, in Austin, Texas, were approved as distributed by the Executive Secretary. The official copies of these Minutes are recorded in the Permanent Minutes, Volume XXXI, Pages 2335 - 2936.

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. Austin

President Flawn introduced:

Faculty Representative:

Dr. Jack Otis, Chairman
Graduate Assembly

Student Representatives:

Mr. Rodney Schlosser, President
Students' Association
Mr. David Woodruff, Editor,
The Daily Texan
Ms. Lisa Baker, General Reporter,
The Daily Texan
Ms. Michelle Ogden, Newswriter,
The Daily Texan

U. T. Dallas

President Rutford introduced:

Student Representatives:

Mr. Joseph Gibson, President
Student Government
Mr. Mohammad Baig, Vice President
Student Government

U. T. San Antonio

President Wagener introduced:

Faculty Representative:

Dr. Janice K. Hodges, Assistant
Professor, Division of
Music

Student Representative:

Ms. Janet J. Montreuil, Junior
Economics Major; Secretary
of the Student Representa-
tive Assembly

U. T. Tyler

President Hamm introduced:

Student Representative:

Mr. Marc Wall, President
Student Association

U. T. Medical Branch - Galveston

President Levin introduced:

Faculty Representative:

Dr. Helen Ptak, Associate Dean,
U. T. Nursing School -
Galveston

Student Representative:

Ms. Patricia Gladden, Graduate
Nursing Student

U. T. Cancer Center

President LeMaistre introduced:

Faculty Representative:

Dr. Margaret L. Kripke, Chairman
Department of Immunology

Student Representative:

Ms. Paula Belloni, Department
of Tumor Biology

U. T. BOARD OF REGENTS: (1) RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1984, IN THE AMOUNT OF \$34,000,000 AND AWARDING THE SALE OF THE BONDS TO MORGAN GUARANTY TRUST COMPANY OF NEW YORK AND ASSOCIATES, NEW YORK, NEW YORK; (2) DESIGNATION OF THE AMERICAN 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 4 - 26) was duly introduced for the consideration of the U. T. Board of Regents and read in full. It was then duly moved by Regent Powell, seconded by Vice-Chairman Briscoe and 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 Permanent University Fund Bonds, New Series 1984, in the amount of \$34,000,000 and awarded the sale of the bonds to Morgan Guaranty Trust Company of New York and Associates, New York, New York, at the price of par and accrued interest to the date of delivery (Page 25) at rates of interest reflected on Pages 7 - 8. The average effective interest rate is 9.5950%.

Upon motion of Regent Yzaguirre, seconded by Vice-Chairman Briscoe and Regent Richards, the bid of The American National Bank of Austin, Austin, Texas, as Paying Agent/Registrar for Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1984, in the amount of \$34,000,000 was accepted without objection (Pages 8, 15). The bank will pay the Board of Regents \$6,850 annually for these bonds.

The contract for the printing of the Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1984, in the amount of \$34,000,000 was awarded unanimously to Hart Graphics, Inc., Austin, Texas, upon motion of Regent Milburn, seconded by Regent Richards. These bonds are to be printed according to specifications with lithographed borders for the sum of \$3,650.

RESOLUTION
AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1984,
\$34,000,000, AND APPROVING AND AUTHORIZING IN-
STRUMENTS AND PROCEDURES RELATING THERETO

WHEREAS, the Board of Regents of The University of Texas System (hereinafter sometimes called the "Board") heretofore has authorized, issued, and delivered that issue of Board of Regents of The University of Texas University Fund Refunding Bonds, Series 1958, dated July 1, 1958, said Bonds having been authorized pursuant to the provisions of Section 18, Article VII of the Texas Constitution; and

WHEREAS, said Refunding Bonds, Series 1958 (which no longer are outstanding) were payable from and secured by a first lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, in the manner and to the extent provided in the resolution authorizing said Refunding Bonds, Series 1958; and

WHEREAS, the resolution adopted on July 23, 1958, authorizing the issuance of said Refunding Bonds, Series 1958, reserved the right and power in the Board to issue, under certain conditions, Additional Parity Bonds and Notes for the purposes and to the extent provided in Section 18, Article VII of the Texas Constitution, said Additional Parity Bonds and Notes to be on a parity with the aforesaid Refunding Bonds, Series 1958, and equally and ratably secured by and payable from a first lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, in the same manner and to the same extent as are said Refunding Bonds, Series 1958; and

WHEREAS, Section 18, Article VII of the Texas Constitution provides that the Board is authorized to issue negotiable bonds and notes for the purpose of constructing, equipping, or acquiring buildings or other permanent improvements for The University of Texas System, in a total amount not to exceed two-thirds (2/3) of Twenty per cent (20%) of the value of the Permanent University Fund, exclusive of real estate, at the time of any issuance thereof; and

WHEREAS, the Board heretofore has authorized, issued, sold, and delivered its Permanent University Fund Bonds, Series 1959, Series 1960, Series 1961, Series 1962, Series 1963, Series 1964, Series 1965, and Series 1966, as installments or issues of such Additional Parity Bonds; and

WHEREAS, the Board has deemed it necessary and advisable that no more of said Additional Parity Bonds shall be issued because of the excessively restrictive Permanent University Fund investment covenants made in connection with all of the aforesaid Permanent University Fund Bonds heretofore issued; and

WHEREAS, the Board is required by law to keep said investment covenants in full force and effect as to all of the aforesaid Permanent University Fund Bonds heretofore issued and to affirm the first lien on and pledge accruing to said outstanding Permanent University Fund Bonds heretofore issued on the Interest of The University of Texas System in the income from the Permanent University Fund; and

WHEREAS, pursuant to a resolution adopted on June 16, 1967, the Board authorized, issued, sold, and delivered an installment or issue of negotiable bonds designated as the

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, dated July 1, 1967 (hereinafter sometimes called the "New Series 1967 Bonds"), in the principal amount of \$14,000,000, payable from and secured by a lien on and pledge of the Interest of The University of Texas System in the Permanent University Fund, subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the aforesaid outstanding Permanent University Fund Bonds; and

WHEREAS, in said resolution adopted on July 16, 1967, the Board set forth the terms and conditions under which additional bonds may be issued to be on a parity with the aforesaid New Series 1967 subordinate lien bonds, and the Board has issued its Permanent University Fund Bonds, New Series 1968, New Series 1969, New Series 1970, New Series 1971, New Series 1972, New Series 1973, New Series 1974, New Series 1975, New Series 1976, New Series 1977, New Series 1978, New Series 1979, New Series 1980, New Series 1981, New Series 1983, and New Series 1983-A, in accordance therewith; and

WHEREAS, the Board has determined to authorize, issue, sell, and deliver another installment or issue of such subordinate lien parity New Series Bonds in the principal amount of \$34,000,000; and

WHEREAS, the Board hereby officially finds and determines that the value of the Permanent University Fund, exclusive of real estate, is in excess of \$2,046,000,000; and

WHEREAS, throughout this resolution the following terms and expressions as used herein shall have the meanings set forth below:

The term "Permanent University Fund", "Permanent Fund", and "Fund" used interchangeably herein shall mean the Permanent University Fund as created by Article VII, Section 11 of the Texas Constitution, further implemented by the provisions of Title 49, Chapter 1, of the Revised Civil Statutes of Texas, 1925, as amended and supplemented.

The expression "Interest of the University" in the Permanent University Fund shall mean all of the income to such Fund from grazing leases on university lands, and all of the other income from such Fund, after making provision for the payment of The University of Texas System's proportion of the expenses of administering such Fund, excepting one-third of the income arising and accruing to The Texas A&M University System from the 1,000,000 acres of land appropriated by the Constitution of 1876 and the land appropriated by the Act of 1883, as more particularly defined by Chapter 42, Acts of the Forty-second Legislature, Regular Session, 1931 (now codified as Section 66.03, Texas Education Code).

The term "Resolution" as used herein and in the Bonds shall mean this resolution authorizing the Bonds.

The term "Old Series Outstanding Bonds" shall mean the outstanding bonds of the following Series of bonds:

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1965, and Series 1966.

The term "New Series Additional Parity Bonds and Notes" and "Additional Parity Bonds and Notes" shall mean the additional parity bonds and the additional parity notes permitted to be issued pursuant to Section 11 of the resolution adopted on June 16, 1967, authorizing the issuance of Board of

Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, dated July 1, 1967.

The term "New Series Outstanding Bonds" shall mean the outstanding bonds of the following Series of bonds:

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, Series 1968, Series 1969, Series 1970, Series 1971, Series 1972, Series 1973, Series 1974, Series 1975, Series 1976, Series 1977, Series 1978, Series 1979, Series 1980, Series 1981, Series 1983, and Series 1983-A.

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

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 Issuer are hereby authorized to be issued and delivered in the aggregate principal amount of \$34,000,000, FOR THE PURPOSE OF CONSTRUCTING, EQUIPPING, OR ACQUIRING BUILDINGS OR OTHER PERMANENT IMPROVEMENTS FOR THE UNIVERSITY OF TEXAS SYSTEM, TO THE EXTENT AND IN THE MANNER PROVIDED BY LAW, in accordance with the provisions of the Amendments to Section 18, Article VII of the Texas Constitution, adopted by a vote of the people of Texas on November 6, 1956, and on November 8, 1966.

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 PERMANENT UNIVERSITY FUND BOND, NEW 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 JULY 1, 1984, in the denomination and aggregate principal amount of \$34,000,000, numbered R-1, payable in annual installments of principal to the initial registered owner thereof, to-wit:

SCHOPP & 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 printed and endorsed on the Initial Bond, shall be substantially as follows:

FORM OF INITIAL BOND

NO. R-1

\$34,000,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
PERMANENT UNIVERSITY FUND BOND
NEW SERIES 1984

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

SCHOPP & 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

\$34,000,000

(THIRTY FOUR MILLION DOLLARS)

in installments of principal due and payable on JULY 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	\$1,360,000	1995	\$1,700,000
1986	1,360,000	1996	1,700,000
1987	1,360,000	1997	1,870,000
1988	1,360,000	1998	1,870,000
1989	1,530,000	1999	1,870,000
1990	1,530,000	2000	1,870,000
1991	1,530,000	2001	2,040,000
1992	1,530,000	2002	2,040,000
1993	1,700,000	2003	2,040,000
1994	1,700,000	2004	2,040,000

and to pay interest, from JULY 1, 1984, which is the date of this Bond, on the balance of each such installment of principal, respectively, from time to time remaining unpaid, at the rates as follows:

11.125% per annum on the above installment of
principal due and payable on July 1, 1985;

- 11.125% per annum on the above installment of principal due and payable on July 1, 1986;
- 11.125% per annum on the above installment of principal due and payable on July 1, 1987;
- 11.125% per annum on the above installment of principal due and payable on July 1, 1988;
- 11.125% per annum on the above installment of principal due and payable on July 1, 1989;
- 11.125% per annum on the above installment of principal due and payable on July 1, 1990;
- 11.125% per annum on the above installment of principal due and payable on July 1, 1991;
- 11.125% per annum on the above installment of principal due and payable on July 1, 1992;
- 9.00% per annum on the above installment of principal due and payable on July 1, 1993;
- 9.20% per annum on the above installment of principal due and payable on July 1, 1994;
- 9.40% per annum on the above installment of principal due and payable on July 1, 1995;
- 9.60% per annum on the above installment of principal due and payable on July 1, 1996;
- 9.80% per annum on the above installment of principal due and payable on July 1, 1997;
- 9.90% per annum on the above installment of principal due and payable on July 1, 1998;
- 10.00% per annum on the above installment of principal due and payable on July 1, 1999;
- 10.00% per annum on the above installment of principal due and payable on July 1, 2000;
- 10.00% per annum on the above installment of principal due and payable on July 1, 2001;
- 8.625% per annum on the above installment of principal due and payable on July 1, 2002;
- 8.625% per annum on the above installment of principal due and payable on July 1, 2003;
- 8.625% per annum on the above installment of principal due and payable on July 1, 2004,

with said interest being payable on JANUARY 1, 1985, and semiannually on each JULY 1 and JANUARY 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 THE AMERICAN 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 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 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 prior to 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", as defined and described in 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 FOR THE PURPOSE OF CONSTRUCTING, EQUIPPING, OR ACQUIRING BUILDINGS OR OTHER PERMANENT IMPROVEMENTS FOR THE UNIVERSITY OF TEXAS SYSTEM, TO THE EXTENT AND IN THE MANNER PROVIDED BY LAW, in accordance with the provisions of the Amendments to Section 18, Article VII of the Texas Constitution, adopted by a vote of the people of Texas on November 6, 1956, and on November 8, 1966.

ON JULY 1, 1993, 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 of the par or principal amount thereof and accrued interest to the date fixed for prepayment or redemption, plus a premium of 1% of such par or principal amount if prepaid or redeemed on or after July 1, 1993, but prior to July 1, 1994, with such premium to be reduced by $\frac{1}{4}$ of 1% on July 1, 1994, and on each July 1 thereafter to 0% or par on July 1, 1997, and thereafter.

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; and that the interest on and principal of this Bond, together with other bonds, are equally and ratably secured by and payable from a first lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, as such Interest is apportioned by Chapter 42 of the Acts of the Regular Session of the 42nd Legislature of Texas (now codified as Section 66.03, Texas Education Code), subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the Old Series Outstanding Bonds (as such terms are defined in the Bond Resolution).

THE ISSUER has reserved the right, subject to the restrictions referred to in the Bond Resolution, to issue additional parity bonds and notes which also may be secured by and made payable from a lien on and pledge of the aforesaid Interest of The University of Texas System in the income from the Permanent University Fund, in the same manner and to the same extent as 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 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 JULY 1, 1984.

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

Chairman, Board of Regents of 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 THE AMERICAN 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 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.

THE AMERICAN 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 PRINCIPAL AMOUNT
STATE OF TEXAS \$ _____
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,
PERMANENT UNIVERSITY FUND BOND
NEW SERIES 1984

INTEREST RATE _____ MATURITY DATE _____ CUSIP NO. _____
_____ % _____

ON THE MATURITY DATE specified above the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (the "Issuer"), being an agency and political subdivision 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 JULY 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 JANUARY 1, 1985, and semiannually on each JULY 1 and JANUARY 1 thereafter, except that if the date of authentication of this Bond is later than DECEMBER 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 THE AMERICAN 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 JULY 1, 1984, authorized in the principal amount of \$34,000,000, FOR THE PURPOSE OF CONSTRUCTING, EQUIPPING, OR ACQUIRING BUILDINGS OR OTHER PERMANENT IMPROVEMENTS FOR THE UNIVERSITY OF TEXAS SYSTEM, TO THE EXTENT AND IN THE MANNER PROVIDED BY LAW, in accordance with the provisions of the Amendments to Section 18, Article VII of the Texas Constitution, adopted by a vote of the people of Texas on November 6, 1956, and on November 8, 1966.

ON JULY 1, 1993, 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 of the par or principal amount thereof and accrued interest to the date fixed for redemption, plus a premium of 1% of such par or principal amount if redeemed on or after July 1, 1993, but prior to July 1, 1994, with such premium to be reduced by 1/4 of 1% on July 1, 1994, and on each July 1 thereafter to 0% or par on July 1, 1997, and thereafter.

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, 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; and that the interest on and principal of this Bond, together with other bonds, are equally and ratably secured by and payable from a first lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, as such Interest is apportioned by Chapter 42 of the Acts of the Regular Session of the 42nd Legislature of Texas (now codified as Section 66.03, Texas Education Code), subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the Old Series Outstanding Bonds (as such terms are defined in the Bond Resolution).

THE ISSUER has reserved the right, subject to the restrictions referred to in the Bond Resolution, to issue additional parity bonds and notes which also may be secured by and made payable from a lien on and pledge of the aforesaid Interest of The University of Texas System in the income from the Permanent University Fund, in the same manner and to the same extent as 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 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 of The University of
Texas System

(facsimile signature)
Chairman, Board of Regents of
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.

THE AMERICAN 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. SECURITY AND PLEDGE. (a) It is hereby certified and recited that the Bonds are Additional Parity Bonds permitted to be issued under Section 11 of the resolution of the Issuer adopted on June 16, 1967, authorizing the issuance of Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, dated July 1, 1967, and that all conditions and requirements of said Section 11 have been or will be met prior to the delivery of the Bonds. The Bonds and the New Series Outstanding Bonds are and shall be on a parity and in all respects of equal dignity.

(b) Pursuant to the provisions of the Amendments to Section 18 of Article VII of the Texas Constitution, approved by vote of the people of Texas on November 6, 1956, and on November 8, 1966, the Bonds, the New Series Outstanding Bonds, and any other New Series Additional Parity Bonds and Notes hereafter issued, and the interest thereon, shall be and are hereby equally and ratably secured by and payable from a first lien on and pledge of the "Interest of the University" in the income from the Permanent University Fund, as such term is defined in the preamble to this Resolution, subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the Old Series Outstanding Bonds.

(c) All of the language, terms, provisions, covenants, and agreements of Sections 7 through 13, both inclusive, of the resolution adopted June 16, 1967, authorizing the issuance of the Permanent University Fund Bonds, New Series 1967, are hereby referred to, adopted, and made applicable to the Bonds authorized by this Resolution for all purposes.

Section 9. PAYMENT OF BONDS. (a) The aforesaid resolution adopted June 16, 1967, authorizing the issuance of the Permanent University Fund Bonds, New Series 1967, has provided that the Comptroller of Public Accounts of the State of Texas shall establish in the State Treasury a fund to be known as "Board of Regents of The University of Texas System New Series Permanent University Fund Interest and Sinking Fund" (hereinafter called the "Interest and Sinking Fund"). In addition to the moneys required to be transferred to the credit of the Interest and Sinking Fund in connection with the New Series Outstanding Bonds, the Comptroller of Public Accounts of the State of Texas shall, for the benefit of the Bonds, transfer to the Interest and Sinking Fund, out of The University of Texas System Available University Fund (the fund in the State Treasury to which is deposited the Interest of the University), on or before November 15, 1984, and semiannually thereafter on or before May 15 and November 15 of each year while the Bonds, or interest thereon, are outstanding and unpaid, the amount of interest or principal and interest which will become due on the Bonds on the January 1 or July 1 next following. It is hereby recognized that the amounts necessary for the payment of principal and interest on the Old Series Outstanding Bonds will have been transferred on or before May 1 and November 1 of each year from the aforesaid Available University Fund to the interest and sinking fund heretofore created for the benefit of the Old Series Outstanding Bonds.

(b) To the end that money will be available at the Paying Agent/Registrar in ample time to pay the principal of and interest on the Bonds as such principal and interest respectively come due, on or before November 15, 1984, and semiannually thereafter on or before May 15 and November 15 of each year while any of the Bonds, or interest thereon, are outstanding and unpaid, the Comptroller of The University of Texas System, or such officer as may hereafter be designated by the Issuer to perform the duties now vested in such officer, shall perform the following duties:

(1) Prepare and file with the Comptroller of Public Accounts of the State of Texas (hereinafter called the "Comptroller of Public Accounts") a voucher based on which the Comptroller of Public Accounts shall draw a warrant against the Interest and Sinking Fund in the amount of the interest or principal and interest (when both are scheduled to accrue and mature) which will become due on the January 1 or July 1 next following.

(2) In the event any Bonds or portions thereof shall have been called for prepayment or redemption on January 1 or July 1 next following of any year, and such Bonds or portions thereof are to be paid from funds subject to warrants drawn by the Comptroller of Public Accounts, prepare and file with the Comptroller of Public Accounts a voucher based on which the Comptroller of Public Accounts shall draw a warrant against funds of The University of Texas System legally available for such purpose in an amount sufficient to redeem the Bonds thus called.

(c) Whenever a voucher is so filed with the Comptroller of Public Accounts, he shall make the warrant based thereon payable to the order of the Paying Agent/Registrar, and shall deliver such warrant to such Paying Agent/Registrar on or before the December 1 or June 1 next following.

Section 10. DEFEASANCE OF BONDS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a "Defeased Bond") within the meaning of this Resolution, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (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 for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar for such payment (1) lawful money of the United States of America 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 provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until after all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Interest of the University in the Permanent University Fund, and such principal and interest shall be payable solely from such money or Government Obligations.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from such

Government Obligations received by the Paying Agent/Registrar which is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer.

(c) The term "Government Obligations" as used in this Section, 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 be United States Treasury obligations such as its State and Local Government Series, which may be in book-entry form.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Resolution.

Section 11. 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 to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant 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 applicant 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 applicant 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 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) Authority 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 12. 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 printed and endorsed 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 Bonds issued and delivered in conversion of and exchange or replacement of any Bond, but neither shall be binding upon the Issuer or have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds.

Section 13. NO ARBITRAGE. The Issuer covenants to and with the registered owners of the Bonds that it will make no use of the proceeds of the Bonds at any time throughout the term of this issue of Bonds which, if such use had been reasonably expected on the date of delivery of the Bonds to and payment for the Bonds by the purchasers, would have caused the 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 Bonds will not otherwise be used directly or indirectly so as to cause all or any part of the Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(c), or any regulations or rulings pertaining thereto.

Section 14. SALE OF INITIAL BOND. The Initial Bond is hereby sold and shall be delivered to MORGAN GUARANTY TRUST COMPANY OF NEW YORK AND ASSOCIATES for cash for the par value thereof and accrued interest thereon to date of delivery. 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 an Official Statement dated May 25, 1984, prepared and distributed in connection with the sale of the Initial Bond. Said Official Notice of Sale and Bidding Instructions and the Official Statement, and any addenda, supplement, or amendment thereto have been and are hereby approved by the Issuer, and their use in the reoffering of the Initial Bond or any portion thereof or any Bond issued in substitution and exchange therefor is hereby approved. It is further officially found,

determined, and declared that the statements and representations contained in said Official Notice of Sale and Bidding Instructions and the Official Statement are true and correct in all material respects, to the best knowledge and belief of the Issuer.

Section 15. 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 Bidding Instructions and the 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.

RECESS FOR COMMITTEE MEETINGS AND COMMITTEE REPORTS TO THE BOARD.--At 1:20 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 27 - 30).--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. Austin - Balcones Research Center - Phase I Site Development and Utility Distribution for the West Tract (Project No. 102-567): Award of Construction Contract to Austin Road Company, Austin, Texas, and Approval of Revised Total Project Cost (Exec. Com. Letter 84-24).-- Upon recommendation of the Executive Committee, the Board:

- a. Awarded a construction contract for Phase I Site Development and Utility Distribution for the West Tract of the Balcones Research Center of The University of Texas at Austin to the lowest responsible bidder, Austin Road Company, Austin, Texas, in the amount of \$2,997,000

Regent Milburn abstained from voting on this matter due to a possible conflict of interest.

- b. Approved a revised total project cost of \$3,500,000 to cover the contract award, fees, and related project expenses

The previous appropriation (\$4,100,000) from Permanent University Fund Bond proceeds will be reduced to \$3,500,000 for total project funding.

It is anticipated that approximately \$557,500 of this project cost will be charged to the Office and Research Laboratories for Microelectronics and Computer Technology Corporation Building (MCC) project. The contractor will be instructed to maintain an actual cost accounting of this work for future reconciliation.

2. U. T. Austin - Central Chilling Station No. 5 - Phase III Building Construction and Equipment Installation (Project No. 102-551): Award of Construction Contract to Kunz Construction Company, Inc., San Antonio, Texas (Exec. Com. Letter 84-24).--The Board, upon recommendation of the Executive Committee, awarded a construction contract for Phase III Building Construction and Equipment Installation for Central Chilling Station No. 5 at The University of Texas at Austin to the lowest responsible bidder, Kunz Construction Company, Inc., San Antonio, Texas, in the amount of \$5,512,202.

Regent Milburn abstained from voting on this matter due to a possible conflict of interest.

3. U. T. Austin - Central Chilling Station No. 5 - Phase II Utility Tunnels (Project No. 102-551): Award of Construction Contract to Maufrais Brothers, Inc., Austin, Texas, and Approval of Revised Total Project Cost (Exec. Com. Letter 84-25).--The Executive Committee recommended and the Board:

- a. Awarded a construction contract for Phase II Utility Tunnels for Central Chilling Station.

No. 5 at The University of Texas at Austin to the lowest responsible bidder, Maufrais Brothers, Inc., Austin, Texas, as follows:

Base Bid	\$ 832,000
Alternate Bid 1T (Tunnel System from Speedway to West of Wichita Street)	353,000
Alternate Bid 2T (Tunnel System from West of Wichita Street to 26th Street and University Avenue)	417,000
Alternate Bid 5U (Utility System Work for Tunnel Alternates 1T and 2T)	<u>582,000</u>
Total Phase II Contract Award	<u>\$2,184,000</u>

Regent Milburn abstained from voting on this matter due to a possible conflict of interest.

- b. Approved a revised total project cost of \$15,811,597 for Central Chilling Station No. 5, including Phase I, Phase II, Phase III, and the pre-purchased equipment

The previous appropriation (\$16,805,000) from proceeds of Permanent University Fund Bonds will be reduced to \$15,666,597 and together with the \$145,000 from Pooled Interest on Bond proceeds will provide total project funding.

4. U. T. Austin: Tom Slick Memorial Trust - Authorization for Oil and Gas Lease Covering 0.9% Undivided Interest in 381.68 Acres, Survey 505, Certificate 512, CCSD and RRNGRR, Abstract 373, Starr County, Texas, to Samedan Oil Corp., Houston, Texas (Exec. Com. Letter 84-23).-- Upon recommendation of the Executive Committee, the Board authorized an oil and gas lease covering an undivided interest in 381.68 acres, being all of Survey 505, Certificate 512, CCSD and RRNGRR, Abstract 373, Starr County, Texas (Tom Slick Memorial Trust - The University of Texas at Austin), to Samedan Oil Corp., Houston, Texas. The lease provides for a bonus of \$75 per net mineral acre, a 1/4 royalty, a term of three years, and annual delay rentals of \$5 per net mineral acre.

The U. T. Board of Regents own an undivided 0.9% of the minerals under this tract, or 3.534 net mineral acres, and Texas A&M University also owns a small undivided interest in this property.

5. U. T. Austin: C. B. Smith, Sr. Centennial Chair in United States - Mexico Relations - Authorization for Sale of 19.9357 Acres of Land Out of the Santiago del Valle Grant, Austin, Travis County, Texas, to Nash Phillips/Copus Company, Austin, Texas (Exec. Com. Letter 84-23).--The Board, upon recommendation of the Executive Committee, authorized the sale of 19.9357 acres of land out of the Santiago del Valle Grant, Austin, Travis County, Texas (C. B. Smith, Sr. Centennial Chair in United States - Mexico Relations - The University of Texas at Austin),

for \$2.50 per square foot. The purchaser, Nash Phillips/Copus Company, Austin, Texas, will pay 15% of the purchase price in cash at closing and will execute a note for the balance. The note will bear interest at the prime rate as it varies from time to time at the Chase Manhattan Bank, New York, New York, and will be amortized on a 20-year basis for the first four years with the entire outstanding principal balance due at the end of the fifth year.

6. U. T. Dallas - Callier Center for Communication Disorders - Remodeling of Aram Glorig Auditorium (Project No. 302-569): Approval to Excuse Stehelicon Corporation, Dallas, Texas, from Its Bid and Award of Construction Contract to Marco & Associates, Inc., Dallas, Texas (Exec. Com. Letter 84-25).-- Upon recommendation of the Executive Committee, the Board excused Stehelicon Corporation, Dallas, Texas, the low bidder for the Callier Center for Communication Disorders - Remodeling of Aram Glorig Auditorium at The University of Texas at Dallas, from its bid because of a clerical error in the amount of \$47,000 and awarded the construction contract to Marco & Associates, Inc., Dallas, Texas, the second lowest responsible bidder, as follows:

Base Bid	\$234,950
Alternate Bid No. 1 (Office Addition)	21,900
Alternate Bid No. 2 (Podium)	3,640
Alternate Bid No. 3 (Electrical Operation of Stage Curtain)	2,650
Alternate Bid No. 4 (Refurbish Auditorium Seats)	<u>5,490</u>
Total Contract Award	<u><u>\$268,630</u></u>

7. U. T. Health Science Center - Dallas: Transfer from Unappropriated Educational and General Fund Balance that Under Budget Rules and Procedures No. 2 Requires Advance Regental Approval (Exec. Com. Letter 84-23).--The Executive Committee recommended and the Board approved the following transfer of funds at The University of Texas Health Science Center at Dallas:

Educational and General Funds

Amount of Transfer - \$1,312,500

From: Unappropriated Balance (via Estimated Income) -
1983-84

To: Institutional Equipment

(RBC# 277)

8. U. T. Cancer Center: Transfer from Unappropriated Educational and General Fund Balance that Under Budget Rules and Procedures No. 2 Requires Advance Regental Approval (Exec. Com. Letter 84-23).--Upon recommendation of the Executive Committee, the Board approved the following transfer of funds at The University of Texas System Cancer Center:

Educational and General Funds

Amount of Transfer - \$12,800,000

From: Unappropriated Balance (via Estimated Income) - 1983-84

To:	Radiation Services Equipment	\$ 3,000,000
	Computerized Tomography	
	Scanner Equipment	1,200,000
	Medical Records Microfilming	
	Project	1,000,000
	Animal Care Facility	1,000,000
	Telephone and Communication	
	Equipment	1,000,000
	Computer-Aided-Design Equip.	
	for Engineering Services	500,000
	Chiller Replacement	600,000
	Clinic Building Equipment	4,500,000
	Total	\$12,800,000

(RBC# 136)

9. U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston): Estate of Anise J. Sorrell - Authorization for Agricultural Lease on Approximately 425 Acres in Montgomery County, Alabama, to Mr. Thomas Ray, Mr. Russell J. Ray, Jr., and Mr. Richard Carr, DBA Ray & Carr Farms, Shorter, Alabama (Exec. Com. Letter 84-22).--The Executive Committee recommended and the Board authorized an agricultural lease on approximately 425 acres in Montgomery County, Alabama (Estate of Anise J. Sorrell - U.T. M. D. Anderson Hospital - Houston of The University of Texas System Cancer Center), to Mr. Thomas Ray, Mr. Russell J. Ray, Jr., and Mr. Richard Carr, DBA Ray & Carr Farms, Shorter, Alabama. This lease will provide for a rental of \$25 per tillable acre and for a term commencing upon execution of the lease and ending on December 31, 1984. The lessees will be given a right of first refusal to lease the property for the calendar year 1985.

10. U. T. Health Center - Tyler - Vivarium Facility (Project No. 801-572): Award of Construction Contract to Denson Construction Co., Inc., Tyler, Texas (Exec. Com. Letter 84-24).--Upon recommendation of the Executive Committee, the Board awarded a construction contract for the Vivarium Facility at The University of Texas Health Center at Tyler to the lowest responsible bidder, Denson Construction Co., Inc., Tyler, Texas, as follows:

Base Bid	\$934,000
Alternate Bid 'A'	
(Tunnel Washer & Dryer)	<u>52,000</u>
Total Contract Award	<u>\$986,000</u>

REPORT AND RECOMMENDATIONS OF THE FINANCE AND AUDIT COMMITTEE
(Pages 31 - 33).--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. 16 of the Office of the Chancellor (Catalog Change).--Upon the recommendation of the Finance and Audit Committee, the Board approved Docket No. 16 of the Office of the Chancellor in the form distributed by the Executive Secretary. It is attached following Page 110 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. System: Approval of Non-Personnel Aspects of the 1984-85 Operating Budgets, Including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds and Medical Service, Research and Development Programs and Authorization for the Office of the Chancellor to Make Editorial Corrections Therein.--Committee Chairman Rhodes called on Chancellor Walker who submitted the following statement with regard to the proposed non-personnel aspects of the 1984-85 Operating Budgets of The University of Texas System:

"Draft copies of the proposed Operating Budgets for 1984-85 were made available to you on June 1, 1984. The initial drafts prepared by the institutions were reviewed in detail with System Administration, with the appropriate Executive Vice Chancellor presiding at the hearings. Changes or modifications, as appropriate, were incorporated in the proposed budgets. Your Budget Agenda Book includes summaries of the budgets and supplemental materials which provide a comprehensive review of all of the budgets in the U. T. System.

"The budgets were written within the resources available to the institutions and adhere to the 1984-85 budget policies adopted by the U. T. Board of Regents at the meeting of December 8-9, 1983. The recommendations for salary increases for all personnel are subject to the current regulations and directives included in the General Appropriations Bill.

"This bill expressly provides that institutional administrators may grant merit salary increases to employees whose job performance and productivity is consistently above that normally expected or required. All U. T. institutions were directed to apply the 3% across-the-board mandated increase to all non-teaching employees without regard to the source of funds paying the salary, i.e., auxiliary enterprises, sponsored projects, gift and grant funds, etc. As provided

by the Appropriations Bill, faculty salary increases were granted based on merit and performance in accepted activities. For all personnel, salary increases amount in the aggregate to 4%.

"A new program financed from the Available University Fund is styled "Geological and Fluid Behavior Characterization of Oil Reservoirs on University Lands." This is the first step of a project to be conducted through the Bureau of Economic Geology to consider the potential for improving and maintaining oil production that may come from a sophisticated study of geological reservoirs on University Lands.

"A comprehensive plan and policy for the management of intellectual property is being established. Intellectual property includes patents, trademarks, copyrights, computer programs, and other unpatented technology developed at the U. T. System component institutions. Contingent funding for the plan is included within the U. T. System Administration budget pending recommendations of an advisory committee now studying intellectual property management policies and procedures.

"The budget increase from all funds sources is 7.6%. The educational and general budget is up approximately 9%, auxiliary enterprises are up approximately 8.4%, gifts, grants and other designated funds are up 4.2%, and sponsored research is up approximately 3.3%.

"The Office of the Chancellor recommends approval of the 1984-85 Operating Budgets for The University of Texas System by the Finance and Audit Committee, the Academic Affairs Committee, the Health Affairs Committee and the U. T. Board of Regents, as submitted with permission to make editorial corrections and adjustments as appropriate. Subsequent adjustments will be reported to the U. T. Board of Regents through institutional Docket procedure."

Committee Chairman Rhodes reported that the personnel aspects of the recommended 1984-85 Operating Budgets for The University of Texas System would be considered in Executive Session. Therefore, upon recommendation of the Finance and Audit Committee and with the concurrence of the Academic Affairs and Health Affairs Committees, the Board approved the non-personnel aspects of the 1984-85 Operating Budgets, including Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds and Medical Service, Research and Development Programs for The University of Texas System as listed below and authorized the Office of the Chancellor to make editorial corrections therein with subsequent adjustments to be reported to the Board through the institutional Dockets.

The University of Texas System Administration
(including the Available University Fund)
The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas of the Permian Basin
The University of Texas at San Antonio
The University of Texas at Tyler
The University of Texas Institute of Texan
Cultures at San Antonio
The University of Texas Health Science Center
at Dallas
The University of Texas Medical Branch at
Galveston

The University of Texas Health Science Center
at Houston
The University of Texas Health Science Center
at San Antonio
The University of Texas System Cancer Center
The University of Texas Health Center at Tyler

These budgets are a part of the Minutes of this meeting and the official copy is in bound Volume XXXIX entitled Annual Budgets for 1984-85.

See Page 109 for approval of personnel aspects of the 1984-85 Operating Budgets.

REPORT AND RECOMMENDATIONS OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 33 - 58).--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. System: Adoption of Role and Scope Statements for All Degree-Granting Component Institutions.--In order to specifically define the authorized role and scope for all degree-granting institutions within The University of Texas System, the Board, upon recommendation of the Academic Affairs and Health Affairs Committees, adopted the role and scope tables set out on Pages 34 - 44 .

The role and scope tables describe the broad discipline categories (level and range) in which each U. T. System component institution may consider offering degree programs. The tables are more specific statements of role and mission than those outlined in enabling legislation or similar statutes.

Further, these role and scope tables assume the inclusion of discipline categories in which institutional degree programs have already been authorized, as well as the inclusion of baccalaureate and master's level programs in all the arts and sciences discipline categories, computer and information sciences, business, and education for all general academic institutions. Programs at the doctoral level and in other professions are included in the role and scope tables where there is demonstrable need for the program and where the capability for the institution to develop and conduct quality programs in the area exists.

It was noted that approval of specific degree programs must still meet appropriate tests of institutional capability and student demand, and are subject to prior approval by the U. T. Board of Regents and the Coordinating Board, Texas College and University System.

<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	e	-	e	P ¹
Life Sciences	e	-	e	P ¹
Psychology	e	-	e	e
Visual/Perf. Arts	e	-	P	-
Letters	e	-	e	c
Physical Sciences	e	-	e	e
Mathematics	e	-	e	e
Foreign Languages	e	-	e	c
Phil/Religion	e	-	P	-
<u>PROFESSIONS</u>				
Business Admin.	e	-	e	e
Education	c	-	c	-
Engineering	e	-	e	e
Health Sciences	e	-	e	P
Public Affairs	e	-	e	c
Communications	e	-	P	P
Agriculture	-	-	-	-
Home Economics	-	-	-	-
Protective Services	e	-	e	-
Computer/Info Sci.	e	-	e	e
Architecture	e	-	e	-
Allied Health Sci.	e	-	-	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	e	-	e	-
Lib/Gen Studies	e	-	e	-
Area/Ethnic Studies	P	-	P	-

KEY - Role and Scope Authorization Status

- e existing degree programs
c courses currently support interdisciplinary program
P possible expansion into this area in which no programs or
courses currently exist
- outside role and scope

¹A doctoral program in quantitative biology has been approved by the U. T. Board of Regents but has not yet been approved by the Coordinating Board.

<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	e	-	e	e
Life Sciences	e	-	e	e
Psychology	e	-	e	e
Visual/Perf. Arts	e	-	e	e
Letters	e	-	e	e
Physical Sciences	e	-	e	e
Mathematics	e	-	e	e
Foreign Languages	e	-	e	e
Phil/Religion	e	-	e	e
<u>PROFESSIONS</u>				
Business Admin.	e	-	e	e
Education	e	-	e	e
Engineering	e	-	e	e
Health Sciences	e	e	e	e
Public Affairs	e	-	e	e
Communications	e	-	e	e
Agriculture	-	-	-	-
Home Economics	e	-	e	P
Protective Services	-	-	-	-
Computer/Info Sci.	e	-	e	e
Architecture	e	-	e	P
Allied Health Sci.	e	-	-	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	P	-	e	e
Law	-	e	e	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	e	-	e	P
Lib/Gen Studies	e	-	P	P
Area/Ethnic Studies	e	-	e	e

KEY - Role and Scope Authorization Status

- e existing degree programs
c courses currently support interdisciplinary program
P possible expansion into this area in which no programs or
courses currently exist
- outside role and scope

<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	e	-	P	P
Life Sciences	e	-	e	e
Psychology	e	-	e	c
Visual/Perf. Arts	e	-	c	-
Letters	e	-	c	c
Physical Sciences	e	-	e	e
Mathematics	e	-	e	e
Foreign Languages	e	-	c	-
Phil/Religion	e	-	c	-
<u>PROFESSIONS</u>				
Business Admin.	e	-	e	e
Education	e ¹	-	e ¹	P ¹
Engineering	P ¹	-	c ¹	c ¹
Health Sciences	e	-	e	e
Public Affairs	e	-	e	e
Communications	c	-	c	-
Agriculture	-	-	-	-
Home Economics	-	-	-	-
Protective Services	-	-	-	-
Computer/Info Sci.	e	-	e	e
Architecture	-	-	-	-
Allied Health Sci.	-	-	-	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	P	-	e	e
Lib/Gen Studies	e	-	c	-
Area/Ethnic Studies	e	-	-	-

KEY - Role and Scope Authorization Status

- e existing degree programs
- c courses currently support interdisciplinary program
- P possible expansion into this area in which no programs or courses currently exist
- outside role and scope

¹ Programs in electrical engineering and engineering science have been approved by the U. T. Board of Regents but have not yet been considered by the Coordinating Board.

<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	e	-	e	-
Life Sciences	e	-	e	-
Psychology	e	-	e	P
Visual/Perf. Arts	e	-	e	-
Letters	e	-	e	-
Physical Sciences	e	-	e	e
Mathematics	e	-	e	-
Foreign Languages	e	-	e	-
Phil/Religion	e	-	P	-
<u>PROFESSIONS</u>				
Business Admin.	e	-	e	- ¹
Education	e	-	e	P
Engineering	e	-	e	-
Health Sciences	e	-	e	-
Public Affairs	e	-	e	-
Communications	e	-	-	-
Agriculture	-	-	-	-
Home Economics	-	-	-	-
Protective Services	e	-	-	-
Computer/Info Sci.	e	-	e	-
Architecture	-	-	-	-
Allied Health Sci.	e	-	-	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	e	-	e	-
Lib/Gen Studies	e	-	e	-
Area/Ethnic Studies	e	-	e	-

KEY - Role and Scope Authorization Status

- e existing degree programs
c courses currently support interdisciplinary program
P possible expansion into this area in which no programs or
courses currently exist
- outside role and scope

¹ The University is currently exploring with U. T. Austin the development of a cooperative doctoral program in educational administration.

<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	e	-	c	-
Life Sciences	e	-	e	-
Psychology	e	-	c	-
Visual/Perf. Arts	e	-	P	-
Letters	e	-	e	-
Physical Sciences	e	-	e	-
Mathematics	e	-	P	-
Foreign Languages	e	-	-	-
Phil/Religion	-	-	-	-
<u>PROFESSIONS</u>				
Business Admin.	e	-	e	-
Education	e	-	e	-
Engineering	e	-	e	-
Health Sciences	-	-	-	-
Public Affairs	-	-	-	-
Communications	e	-	-	-
Agriculture	-	-	-	-
Home Economics	-	-	-	-
Protective Services	e	-	-	-
Computer/Info Sci.	e	-	P	-
Architecture	-	-	-	-
Allied Health Sci.	-	-	-	-
Technologies	P	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	-	-	e	-
Lib/Gen Studies	e	-	e	-
Area/Ethnic Studies	-	-	-	-

KEY - Role and Scope Authorization Status

- e existing degree programs
c courses currently support interdisciplinary program
P possible expansion into this area in which no programs or
courses currently exist
- outside role and scope

<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	e	-	e	P ₁
Life Sciences	e	-	e	P ₁
Psychology	e	-	P	-
Visual/Perf. Arts	e	-	e	-
Letters	e	-	e	-
Physical Sciences	e	-	e	-
Mathematics	e	-	e	-
Foreign Languages	e	-	e	-
Phil/Religion	P	-	P	-
<u>PROFESSIONS</u>				
Business Admin.	e	-	e	- ₁
Education	e	-	e	P ₁
Engineering	e	-	P ₂	P ₂
Health Sciences	-	-	-	-
Public Affairs	P	-	e	-
Communications	P	-	-	-
Agriculture	-	-	-	-
Home Economics	-	-	-	-
Protective Services	e	-	-	-
Computer/Info Sci.	e	-	e	P ₁
Architecture	e	-	P	-
Allied Health Sci.	e	-	-	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	e	-	e	-
Lib/Gen Studies	-	-	-	-
Area/Ethnic Studies	e	-	-	-

KEY - Role and Scope Authorization Status

e existing degree programs
 c courses currently support interdisciplinary program
 P possible expansion into this area in which no programs or
 courses currently exist
 - outside role and scope

¹ The University plans initially to develop cooperative or joint degree programs in these areas with the U. T. Health Science Center - San Antonio or with U. T. Austin.

² U. T. Austin currently offers graduate level engineering instruction in San Antonio through an agreement with U. T. San Antonio. As U. T. San Antonio develops the capacity to meet this regional need, the U. T. Austin role can be phased out.

<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	e	-	c	-
Life Sciences	e	-	c	-
Psychology	e	-	e	-
Visual/Perf. Arts	e	-	c	-
Letters	e	-	c	-
Physical Sciences	e	-	c	-
Mathematics	e	-	c	-
Foreign Languages	e	-	-	-
Phil/Religion	P	-	P	-
<u>PROFESSIONS</u>				
Business Admin.	e	-	e	- ¹
Education	e	-	e	P ¹
Engineering	-	-	-	-
Health Sciences	e	-	P	-
Public Affairs	e	-	e	-
Communications	e	-	-	-
Agriculture	-	-	-	-
Home Economics	-	-	-	-
Protective Services	e	-	-	-
Computer/Info Sci.	e	-	e ²	-
Architecture	-	-	-	-
Allied Health Sci. Technologies	e	-	e	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	e	-	e	-
Lib/Gen Studies	e	-	e	-
Area/Ethnic Studies	-	-	-	-

KEY - Role and Scope Authorization Status

e existing degree programs
c courses currently support interdisciplinary program
P possible expansion into this area in which no programs or
courses currently exist
- outside role and scope

¹ The University plans initially to develop a cooperative
doctoral program in educational administration.

² A Master of Science in Computer Science has been approved
by the U. T. Board of Regents and by the Coordinating
Board, Texas College and University System but has not
yet been implemented.

<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	-	-	-	-
Life Sciences	-	-	e	e ³
Psychology	-	-	-	e ³
Visual/Perf. Arts	-	-	-	-
Letters	-	-	e ³	-
Physical Sciences	-	-	-	e ³
Mathematics	-	-	-	e ³
Foreign Languages	-	-	-	-
Phil/Religion	-	-	-	-
<u>PROFESSIONS</u>				
Business Admin.	e ³	-	-	-
Education	e ³	-	e ³	e ³
Engineering	-	-	e ³	e ³
Health Sciences ¹	e ³	e	e	e
Public Affairs	e ³	-	-	-
Communications	e ³	-	-	-
Agriculture	e ³	-	-	-
Home Economics	e ³	-	-	-
Protective Services	-	-	e ³	-
Computer/Info Sci.	-	-	-	-
Architecture	-	-	-	-
Allied Health Sci. ^{1,2}	e	-	e	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	-	-	-	-
Lib/Gen Studies	-	-	-	-
Area/Ethnic Studies	-	-	-	-

KEY - Role and Scope Authorization Status

- e existing degree programs
- c courses currently support interdisciplinary program
- P possible expansion into this area in which no programs or courses currently exist
- outside role and scope

¹ The entire discipline category (2-digit level) is either within or outside the role and scope of the institution.

² Sub-baccalaureate (certificate and associate) programs also authorized.

³ Specialized health-related programs existing in June 1984 are within the role and scope but additional or non-health-related programs are outside the role and scope.

<u>Disciplines</u>	<u>Bacca- laureate</u>	<u>Degree Program Levels</u>		
		<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	-	-	-	-
Life Sciences	-	-	e	e
Psychology	-	-	-	-
Visual/Perf. Arts	-	-	-	-
Letters	-	-	-	-
Physical Sciences	-	-	-	-
Mathematics	-	-	-	-
Foreign Languages	-	-	-	-
Phil/Religion	-	-	-	-
<u>PROFESSIONS</u>				
Business Admin.	-	-	-	-
Education	-	-	-	-
Engineering	-	-	-	-
Health Sciences ¹	e	e	e	e
Public Affairs	-	-	-	-
Communications	-	-	-	-
Agriculture	-	-	-	-
Home Economics	-	-	-	-
Protective Services	-	-	-	-
Computer/Info Sci.	-	-	-	-
Architecture	-	-	-	-
Allied Health Sci. ^{1,2}	e	-	P	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	-	-	e	-
Lib/Gen Studies	-	-	-	-
Area/Ethnic Studies	-	-	-	-

KEY - Role and Scope Authorization Status

- e existing degree programs
- c courses currently support interdisciplinary program
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<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	-	-	-	-
Life Sciences	-	-	e	e
Psychology	-	-	-	-
Visual/Perf. Arts	-	-	-	-
Letters	-	-	-	-
Physical Sciences	-	-	-	-
Mathematics	-	-	-	-
Foreign Languages	-	-	-	-
Phil/Religion	-	-	-	-
<u>PROFESSIONS</u>				
Business Admin.	-	-	-	-
Education	-	-	-	-
Engineering	-	-	-	-
Health Sciences ¹	e	e	e	e
Public Affairs	-	-	-	-
Communications	-	-	-	-
Agriculture	-	-	-	-
Home Economics	e ³	-	-	-
Protective Services	-	-	-	-
Computer/Info Sci.	-	-	-	-
Architecture	-	-	-	-
Allied Health Sci. ^{1,2}	e	-	P	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	-	-	e	e
Lib/Gen Studies	-	-	-	-
Area/Ethnic Studies	-	-	-	-

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<u>Disciplines</u>	<u>Degree Program Levels</u>			
	<u>Bacca- laureate</u>	<u>First Profes- sional</u>	<u>Masters</u>	<u>Doctoral</u>
<u>ARTS & SCIENCES</u>				
Social Sciences	-	-	-	-
Life Sciences	-	-	e	e
Psychology	-	-	-	-
Visual/Perf. Arts	-	-	-	-
Letters	-	-	-	-
Physical Sciences	-	-	-	-
Mathematics	-	-	-	-
Foreign Languages	-	-	-	-
Phil/Religion	-	-	-	-
<u>PROFESSIONS</u>				
Business Admin.	-	-	-	-
Education	-	-	-	-
Engineering	-	-	-	-
Health Sciences ¹	e	e	e	e
Public Affairs	-	-	-	-
Communications	-	-	-	-
Agriculture	-	-	-	-
Home Economics	-	-	-	-
Protective Services	-	-	-	-
Computer/Info Sci.	-	-	-	-
Architecture	-	-	-	-
Allied Health Sci. ^{1,2}	e	-	-	-
Technologies	-	-	-	-
Parks & Recreation	-	-	-	-
Lib/Archival Sci.	-	-	-	-
Law	-	-	-	-
<u>INTERDISCIPLINARY</u>				
Multi/Interdisc.	-	-	-	-
Lib/Gen Studies	-	-	-	-
Area/Ethnic Studies	-	-	-	-

KEY - Role and Scope Authorization Status

- e existing degree programs
- c courses currently support interdisciplinary program
- P possible expansion into this area in which no programs or courses currently exist
- outside role and scope

¹ The entire discipline category (2-digit level) is either within or outside the role and scope of the institution.

² Sub-baccalaureate (certificate and associate) programs also authorized.

STATEMENT BY CHAIRMAN NEWTON REGARDING ADOPTION OF ROLE AND SCOPE STATEMENTS FOR ALL DEGREE-GRANTING COMPONENT INSTITUTIONS OF THE U. T. SYSTEM.--The following statement was made by Chairman Newton at the conclusion of the meetings of the Standing Committees. It is included here for continuity regarding the Board's action on this matter.

STATEMENT BY CHAIRMAN NEWTON
REGARDING ROLE AND SCOPE STATEMENTS FOR
ALL DEGREE-GRANTING COMPONENT INSTITUTIONS
OF
THE UNIVERSITY OF TEXAS SYSTEM

Today's approval of role and scope statements for the degree-granting components of The University of Texas System is a significant step in the planning process that was initiated under Regent Powell's leadership as Chairman of the Board of Regents and conducted by our institutions during the last couple of years. It signifies the Board of Regents' commitment to these statements as appropriate descriptions of the level and range of degree programs which each U. T. System institution may include in its ongoing planning efforts.

In the review process that led to our approval of these statements, each proposed role and scope statement was examined in accordance with existing legislative statutes and with system-wide objectives. Those system objectives include: (1) providing high quality instruction through the doctoral level in most fields, (2) assisting the citizens of this State in the application of new knowledge, and (3) providing geographic accessibility to instruction and other services to the extent it is economically feasible. The review also included an analysis of potential student demand and each institution's ability to develop quality programs in the areas included within its role and scope.

For several of our institutions, the discipline range or degree level within the role and scope may be slightly broader than the level of existing programs. However, all new degree program proposals will continue to be reviewed and approved by this Board. Thus, approval of these role and scope statements will guide our universities in the next stages of their planning processes, but will not alter the Regents' or the Coordinating Board's responsibility for individual degree program approvals. We anticipate that these role and scope statements will remain rather stable over time. However, they may be amended when changing circumstances warrant.

We are pleased that the planning process has reached this stage of formal role and scope approval and compliment the chief administrative officers of our institutions and their planning staffs, under the leadership of the Office of the Chancellor for the quality of their work and the diligence of their efforts.

2. U. T. Arlington: Nonendowed Professorships Named Ashbel Smith Professorships and Dr. Lawrence L. Schkade Appointed Ashbel Smith Professor Effective September 1, 1984.--Upon recommendation of the Academic Affairs Committee, the five nonendowed professorships previously established at The University of Texas at Arlington were named Ashbel Smith Professorships. All appointees to these professorships shall meet the criteria approved by the U. T. Board of Regents when these professorships were established on April 11, 1980, and shall have prior approval of the Board.

Further, the Board appointed Dr. Lawrence L. Schkade, Professor and Chairman, Department of Systems Analysis at U. T. Arlington, Ashbel Smith Professor effective September 1, 1984.

3. U. T. Arlington: Approval of Affiliation Agreement with St. Paul Hospital, Dallas, Texas.--Approval was given to the affiliation agreement set out on Pages 46 - 50 by and between The University of Texas at Arlington and St. Paul Hospital, Dallas, Texas.

This agreement, executed by the appropriate officials of the institution and facility to become effective upon approval by the U. T. Board of Regents, will provide training opportunities for students in the School of Nursing and the Department of Communication at U. T. Arlington.

ALLIED HEALTH CARE
EDUCATIONAL EXPERIENCE PROGRAM
AFFILIATION AGREEMENT

THIS AGREEMENT is made and entered into by and between ST. PAUL HOSPITAL ("St. Paul"), a Texas nonprofit corporation having its principal office at 5909 Harry Hines Blvd., Dallas, Dallas County, Texas, 75235, and University of Texas at Arlington ("University"), a component institution of University of Texas ("System"), located at the City of Arlington, County of Tarrant, State of Texas.

WITNESSETH:

WHEREAS, St. Paul now operates a tertiary care hospital and other facilities located in Dallas, Texas, and therein provides health care services for persons in need of such services, and University provides an academic program with respect to health care; and

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

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

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

NOW, THEREFORE, in consideration of the premises and of the benefits derived and to be derived therefrom and from the program or programs established and implemented by said parties, St. Paul and University agree that any program agreed to by and between St. Paul and University, during the term of this Agreement, for purposes of achieving the above described goals and objectives of said parties (hereinafter called "Student Educational Experience Program" or "Program") shall be covered by and subject to the following terms and conditions:

1. Each respective Program shall not become effective until all agreements between the parties with respect to such Program have been reduced to writing ("Program Agreement"), and executed by the duly authorized representatives of St. Paul and University.

2. Each respective 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 a Program Agreement and the text of this Agreement, this Agreement shall govern.

4. After each Program Agreement becomes effective, no amendments thereto shall be valid unless in writing and executed by the duly authorized representatives of St. Paul and University.

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

- (a) To use good faith efforts to comply with Federal, State and Municipal laws, ordinances, rules and regulations applicable to performance by St. Paul of its obligations under this Agreement, and applicable accreditation requirements, and to certify such accreditation 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 St. Paul pursuant to this Agreement as are necessary for accreditation evaluation.

- (c) To appoint a person to serve for St. Paul 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, St. Paul 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 St. Paul to be Liaison, and within ten days after receipt of same, University shall notify St. Paul of University's approval or disapproval of such person. In the event the Liaison becomes unacceptable to University after appointment, and University so notifies St. Paul in writing, St. Paul 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 St. Paul with the names of the students assigned by University to participate in the Program.
- (b) To assign for participation in each Program only those students (1) who have satisfactorily completed those portions of its curriculum which, according to each Program Agreement, are prerequisite to such participation, all as determined by University in its sole discretion, and (2) who have entered into a written agreement with University and St. Paul 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 St. Paul.
- (c) To designate a member of the University faculty to coordinate with St. Paul through its Liaison the learning assignment to be assumed by each student participating in the Program, and to furnish St. Paul in writing the name of such faculty member.

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

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

9. No oral representations of any officer, agent, or employee of St. Paul or the 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. University shall, to the extent authorized under the constitution and laws of the State of Texas, hold St. Paul harmless from liability resulting from University's (including Student's and Faculty's) acts or omissions resulting in injury, loss or damage arising in connection with the performance of or terms of this

agreement, including, but not limited to, damage to hospital property or property of others, or injury to hospital employees or any other person; provided, however, University shall not hold St. Paul harmless from any claims, demands, or causes of action arising in favor of any person or entity, growing out of, incident to, or resulting directly or indirectly from the sole negligence of St. Paul, its officers or employees, or any person or entity not subject to University's supervision or control. University shall maintain both professional liability insurance and personal injury insurance with an insurance carrier and in amount which are satisfactory to St. Paul. Proof of such insurance shall be provided upon request of St. Paul.

11. 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 or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

12. This Agreement shall not become effective unless and until approved by St. Paul. 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 St. Paul, and after such initial term, from year to year unless one party shall have given one hundred eighty (180) days' prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (a) at the end of 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 each Program at the end of the term of this Agreement have completed their respective courses of study under each Program; whichever event last occurs.

EXECUTED BY St. Paul and University on the day and year written below in duplicate copies, each of which shall be deemed an original.

UNIVERSITY

By *UW Neadum* 4/26/83
President Date

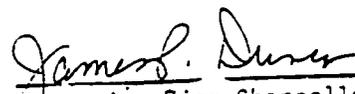
ST. PAUL

By *Austin D. ...* 3/27/83
Date

FORM APPROVED:

CONTENT APPROVED:

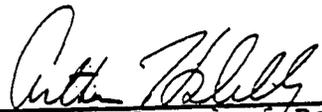

General Counsel
The University of Texas System


Executive Vice Chancellor for
Academic Affairs
The University of Texas System


Chancellor
The University of Texas System

ATTEST:

THE BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM


Exec. Secretary, Board of Regents
The University of Texas System


Chairman, Board of Regents
The University of Texas System

ARTHUR H. DILLY

JON P. NEWTON

4. U. T. Austin: Appointments to Endowed Academic Positions in the (a) College of Communication; (b) College of Engineering; (c) College of Fine Arts; (d) Lyndon B. Johnson School of Public Affairs; (e) College of Natural Sciences; and (f) School of Nursing.--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 Communication effective September 1, 1984

Dr. John D. Leckenby, currently Professor of Advertising at the University of Illinois, initial holder of the Times Mirror Centennial Visiting Professorship in Advertising for the Fall Semester 1984

- (b) College of Engineering

- (1) Dr. Raymond C. Loehr, currently the Liberty Hyde Bailey Professor of Engineering at Cornell University, initial holder of the Hussein M. Alharthy Centennial Chair in Civil Engineering effective January 16, 1985

It was noted that on that date, Dr. Loehr will join the U. T. Austin faculty in the Department of Civil Engineering.

- (2) Mr. Harvey G. Cragon, currently Senior Fellow at Texas Instruments Incorporated, initial holder of the Ernest Cockrell, Jr. Centennial Chair in Engineering effective September 1, 1984

It was noted that Mr. Cragon will join U. T. Austin's faculty as a Professor in the Department of Electrical Engineering.

See Page 92, Item 2 for item related to the endowment of this Chair.

- (3) Dr. Victor G. Szebehely, currently Professor, Department of Aerospace Engineering and Engineering Mechanics, and holder of the Dula D. Cockrell Centennial Chair in Engineering, initial holder of the Richard B. Curran Centennial Chair in Engineering effective September 1, 1984
- (c) College of Fine Arts effective September 1, 1984
- (1) Dr. Morris J. Beachy, Professor, Department of Music, initial holder of the Marlene and Morton Meyerson Centennial Professorship in Music
 - (2) Mr. Leon Danielian, Professor, Department of Drama, initial holder of the Susan Menefee Ragan Regents Professorship in Fine Arts
- (d) Lyndon B. Johnson School of Public Affairs effective September 1, 1984

Mr. Jagat Mehta, formerly Fellow at the Woodrow Wilson International Center for Scholars, Smithsonian Institute, reappointed to the Distinguished Visiting Tom Slick Professorship of World Peace for the Fall Semester 1984

This appointment was made in accordance with selection procedures as outlined in the Tom Slick Memorial Trust Agreement of July 21, 1972.

- (e) College of Natural Sciences effective September 1, 1984
- (1) Dr. James C. Browne, Professor, Department of Computer Sciences, initial holder of the David Bruton, Jr. Centennial Professorship in Computer Sciences
 - (2) Dr. K. Mani Chandy, Professor and Chairman, Department of Computer Sciences, initial holder of the Second David Bruton, Jr. Centennial Professorship in Computer Sciences
 - (3) Dr. Cameron M. Gordon, Professor, Department of Mathematics, initial holder of the Joe B. and Louise Cook Professorship in Mathematics for the 1984-85 and 1985-86 academic years
 - (4) Dr. David S. Evans, Professor, Department of Astronomy, initial holder of the Josey Centennial Professorship in Astronomy for the 1984-85 and 1985-86 academic years

(5) Dr. Harlan J. Smith, Professor, Department of Astronomy, and Director of the McDonald Observatory, initial holder of the Edward Randall, Jr., M.D. Centennial Professorship in Astronomy

(6) Dr. Alan H. Cowley, Professor, Department of Chemistry, initial holder of the George W. Watt Centennial Professorship in the Department of Chemistry

(7) Dr. William T. Guy, Professor, Department of Mathematics, reappointed to the Marion Harris Gilliam Centennial Professorship in Mathematics or Physics for the 1984-85 academic year

(f) School of Nursing effective September 1, 1984

Dr. Marjorie Beyers, formerly Director of the National Commission on Nursing, initial holder of the James R. Dougherty, Jr. Centennial Professorship in Nursing Service Administration

It was noted that Dr. Beyers will be joining the U. T. Austin faculty as a Professor in the School of Nursing effective with her appointment.

5. U. T. Austin: Dr. Peter T. Flawn Appointed Initial Holder of the Regents Chair in Higher Education Leadership Effective Immediately.--Dr. Peter T. Flawn, President of The University of Texas at Austin, was appointed initial holder of the Regents Chair in Higher Education Leadership effective immediately. Dr. Flawn's appointment fulfills one of the terms of the endowment which stipulates that the holder of the chair will be the President of U. T. Austin.

See Page 95, Item 9 for the establishment of the Regents Chair in Higher Education Leadership.

It was noted that Dr. Flawn will continue to hold the Leonidas T. Barrow Centennial Chair in Mineral Resources in the College of Natural Sciences.

6. U. T. Austin: Appointment of Ashbel Smith Professors Effective September 1, 1984 -- Dr. Norval D. Glenn, Dr. Lester J. Reed and Dr. Waneen W. Spirduso.--On July 12, 1963, the U. T. Board of Regents authorized ten Ashbel Smith Professorships at The University of Texas at Austin. The number of these professorships was increased to fifteen by Regental action on April 11, 1980.

To fill three of the current vacancies, the following professors at U. T. Austin were named Ashbel Smith Professors effective September 1, 1984:

a. Dr. Norval D. Glenn, Professor of Sociology

b. Dr. Lester J. Reed, Professor of Chemistry and Director of the Clayton Foundation Biochemical Institute

c. Dr. Waneen W. Spirduso, Professor and Chairman, Department of Physical and Health Education

7. U. T. Austin: Approval of Increases in (a) Student Services Fee (Required), (b) Certain Optional Student Services Fees, (Cactus Yearbook, UTmost Magazine, TSP Package), (c) Parking Permit Fees, and (d) Parking and Traffic Citation Fines Effective with the Fall Semester 1984 (Catalog Change).--Upon the recommendation of the Academic Affairs Committee, the Board approved increases in certain fees at The University of Texas at Austin effective with the Fall Semester 1984 as set out below:

a. Student Services Fee (Required)

The Board approved an increase in the Student Services Fee (Required) from \$64.00 to \$70.40 for a student registered for twelve semester hours or more per semester or full summer session.

This fee is to be prorated \$31.40 for each enrolled student for hospital and health services (1983-84 rate was \$31.00) and \$3.25 per semester credit hour for other services (1983-84 rate was \$2.75).

b. Optional Student Services Fees

	1984-85 Fee
Cactus Yearbook	\$24.67
UTmost Magazine	8.00
TSP Package	29.10

c. Parking Permit Fees

<u>Type Permit</u>	<u>Cost/Year</u>
<u>Student</u>	
C (Car)	\$11.00
M (Motorcycle)	7.00
D (Disabled)	11.00
A (Health)	11.00
<u>Faculty/Staff</u>	
O (Administrative Officers)	79.00
F (Reserved)	53.00
A (Unreserved)	22.00
D (Disabled)	53.00
M (Motorcycle)	7.00

d. Parking and Traffic Citation Fines

Further, the Board approved increases in charges for parking and traffic citation fines by 20%, increasing these fines from \$5, \$10 and \$15 to \$6, \$12 and \$18.

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

8. U. T. Austin - College of Engineering: Approval to Name Certain Rooms in the New Chemical and Petroleum Engineering Building for Specified Donors and Room 1.306 in Ernest Cockrell, Jr. Hall The Alec Center for Creativity (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--In accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2 relating

to the naming of facilities other than buildings, approval was given to name the following rooms in the new Chemical and Petroleum Engineering Building of the College of Engineering at The University of Texas at Austin in recognition of contributions from various donors:

- a. Room 2.236 - The Folkert N. Brons Conference Room
- b. Room 2.208 - The Ben H. Caudle Classroom
- c. Room 2.204 - The Sylvain J. Pirson Classroom
- d. Room 4.446 - Himmelblau Graduate Research Reference Room

The naming of Rooms 2.236, 2.208, and 2.204 is to recognize a generous gift and pledge totaling \$15,000 from Dr. William M. Evans to be matched by the Atlantic Richfield Foundation for a total of \$30,000 toward the College of Engineering's endowment program for the new Chemical and Petroleum Engineering Building. Dr. Evans requested that these rooms be named in honor of his friends and associates, Folkert N. Brons, Ben H. Caudle, and Sylvain J. Pirson.

The naming of Room 4.446 is to recognize a \$10,000 pledge from Dr. David Himmelblau to support a graduate research reference room in the new Chemical and Petroleum Engineering Building.

Further, the Board approved the designation of Room 1.306, a reading room in the Richard W. McKinney Engineering Library in Ernest Cockrell, Jr. Hall, as The Alec Center for Creativity in recognition of a \$10,000 gift from Mr. Richard W. McKinney to be used to establish an endowment fund to support the academic purposes of this room.

See Page 98, Item 15 for the establishment of The Alec Center for Creativity Endowment Fund.

9. U. T. Austin - School of Law: Approval to Name Room 3.129 in Townes Hall the Anna Elizabeth Simmons Memorial Seminar Room (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--Approval was given to name Room 3.129 in Townes Hall in the School of Law at The University of Texas at Austin the Anna Elizabeth Simmons Memorial Seminar Room, in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2 relating to the naming of facilities other than buildings.

The naming of this room in honor of Miss Anna Elizabeth Simmons is to recognize a bequest under her Will to U. T. Austin's School of Law totaling more than \$57,000 to be used to establish an unrestricted endowment for the benefit of the School of Law.

See Page 99, Item 20 for the establishment of this endowment.

10. U. T. Austin: Authorization to Name the Auditorium/Recital Hall in the Music Building West the Jessen Auditorium (Regents' Rules and Regulations, Part One, Chapter VIII, Section 1, Subsection 1.2, Naming of Facilities Other Than Buildings).--Authorization was given to name the auditorium/recital hall in the Music Building West at The University of Texas at Austin the Jessen Auditorium in accordance with the Regents' Rules and Regulations, Part One, Chapter VIII,

Section 1, Subsection 1.2 relating to the naming of facilities other than buildings.

The naming of this hall is in honor of Wolf and Janet Jessen to recognize previously accepted gifts exceeding \$470,000 from their estates to the College of Fine Arts and the School of Architecture at U. T. Austin.

11. U. T. Dallas: Authorization for a Third-Year Leave of Absence Without Pay to Professor Will Beth Stephens, School of Human Development, for the 1984-85 Academic Year (Regents' Rules and Regulations, Part One, Chapter III, Section 16, Subsection 16.4).--In accordance with the Regents' Rules and Regulations, Part One, Chapter III, Section 16, Subsection 16.4, authorization was given for a third-year leave of absence without pay to Professor Will Beth Stephens, School of Human Development at The University of Texas at Dallas, for the 1984-85 academic year.

Professor Stephens will continue to serve as Director of the Defense Department's Dependents Schools in Washington, D.C., to allow her to supervise several new programs which she recently implemented.

12. U. T. El Paso: Authorization to Establish a Computer User Charge Effective Fall Semester 1984 (Catalog Change).--In order to provide a proper maintenance and replacement program for computer equipment utilized by students enrolled in computer-related courses at The University of Texas at El Paso, the Board authorized a Computer User Charge of \$10.00 per semester effective with the Fall Semester 1984.

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

13. U. T. El Paso: Approval to Increase Rental Rates for University-Owned Residence Halls (Dormitories) and Student Family Apartments Effective Fall Semester 1984 (Catalog Change).--The Board approved increases in rental rates as set forth below for University-Owned Residence Halls (Dormitories) and Student Family Apartments at The University of Texas at El Paso effective with the Fall Semester 1984.

The University of Texas at El Paso
Housing Rate Schedule for 1984-85

<u>University-Owned Residence Halls (Dormitories) - Room and Board</u> ¹	<u>Effective Fall Semester 1984</u>
Semester Contract (4½ Months)	
Double Room	\$ 1,330
Suite	1,415
Private Room	1,630
Long Session Contract (9 Months)	
Double Room	\$ 2,400
Suite	2,700
Private Room	3,000
Summer Session (Each Term)	
Double Room	\$ 520
Suite	n/a
Private Room	627

Effective
Fall Semester
1984

Student Family Apartments²

Apartment (Per Month) \$ 275

- ¹ Each double room, suite, or private room in residence halls is provided with a telephone. Board consists of twenty meals per week.
- ² Monthly rental rates for Student Family Apartments include utilities.

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

14. U. T. Permian Basin: Dr. James L. Colwell Appointed Initial Holder of the Kathlyn Cospers Dunagan Professorship in the Humanities, College of Arts and Education, Effective September 1, 1984.--The Board appointed Dr. James L. Colwell, Professor of Literature at The University of Texas of the Permian Basin, initial holder of the Kathlyn Cospers Dunagan Professorship in the Humanities, College of Arts and Education, effective September 1, 1984.
15. U. T. San Antonio: Approval to Increase the (a) Regular Transcript Fee, (b) Emergency Transcript Fee, and (c) Degree Application Fee Effective Fall Semester 1984 (Catalog Change).--In order to help defray costs of equipment purchases required to produce transcripts on-line and new forms necessary for the implementation and operation of the student records system, the Board approved increases in the following fees at The University of Texas at San Antonio effective with the Fall Semester 1984:

	Effective Fall Semester 1984
Regular Transcript Fee	\$ 3.00
Emergency Transcript Fee	\$ 5.00
Degree Application Fee	\$12.00

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

16. U. T. Tyler: Authorization to Increase the Student Services Fee (Required) Effective Fall Semester 1984 (Catalog Change).--In order to cover increases in mandated staff salaries and benefits, rising operational costs, and the allocation of purchased utilities to student services areas, the Board authorized an increase in the Student Services Fee (Required) at The University of Texas at Tyler from \$5.00 per semester credit hour, with a maximum of \$60.00 per semester to \$7.50 per semester credit hour, with a maximum of \$90.00 for any one semester or summer session effective with the Fall Semester 1984.

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

17. U. T. Arlington, U. T. Austin, U. T. Dallas, U. T. El Paso, U. T. Permian Basin, U. T. San Antonio, U. T. Tyler, and U. T. Institute of Texan Cultures - San Antonio: Nominees to Development Boards and Advisory Councils Effective September 1, 1984.--Approval was given to nominees for membership on the following development boards and advisory councils of the general academic institutions of The University of Texas System to be effective September 1, 1984.

The names of those accepting membership will be reported for the record at a subsequent meeting of the U. T. Board of Regents.

(a) The University of Texas at Arlington

Development Board
Graduate School of Social Work Advisory Council
School of Architecture and Environmental Design
Advisory Council
College of Business Administration Advisory Council
College of Engineering Advisory Council
School of Nursing Advisory Council

(b) The University of Texas at Austin

Development Board
School of Architecture Foundation Advisory Council
College of Business Administration Foundation Advisory Council
College of Communication Foundation Advisory Council
College of Education Foundation Advisory Council
College of Engineering Foundation Advisory Council
College of Fine Arts Foundation Advisory Council
Geology Foundation Advisory Council
Graduate School Foundation Advisory Council
Graduate School of Library and Information Science
Foundation Advisory Council
College of Liberal Arts Foundation Advisory Council
College of Natural Sciences Foundation Advisory Council
Pharmaceutical Foundation Advisory Council
School of Social Work Foundation Advisory Council
Marine Science Institute Advisory Council
McDonald Observatory and Department of Astronomy Board
of Visitors
School of Nursing Advisory Council
Texas Union Advisory Council

(c) The University of Texas at Dallas

Development Board
School of Management Advisory Council
Callier Center for Communication Disorders Advisory Council
School of General Studies Advisory Council
School of Arts and Humanities Advisory Council
School of Social Sciences Advisory Council

(d) The University of Texas at El Paso

Development Board

(e) The University of Texas of the Permian Basin

Development Board
College of Business Administration Advisory Council
College of Science and Engineering Advisory Council

- (f) The University of Texas at San Antonio
Development Board
College of Business Advisory Council
- (g) The University of Texas at Tyler
Development Board
- (h) The University of Texas Institute of Texan Cultures at San Antonio
Development Board

U. T. Austin: Comments Regarding the Status of U. T. Law School Graduates and the Texas State Bar Examination.--At the conclusion of the Academic Affairs Committee, Regent Milburn asked President Flawn to comment upon the disappointing percentage of U. T. Law School graduates who successfully passed the recent State Bar Examination.

President Flawn indicated that the recent Bar Examination results were a matter of grave concern to the University Administration and the faculty of the Law School. He stated that revisions in the Law School curriculum are currently under consideration to address the matter of specific preparation for the Texas Bar Examination. Dr. Flawn noted that, unlike certain other law schools, U. T. had a basic thrust toward a quality general legal education rather than preparation for passage of the Bar Examination, but that changes would address what appear to be weaknesses in the curriculum related to Texas practice. He indicated that while the problem is serious, the Law School is directing its best efforts toward an effective solution.

REPORT AND RECOMMENDATIONS OF THE HEALTH AFFAIRS COMMITTEE (Pages 59 - 76).--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. Board of Regents - Regents' Rules and Regulations, Part One: Amendment to Chapter III, Subsection 6.23 of Section 6 (Tenure, Promotion and Termination of Employment).--Upon recommendation of the Health Affairs Committee, approval was given to amend Part One, Chapter III, Subsection 6.23 of Section 6 (Tenure, Promotion and Termination of Employment) of the Regents' Rules and Regulations to read as follows:

6.23 The maximum period of probationary faculty service in nontenured status in any academic rank or combination of academic ranks specified in Section 6.21 shall not be more than seven years of full-time academic service at the general academic institutions of the System and not more than nine years of full-time academic service at the health science centers of the System. In the event that a component institution fails to specify the maximum length of probationary service in its Handbook of Operating Procedures, such period shall be seven years at the general academic institutions of the System and nine years at the health science centers of the System. No later than August 31st of the penultimate academic year of the maximum probationary period in effect at any component institution, all nontenured faculty serving in a rank which accrues time toward satisfaction of a probationary period shall be given notice that the subsequent academic year will be the terminal year of employment or that beginning with the subsequent academic year tenure or a seven-year term appointment will be granted. In the event that the employment of a nontenured faculty member is to be terminated prior to the end of the maximum probationary period, notice shall be given in accordance with Section 6.7 below.

This change extends the maximum probationary period for nontenured faculty members at the health institutions of The University of Texas System from seven years to nine years, thereby allowing adequate time to review faculty members for tenure.

2. U. T. Health Science Center - Dallas, U. T. Medical Branch - Galveston, U. T. Health Science Center - Houston, U. T. Health Science Center - San Antonio, U. T. Cancer Center, and U. T. Health Center - Tyler: Approval of Standard Format for Bylaws of the Medical Service, Research and Development Plan/Physician Referral Service (MSRDP/PRS) Effective September 1, 1984.--In 1969, The University of Texas System mandated the Medical Service, Research and Development Plan/Physician Referral Service (MSRDP/PRS) approach for the billing, collection, and use

of fees generated by University physicians. In 1982, the U. T. Board of Regents authorized System Administration to begin an overall review of this MSRDP/PRS system. This review has resulted in centralized billing, development of MSRDP/PRS handbooks, and formulation of a standard format for Bylaws. Therefore, upon recommendation of the Health Affairs Committee, the Board approved the standard format for Bylaws of the Medical Service, Research and Development Plan/Physician Referral Service (MSRDP/PRS) for The University of Texas Health Science Center at Dallas, The University of Texas Medical Branch at Galveston, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, The University of Texas System Cancer Center, and The University of Texas Health Center at Tyler effective September 1, 1984 as set out on Pages 60 - 73.

It was reported that amendments to the discretionary provisions of the standard format Bylaws may be approved by the Office of the Chancellor upon recommendation of the chief administrative officer, and that proposals for non-discretionary changes must be approved by the Council of Health Institutions with the concurrence of the Office of the Chancellor and approval by the U. T. Board of Regents.

BYLAWS

THE MEDICAL SCHOOL OF

AT _____

MEDICAL SERVICE, RESEARCH AND DEVELOPMENT PLAN/
PHYSICIAN REFERRAL SERVICE

ARTICLE I

PURPOSE

The purpose of the Medical Service, Research and Development Plan/Physician Referral Service (the "Plan") is to manage and hold in trust the professional income of faculty members of the Plan at the (medical school) of The University of Texas (Health Science Center) at _____ (the "School"). The Plan will contribute to and safeguard the continued growth in excellence of the School. The Plan creates an Institutional Trust Fund. The purposes and operation of the Fund are described in these Bylaws.

ARTICLE II
DEFINITIONS

2.10 TOTAL COMPENSATION

2.11 For purposes of this Plan, "Total Compensation" shall be defined as that total remuneration comprised of salary and other compensation paid to faculty members by the (Institution). Total Compensation shall not be construed to include fringe benefits.

2.20 SALARY

2.21 For purposes of this Plan, "Salary" shall be defined as that part of Total Compensation set forth as "Total Salary" in the annual operating budget of the (Institution), and amendments thereto as approved by the Board of Regents of The University of Texas System upon recommendation of the Administration.

2.22 Each Member's Salary shall be determined annually, upon recommendation of his or her (Department Chairman) and the (Dean of Medicine) with approval of the (President) of the (Institution) and the Office of the Chancellor in accordance with The University of Texas System Budget Rules and Procedures.

2.30 OTHER COMPENSATION

2.31 For purposes of this Plan, "Other Compensation" shall be defined as that part of Total Compensation set forth as an addition to Total Salary in the annual operating budget of the (Institution), and amendments thereto, as approved by the Board of Regents of The University of Texas System upon recommendation of the Administration.

2.32 Each Member's "Other Compensation" shall be determined annually, upon recommendation of his or her (Department Chairman) and the (Dean of Medicine) with approval of the (President) of the (Institution) and the Office of the Chancellor in accordance with The University of Texas System Budget Rules and Procedures.

ARTICLE III
ORGANIZATION OF PLAN

3.10 MEMBERSHIP

- 3.11 Membership in the Plan is required of each full-time faculty member in a clinical department who performs professional activities as set out in Section 4.30, except as authorized by the U. T. Board of Regents.
- 3.12 A full-time faculty member in a pre-clinical department who generates income from medical professional activities must be a Member of the Plan.
- 3.13 (Part-time faculty) may become Members upon recommendation of the (Department Chairman), and approval of the (Dean of Medicine) and the (President) of the (Institution).
- 3.14 All Members shall be entitled to participate in the Plan, vote upon all business brought before the Membership of the Plan, and be eligible for any election (or appointment) to any committee of the Plan.
- 3.15 A Member leaving the faculty terminates Membership in the Plan without recourse.

3.20 MEETINGS OF MEMBERSHIP

- 3.21 The Membership shall meet in general session (annually, quarterly) at a place designated by the Chairman of the Board of Directors. Notice of the (annual, quarterly) meeting shall be distributed to each Member at least (_____) days prior to the meeting.
- 3.22 Special meetings may be called by the (Board, President or Dean) or upon written petition of one-half (1/2) of the Members subject to (_____) days notice in writing.
- 3.23 The Chairman of the Board of Directors or in his absence, the (Vice-Chairman) shall preside. The Secretary of the (Board of Directors) shall serve as Secretary of the Plan.
- 3.24 [One-half (1/2)] of the Membership shall constitute a quorum.
- 3.25 Each Member shall have one (1) vote.

- 3.26 Except where otherwise specified within these Bylaws, (a simple majority) shall constitute a prevailing vote.
- 3.27 Minutes of each meeting shall be prepared by the Secretary, published and circulated to each Member of the Board of Directors and shall be available to each Member upon request.
- 3.28 The rules of order for meetings shall be (the current edition of Robert's Rules of Order).
- 3.30 BOARD OF DIRECTORS (Advisory Board)
- 3.31 The Board of Directors will assume its responsibilities annually on (_____).
- 3.32 The Board of Directors shall be composed as follows:
- A. (President) and (Vice President for Business Affairs) of the (Institution) (Ex-Officio non-voting).
 - B. (Dean of the Medical School).
 - C. The Chairman of each Clinical Department, if a Member of the Plan (other statements regarding proxy).
 - D. _____ Members-at-large will be (indicate basis of appointment, election, and so forth).
 - E. The Director of the Plan shall be an Ex-Officio Member without vote.
 - F. (Others).
- 3.33 The Board of Directors shall be advisory to the (President) of the (Institution) on all matters relating to the Plan.
- 3.34 The Board of Directors may create standing and ad hoc committees from the Directors or from the Membership to make recommendations upon specific matters when necessary (committees may also be appointed at request of the Membership by vote and so forth). Appointment to these committees shall be noted in the Minutes of the Board of Directors (include any restriction on membership). The Minutes shall be kept of all committee meetings and recommendations shall be submitted to the Board in writing.

- 3.35 The Board of Directors shall report its activities to the Membership at the (annual, quarterly) meeting.
- 3.36 The Board shall meet at least (annually, quarterly) on call of the (Chairman of the Board, the Dean, the President) or on the written petition of [one-half to two-thirds (1/2-2/3)] of the Members of the Board.
- 3.37 The officers of the Board shall be a Chairman, a Vice-Chairman, and a Secretary.
- 3.38 The officers shall be elected (annually, bi-annually) by the (Board or Membership) at the meeting of the Board in the (____) (first quarter, last quarter, and so forth).
- 3.39 The Chairman and Vice-Chairman shall not serve in the same office more than two (2) consecutive terms but are eligible for re-election after an intervening year. No two (2) elected officers shall be from the same clinical department.
- 3.40 The Terms of office shall be (from ____ to ____ and so forth).
- 3.41 [One-half (1/2)] of the Board of Directors shall constitute a quorum.
- 3.42 Except where otherwise specified within these Bylaws, a simple majority vote shall prevail.

3.50 BUSINESS OPERATIONS

- 3.51 A Business Office shall be maintained for the Plan.
- 3.52 The Director of the Plan shall be the general administrative officer and business manager. The Director and staff shall be under the direction and supervision of the (Vice President for Business Affairs) of the (Institution).
- 3.53 An annual operating budget for all income and expenditures of the Plan shall be prepared and approved in accordance with the Budget Rules and Procedures of the Board of Regents of The University of Texas System.
- 3.54 Financial reports for the Plan shall be prepared by the Director of the Plan and submitted to the (Vice President for Business Affairs) for review

and submission to the Board of Directors at each (quarterly) meeting. A copy shall also be submitted to the Office of the Chancellor.

- 3.55 Detailed accounting records of all revenue under the Plan shall be maintained by the Director of the Plan.
- 3.56 The cost of business operations and other expenses incurred in the generation of income shall be paid from income to the Institutional Trust Fund as noted in Section 4.52.
- 3.57 Professional fees shall be centrally billed and collected by the business office for the Plan, in accordance with procedures developed by the Director of the Plan in consultation with the Board and approved by the (Vice President for Business Affairs) and the (President). All collections will be deposited in the Institutional Trust Fund.

ARTICLE IV
INSTITUTIONAL TRUST FUND

4.10 COMPOSITION

- 4.11 An Institutional Trust Fund shall be established for the receipt and disbursement of Plan income.
- 4.12 The Institutional Trust Fund shall be composed of one or more component sections as follows:
- A. Business Operation Fund
 - B. Institutional Development Fund
 - C. Institutional Fringe Benefit Fund
 - D. Clinical Department Fund (one for each participating clinical department)
- 4.13 The Institutional Trust Fund and the component sections shall be audited annually in accordance with regulations of The University of Texas System. The cost of said audit shall be paid for from the Business Operation Fund described in Section 4.50.

4.20 SOURCES OF INCOME

- 4.21 Pursuant to the Member's contract with the Institution for participation in the MSRDP/PRS, each

Member shall assign his professional income to the Institutional Trust Fund.

- 4.22 (If applicable) income can be accepted from voluntary and part-time faculty who are not Members of the Plan, at the discretion of the individual, upon the recommendation of (_____) and approval of the (_____), and the (President) of the (Institution).

4.30 ITEMS INCLUDED IN PROFESSIONAL INCOME

- 4.31 Professional fees generated for all patient care services rendered by full-time faculty (regardless of where rendered) and by all part-time faculty who are Members of the Plan.
- 4.32 Fees for all court appearances, depositions, or legal consultations.
- 4.33 All other professional income with the exception of the following:
- A. Honoraria, royalties, non-professional retainers.
 - B. Payment for editing scientific publications.
 - C. Non-medical professional consultation fees (honoraria).
- 4.34 Other income not specifically described above shall be reported to the (President) or his designee for determination.

4.40 DETERMINATION OF PROFESSIONAL FEES

- 4.41 Individual Members of the Plan will prepare a fee schedule which shall be used for billing purposes, subject to procedures to be determined by the Board of Directors.
- 4.42 Guidelines for discounting fees will be developed by the Director of the Plan, recommended by the Board of Directors, and approved by the (President). Individual Members may alter or extinguish any charge for professional services at any time prior to billing for such services, or after billing and prior to collection where the initial charge resulted from an incorrect financial classification of patient.

4.50 BUSINESS OPERATION FUND

4.51 The Business Operation Fund shall be expended for the conduct of general administrative and business affairs of the Plan.

4.52 A percentage of the gross income from the Institutional Trust Fund, as needed to fund the approved budget of the business office of the Plan, shall be deposited each month into the Business Operation Fund.

4.53 Expenditures from the Business Operation Fund shall be subject to the same budget rules and procedures applicable to other funds within the Institutional Trust Fund.

4.60 INSTITUTIONAL DEVELOPMENT FUND

4.61 The Institutional Development Fund shall be expended to enhance and support programs of the Institution as a whole.

4.62 Additions to the Institutional Development Fund shall result from a distribution of net cash collections as determined by the (President) on an annual basis.

4.63 Expenditures from the Institutional Development Fund shall be at the discretion of the (President). Such expenditures shall also be subject to the same budget rules and procedures applicable to other funds within the Institutional Trust Fund.

4.70 INSTITUTIONAL FRINGE BENEFIT FUND

4.71 The Institutional Fringe Benefit Fund shall be expended for basic fringe benefits, and may include supplemental retirement benefits for faculty members of the School.

4.72 Additions to the Institutional Fringe Benefit Fund shall result from a distribution of net cash collections deposited in the Institutional Trust Fund. Such distribution shall be in such amount as may be necessary to cover the basic Fringe Benefit Program plus appropriate reserves.

4.73 Expenditures from the Institutional Fringe Benefit Fund shall be made at the recommendation of the Board of Directors subject to approval of

the (President). Such expenditures shall also be subject to the same budget rules and procedures applicable to other funds within the Institutional Trust Fund.

4.74 Expenditures allowable from the Institutional Fringe Benefit Fund shall be subject to the guidelines issued by the Office of the Chancellor.

4.80 CLINICAL DEPARTMENT FUND

4.81 An individual Clinical Department Fund shall be established for each clinical department in the Medical School. Clinical Department Funds shall be expended in support of faculty compensation, approved fringe benefits, Professional Liability Insurance, and functions related to teaching, research and patient-care activities.

4.82 Additions to the Clinical Department Fund shall result from a distribution of net cash collected and deposited in the Institutional Trust Fund. Such distribution shall be the remaining balance of said net income after the distributions to the Development Fund and the Fringe Benefit Fund.

4.83 Expenditures from the Clinical Department Fund shall be under the direction of each Clinical Chairman in accordance with those items allowable per Section 4.84. Such expenditures shall also be subject to the same budget rules and procedures applicable to other funds within the Institutional Fund.

4.84 Expenditures allowable from the Clinical Department Fund will be detailed in Appendix B of the Plan.

4.85 Benefits provided pursuant to Sections 4.71 and 4.81 which are determined by the Office of the Chancellor to be taxable to the individual Member shall be subject to withholding and reported pursuant to the rules and regulations of the Internal Revenue Service.

4.86 Fringe Benefits authorized by the Office of the Chancellor are set out in Appendix A.

4.87 The fringe benefits provided to each Member shall be designated by the (President) from among those authorized by the Office of the Chancellor upon

recommendation by the (Dean) and (Department Chairman). Members shall not have the authority to determine which fringe benefits they shall receive.

ARTICLE V
GENERAL PROVISIONS

5.10 ETHICS

5.11 The principles of medical ethics of the American Medical Association and the principles of dental ethics of the American Dental Society are accepted as the governing code of ethics by the physician and dentist members of the Plan.

5.12 Should the principles of ethics described in Section 5.11 be found to be in conflict with the constitution or laws of the State of Texas or the United States of America, they shall not apply to the extent of the conflict.

5.20 AMENDMENTS

5.21 These Bylaws have been developed within the standard format approved by the Board of Regents on June 14, 1984. Amendments under Section 5.22 may be made only as they affect discretionary provisions within the standard format.

5.22 These Bylaws may be amended by a two-thirds (2/3) vote of the Members at any regular meeting of the Plan, provided that the proposed amendment shall have been offered at the previous meeting or by written notice to the Members not less than thirty (30) days prior to the meeting at which the amendment is brought to a vote.

5.23 Notice of proposed amendments required in Section 5.22 shall include the complete text of the proposed amendments.

5.24 Amendments shall become effective upon vote of the Members as described in Section 5.22, approval by the (President) of the (Institution) and the Office of the Chancellor.

5.30 CONTRACT

5.31 A contract prescribed by the Office of the Chancellor of The University of Texas System shall be executed between each Member and the (Institution).

5.32 Execution of the contract by the Member is a condition for membership and participation in the Plan, notwithstanding any other provision in these Bylaws.

5.40 DISSOLUTION

5.41 The Plan may be dissolved by the (President) upon recommendation of the Board of Directors and three-fourths (3/4) vote of the entire Membership. All monies residual in the Trust Fund shall be utilized to discharge obligations of the Plan with the balance to become the property of the (Institution).

APPENDIX A
MSRDP/PRS AUTHORIZED FRINGE BENEFITS*
Effective September 24, 1982

<u>Authorized Fringe Benefits</u>	<u>Maximum</u>
1. Health Insurance	UT Plan I for Member and Family plus TMA Plan or Equivalent (May include reimbursement allowance for incidental expenses not to exceed approved yearly limits).
2. Term Life	Maximum of four (4) times annual compensation.
3. Long-Term Disability	UT Plan with Umbrella Coverage.
4. Accidental Death	UT Plan for Member and Family.
5. Dental	UT Plan plus Umbrella Coverage for Member and Family.
6. College-Educational Allowance	In accordance with approved yearly limits per dependent in post high school educational institution, not to exceed eight years. Tuition and Fees only for part-time enrollment.
7. Membership Dues	Memberships in Faculty Clubs, Medical Center Clubs, or Equivalent.
8. Auto Lease Allowance	In accordance with approved limits.
9. Supplemental Retirement	Statutory limit plus additional taxable.
10. Parking Fees	For Member only.

- | | |
|---|--|
| 11. Travel Expense:
Spouse or Family Member | In rare instances-- by
special approval. |
| 12. Allowance for Special
Education-Training | In accordance with yearly
limits per dependent in
special education or train-
ing program, necessitated by
physical or mental impair-
ment, not to exceed eight
years. |

*Note: This list of authorized fringe benefits and yearly limits may be periodically amended by action of the Office of the Chancellor.

In addition to the above, MSRDP/PRS Funds may be used for Professional Business purposes as set forth below:

Additional Expenditures

1. Malpractice Insurance
2. Official Travel Expense to Maximum of Actual Expense
3. Faculty Development Leaves in Accordance with the Regents' Rules and Regulations
4. Uniforms or Lab Coats
5. Membership Dues in Professional or Scientific Organizations
6. Medically Related Educational Aids Such as Books, Journals, Slides and Audio or Video Cassettes and Tapes

APPENDIX B

EXPENDITURES ALLOWABLE FROM CLINICAL DEPARTMENT FUND

1. Augmentation of member salaries
2. Salary for faculty and/or staff
3. General maintenance, operation and equipment for education, research and patient care
4. Ordinary and necessary business expenses incurred by the member in earning the professional fees charged by said member
5. Travel and other expenses, including registration fees and tuition incident to attendance at meetings and courses as required by the Medical School or Department
6. Travel in support of education, research and patient-care activities
7. Professional society memberships
8. Fringe benefits as approved by The University of Texas System
9. Permanent equipment and facilities
10. Consultant fees, expenses and official entertainment, including guest speakers at official University sponsored or sanctioned meetings
11. Expenses incident to faculty or staff recruitment
12. Establishment or endowment of lectureships, professorships, or chairs, and academic and institutional programs

All expenditures are subject to the Rules and Regulations of the Board of Regents of The University of Texas System and applicable institutional regulations and procedures. This list of authorized expenditures may be periodically amended by action of the Office of the Chancellor.

3. U. T. Health Science Center - Dallas: Authorization to Increase the Student Services Fee (Required) Effective Fall Semester 1984 (Catalog Change).--The Board authorized an increase in the Student Services Fee (Required) at The University of Texas Health Science Center at Dallas from \$5.00 per semester credit hour, with a maximum of \$60.00, to \$7.50 per semester credit hour, with a maximum of \$90.00 per semester to be effective with the Fall Semester 1984.

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

4. U. T. Medical Branch - Galveston: Approval of Rate Increases for Dormitories and Apartments Effective Fall Semester 1984 (Catalog Change).--In order to remain consistent with escalating costs for utilities, salaries, general maintenance, and other operating expenses, the Board approved the following rental rates for dormitory rooms and apartments at The University of Texas Medical Branch at Galveston effective with the Fall Semester 1984:

	<u>1984-85</u> <u>Rates</u>
Dormitory:	
Semi-Private Room	\$ 95.00
Private Room	135.00
Apartments:	
Two Persons per Apartment	\$235.00
Three Persons per Apartment	270.00

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

5. U. T. Medical Branch - Galveston: Authorization to Increase Annual Membership Dues and Guest Charges for the Alumni Field House Effective September 1, 1984 (Catalog Change).--In order to offset the escalating costs of salaries, utilities and maintenance of the Alumni Field House at The University of Texas Medical Branch at Galveston, the Board approved the annual membership dues schedule and guest per visit charge effective September 1, 1984 as set out below:

	<u>Annual</u> <u>Rate</u>
Student	
Student/Family	Activity Fee \$ 18.00
Employee	100.00
Employee/Family	150.00
Locker	35.00
	<u>Per Visit</u>
Guest	\$ 4.00

It was ordered that the next appropriate catalog published at the U. T. Medical Branch - Galveston be amended to conform to this action.

6. U. T. Health Science Center - Houston: Approval to Increase the Student Services Fee (Required) Effective with the Fall Quarter 1984 (Catalog Change).--In order to cover anticipated operating costs associated with the opening of new recreational facilities at The University of Texas Health Science Center at Houston, the Board approved an increase in the Student Services Fee (Required) from \$2.92 per quarter credit hour, with a maximum of \$35.00, to \$3.75 per quarter credit hour, with a maximum of \$45.00 for any one quarter to be effective with the Fall Quarter 1984.

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

7. U. T. Health Science Center - Houston: Authorization to Reduce the Transcript Fee Effective June 18, 1984 (Catalog Change).--At its meeting on April 12, 1984, the U. T. Board of Regents authorized the collection of a transcript fee of \$5.00 at The University of Texas Health Science Center at Houston. In reviewing this transcript fee, it was recognized that students who apply for admission to graduate and professional programs may need to submit transcripts to as many as 12 to 15 schools and that a lower transcript fee of \$2.50 would be adequate at this time to cover the direct costs of preparing, copying and issuing transcripts. Upon the recommendation of the Health Affairs Committee, the Board authorized a reduction in the transcript fee from \$5.00 to \$2.50 effective June 18, 1984.

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

8. U. T. Health Science Center - Houston (U. T. Medical School - Houston): Laurence R. Tancredi, M.D., J.D., Appointed Initial Holder of the Kraft W. Eidman Development Board Professorship in the Medical Sciences Effective August 20, 1984.--The Board approved the appointment of Laurence R. Tancredi, M.D., J.D., as initial holder of the Kraft W. Eidman Development Board Professorship in the Medical Sciences at the U. T. Medical School - Houston of The University of Texas Health Science Center at Houston effective August 20, 1984.

It was noted that Dr. Tancredi has accepted the position of Professor of Medicine and the Law in the Department of Psychiatry at the U. T. Medical School - Houston effective with his appointment to this professorship.

9. U. T. Health Science Center - Houston (U. T. G.S.B.S. - Houston): Appointment of Stanley J. Reiser, M.D., Ph.D., as the Initial Holder of the Griff T. Ross Professorship in Humanities and Technology in Health Care Effective Immediately.--Stanley J. Reiser, M.D., Ph.D., Professor of Humanities and Technology in Health Care in the U. T. G.S.B.S. - Houston of The University of Texas Health Science Center at Houston, was appointed initial holder of the Griff T. Ross Professorship in Humanities and Technology in Health Care effective immediately.

See Page 101, Item 29 for the establishment of this Professorship.

10. U. T. Health Science Center - Dallas, U. T. Medical Branch - Galveston, U. T. Health Science Center - Houston, U. T. Health Science Center - San Antonio, U. T. Cancer Center, and U. T. Health Center - Tyler: Nominees to Development Boards and Advisory Councils Effective September 1, 1984.-- Approval was given to nominees for membership on the following development boards and advisory councils of the health-related institutions of The University of Texas System to be effective September 1, 1984.

The names of those accepting membership will be reported to the U. T. Board of Regents at a subsequent meeting:

- a. The University of Texas Health Science Center at Dallas
Development Board
- b. The University of Texas Medical Branch at Galveston
Development Board
School of Allied Health Sciences Advisory Council
School of Nursing Advisory Council
- c. The University of Texas Health Science Center at Houston
Development Board
Speech and Hearing Institute Advisory Council
- d. The University of Texas Health Science Center at San Antonio
Development Board
Medical School Advisory Council
Nursing School Advisory Council
- e. The University of Texas System Cancer Center
University Cancer Foundation Board of Visitors
- f. The University of Texas Health Center at Tyler
Development Board

REPORT AND RECOMMENDATIONS OF THE BUILDINGS AND GROUNDS COMMITTEE (Pages 77 - 89).--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. Arlington - Building for School of Architecture and Environmental Design (Project No. 301-548): Award of Construction Contract to B-F-W Construction Co., Inc., Temple, Texas; Approval of Revised Total Project Cost; Additional Appropriation Therefor; and Approval of Plaque Inscription.--The Finance and Audit and Buildings and Grounds Committees recommended and the Board:

- a. Awarded a construction contract for the Building for the School of Architecture and Environmental Design at The University of Texas at Arlington to the lowest responsible bidder, B-F-W Construction Co., Inc., Temple, Texas, as follows:

Base Bid	\$10,790,000
Alternate Bid No. 3 (Provide lay-in ceiling in lieu of integrated ceiling)	- 75,000
Alternate Bid No. 4 (Provide metal in lieu of glass railings)	- 90,000
Alternate Bid No. 6 (Storm Drainage System)	+ <u>115,000</u>
Total Contract Award	<u>\$10,740,000</u>

- b. Approved a revised total project cost of \$12,448,536. (The previously approved total project cost was \$11,600,000.)
- c. Appropriated \$848,536 from the appropriation made by the 67th Legislature, Special Session 1982, for total project funding. Previous appropriations had been \$11,475,000 from the same source and \$125,000 from Ad Valorem Tax proceeds.
- d. Approved the inscription set forth on Page 78 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.

SCHOOL OF ARCHITECTURE AND
ENVIRONMENTAL DESIGN
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 Yzaguirre

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

Pratt, Box, Henderson &
Partners
Project Architect
B-F-W Construction Co., Inc.
Contractor

The School of Architecture and Environmental Design will be a four-story building of about 119,660 square feet. The scope of the project has expanded slightly to provide space for an Architecture Library, a storm drainage system to handle run-off from about 16 acres of land so as to avoid the danger of flooding the ground level of the building in a severe storm, and a Computer Aided Design capability as part of the teaching equipment for the building.

2. U. T. Austin - Academic Center - Fourth Floor Modifications (Project No. 102-558): Approval of Final Plans; Authorization to Advertise for Bids and for the Executive Committee to Award Contract; and Additional Appropriation Therefor.--Upon recommendation of the Buildings and Grounds Committee, the Board:
 - a. Approved the final plans and specifications for the Academic Center - Fourth Floor Modifications at The University of Texas at Austin at an estimated total project cost of \$550,000
 - b. Authorized the Office of Facilities Planning and Construction to advertise for bids following completion of final review
 - c. Authorized the Executive Committee to award a construction contract within the authorized project cost
 - d. Appropriated \$520,000 from Permanent University Fund Bond proceeds for total project funding. Previous appropriations had been \$30,000 from Permanent University Fund Bond proceeds.

3. U. T. Austin - Athletic Facilities South of Memorial Stadium - Football Facility (Project No. 102-494): Approval of Final Plans; Authorization to Advertise for Bids and for the Executive Committee to Award Contract; and Additional Appropriation Therefor.--The Finance and Audit and Buildings and Grounds Committees recommended and the Board:
 - a. Approved the final plans and specifications for the Athletic Facilities South of Memorial

Stadium - Football Facility at The University of Texas at Austin at an estimated total project cost of \$7,000,000

- b. Authorized the Office of Facilities Planning and Construction to advertise for bids following completion of final review
- c. Authorized the Executive Committee to award all contracts within the authorized project cost
- d. Appropriated \$1,230,000 from Auxiliary and Designated Fund Balances, \$2,000,000 from seat option funds, and \$3,412,000 subject to availability from Men's Intercollegiate Athletic Department gift funds for total project funding. Previous appropriations had been \$270,000 from Designated Fund Balances and \$88,000 from Men's Intercollegiate Athletics.

4. U. T. Austin - Athletic Facilities South of Memorial Stadium - Tennis Center (Project No. 102-555): Award of Construction Contract to Howe Building Corporation, Temple, Texas; Approval of Revised Total Project Cost; Additional Appropriation Therefor; Approval of Name "Penick-Allison Tennis Center;" and Plaque Inscriptions.--
Upon recommendation of the Finance and Audit and Buildings and Grounds Committees, the Board:

- a. Awarded a construction contract for the Athletic Facilities South of Memorial Stadium - Tennis Center at The University of Texas at Austin to the lowest responsible bidder, Howe Building Corporation, Temple, Texas, as follows:

Base Bid	\$3,170,000
Alternate Bid No. 1b (LAYKOLD Court Surfacing)	+98,000
Alternate Bid No. 3 (Delete Grandstand Wing)	-72,500
Alternate Bid No. 4 (Delete Landscape Planting)	-18,000
Alternate Bid No. 7 (Delete Hydraulic Elevator)	<u>-20,000</u>
Total Contract Award	<u>\$3,157,500</u>

Regent Milburn abstained from voting on this matter due to a possible conflict of interest.

- b. Approved a revised total project cost of \$3,300,000. (The previously approved total project cost was \$3,000,000.)
- c. Appropriated \$2,107,189.35 from U. T. Austin Auxiliary Enterprise Fund Balances for total project funding. Previous appropriations had been \$1,152,810.65 from Pooled Interest on Bond Proceeds and Other Construction Funds, and \$40,000 from Combined Fee Revenue Bonds, 1973.

- d. Approved the name "Penick-Allison Tennis Center"
- e. Approved the inscription set forth below for the plaque to be placed on the Tennis Center. The inscription follows the standard pattern approved by the U. T. Board of Regents on June 1, 1979.

PENICK-ALLISON TENNIS CENTER
1984

BOARD OF REGENTS

<p>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 Yzaguirre</p>	<p>E. D. Walker Chancellor, The University of Texas System Peter T. Flawn President, The University of Texas at Austin Barnes, Landes, Goodman & Youngblood Project Architect Howe Building Corporation Contractor</p>
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- f. Approved the inscriptions of two commemorative plaques, as set out below, to be placed at the Tennis Center.

DANIEL ALLEN PENICK

PROFESSOR AND TENNIS COACH
THE UNIVERSITY OF TEXAS

B.A., 1891; M.A., 1892, THE UNIVERSITY OF TEXAS
PH.D., 1898, JOHNS HOPKINS UNIVERSITY

THE UNIVERSITY OF TEXAS

INSTRUCTOR IN LATIN AND GREEK 1899-1906; ADJUNCT
PROFESSOR 1906-1913; ASSOCIATE PROFESSOR 1913-1917
PROFESSOR 1917-1920
PROFESSOR OF CLASSICAL LANGUAGES 1920-1955
DIRECTOR, EXTENSION TEACHING 1919-1925
ASSISTANT DEAN, COLLEGE OF ARTS AND SCIENCES 1928-1940
TENNIS COACH: VOLUNTEER 1908-1940; OFFICIAL 1940-1957
PROFESSOR EMERITUS 1955-1964; COACH EMERITUS 1957-1964

HONORS AND ACHIEVEMENTS

COACH OF TEAMS THAT WON ALL SOUTHWEST CONFERENCE TENNIS
TITLES BEFORE 1957, 31 OF 41 DOUBLES TITLES, AND
5 NATIONAL DOUBLES AND 2 NATIONAL SINGLES CHAMPIONSHIPS
PRESIDENT, SOUTHWEST CONFERENCE 1923-1935
PRESIDENT, TEXAS TENNIS ASSOCIATION FOR OVER 50 YEARS
ELDER AND CHOIR DIRECTOR, UNIVERSITY PRESBYTERIAN CHURCH
TEXAS SPORTS HALL OF FAME, LONGHORN HALL OF HONOR
PHI BETA KAPPA

SEPTEMBER 7, 1869

NOVEMBER 8, 1964

WILMER LAWSON ALLISON

TENNIS COACH
THE UNIVERSITY OF TEXAS

ATTENDED THE UNIVERSITY OF TEXAS 1925-1929
LEFT THE UNIVERSITY BEFORE GRADUATION TO LAUNCH
A DISTINGUISHED CAREER AS AN AMATEUR TENNIS PLAYER

ACTIVE DUTY, UNITED STATES AIR FORCE 1941-1947

THE UNIVERSITY OF TEXAS

ASSISTANT TENNIS COACH 1938-1941; 1947-1957
HEAD TENNIS COACH 1957-1972

HONORS AND ACCOMPLISHMENTS

NCAA AND SOUTHWEST CONFERENCE TENNIS CHAMPION 1927
MEMBER, UNITED STATES DAVIS CUP TEAM 1928-1937
CAPTAIN, UNITED STATES DAVIS CUP TEAM 1933-1936
NATIONAL DOUBLES TITLE, FOREST HILLS 1931 AND 1935
NATIONAL MIXED DOUBLES CHAMPIONSHIP 1930
WIMBLEDON DOUBLES CHAMPIONSHIP 1929 AND 1930
NATIONAL SINGLES CHAMPIONSHIP, FOREST HILLS 1935
COACH OF TEAMS THAT WON 4 SOUTHWEST CONFERENCE TITLES,
3 SINGLES TITLES, AND 1 DOUBLES TITLE

MEMBER, U.S. LAWN TENNIS ASSOCIATION HALL OF FAME,
HELMS FOUNDATION HALL OF FAME, TEXAS SPORTS HALL OF FAME,
AND LONGHORN HALL OF HONOR

DECEMBER 8, 1904

APRIL 20, 1977

5. U. T. Austin - Balcones Research Center - Office and Research Laboratory Facilities for Microelectronics and Computer Technology Corporation (MCC) (Project No. 102-565): Approval of Exterior Construction Materials.--The Buildings and Grounds Committee recommended and the Board approved the selection of pre-insulated metal panels in the colors of light beige and warm gray for use on the exterior of the facilities for Microelectronics and Computer Technology Corporation (MCC) to be constructed at the Balcones Research Center of The University of Texas at Austin.

6. U. T. Austin - Jester Center - Food Service Facilities Improvements: Authorization for Project; Appointment of Coffee, Crier & Schenck, Austin, Texas, Project Architect to Prepare Preliminary Plans; Authorization for U. T. Austin Administration to Manage Project; Submission to Coordinating Board; and Appropriation Therefor.--Upon recommendation of the Buildings and Grounds Committee, the Board:
 - a. Authorized Food Service Facilities Improvements for Jester Center at The University of Texas at Austin for an estimated total project cost of \$4,000,000
 - b. Appointed the firm of Coffee, Crier & Schenck, Austin, Texas, Project Architect to prepare preliminary plans and specifications for future consideration by the U. T. Board of Regents

- c. Authorized management of the project through the U. T. Austin Office of the Vice President for Business Affairs in consultation with the Office of Facilities Planning and Construction
- d. Authorized submission of the project to the Coordinating Board, Texas College and University System
- e. Appropriated \$120,000 from Jester Center Reserves for fees and miscellaneous expenses through completion of preliminary plans

7. U. T. Austin - Parking Facility (Project No. 102-573): Approval of Preliminary Plans; Completion of Final Plans; and Additional Appropriation Therefor.--Mr. Mack Stoeltje and Mr. Horace Wilson, representing the Project Engineer, Stoeltje Associates, Inc., Austin, Texas, presented the preliminary plans for the Parking Facility at The University of Texas at Austin to the Buildings and Grounds Committee.

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

- a. Approved the preliminary plans and specifications for the Parking Facility at The University of Texas at Austin at an estimated total project cost of \$4,700,000
- b. Authorized the Project Engineer to prepare final plans and specifications to be presented to the U. T. Board of Regents for consideration at a future meeting
- c. Appropriated \$160,000 from Designated Fund Balances for fees and related project expenses through completion of final plans. Previous appropriations had been \$75,000 from U. T. Austin Unallocated Designated Fund and Unexpended Plant Fund balances.

The facility, to be located at the site of existing parking lots 20 and 58 north of the Texas Memorial Museum, will provide 1,014 new spaces while retaining most of the spaces in the existing parking lots. The new structure will contain a total of approximately 311,000 gross square feet of floor space.

8. U. T. Austin: Scott House - Sweetbrush - Renovation and Additions - Authorization for Project; Appointment of Bell, Klein & Hoffman, Austin, Texas, Project Architect to Prepare Preliminary Plans and Detailed Cost Estimate; and Appropriation Therefor.--The Academic Affairs and Buildings and Grounds Committees recommended and the Board:

- a. Authorized Renovation and Additions to Scott House - Sweetbrush at The University of Texas at Austin
- b. Appointed the firm of Bell, Klein & Hoffman, Austin, Texas, Project Architect with authorization to prepare preliminary plans, specifications and detailed cost estimate for future consideration by the U. T. Board of Regents

- c. Appropriated \$75,000 from Permanent University Fund Bond proceeds for fees and miscellaneous administrative expenses through preparation of preliminary plans

The project for the Renovation and Additions to Scott House - Sweetbrush will continue the University's tradition of preservation, restoration, adaptive re-use and perpetual care of noteworthy structures for the benefit of future generations. When the project is completed, the house will be used as the official residence of the President of U. T. Austin.

9. U. T. El Paso - Physical Plant Facilities and Site Development for Recreational Facilities (Project No. 201-563): Approval of Preliminary Plans, Subject to the Buildings and Grounds Committee Approving Modifications to the Exterior Design; Completion of Final Plans; and Additional Appropriation Therefor.--Mr. Bruce Thacker, representing the Project Architect, Langford Anderson Thacker, Inc., El Paso, Texas, presented the preliminary plans for the Physical Plant Facilities and Site Development for Recreational Facilities at The University of Texas at El Paso to the Buildings and Grounds Committee.

Based upon this presentation, the Buildings and Grounds Committee expressed concern about the materials to be used in the exterior design of this project and emphasized the need to maintain the integrity of the Bhutanese style of architecture as used elsewhere on the campus.

Following this discussion, the Buildings and Grounds Committee recommended and the Board:

- a. Approved the preliminary plans and specifications for Physical Plant Facilities and Site Development for Recreational Facilities at The University of Texas at El Paso, subject to the Buildings and Grounds Committee approving the modifications to the exterior design at an estimated total project cost of \$8,276,000
- b. Authorized the Project Architect to prepare final plans and specifications to be presented to the U. T. Board of Regents for consideration at a future meeting
- c. Appropriated \$265,000 from Permanent University Fund Bond proceeds for fees and related project expenses through completion of final plans. Previous appropriations had been \$100,000 from Permanent University Fund Bond proceeds.

This project will be constructed in two phases. The first phase will be the Site Development of approximately 32.5 acres and will consist of installation of necessary sub-surface drainage, fill material, compaction, top soil, and rough grading. The estimated construction cost of the Site Development phase is approximately \$2,142,000.

The second phase will be the construction of the Physical Plant Facilities on approximately 7.2 acres of this developed site. These facilities will include approximately 69,300 gross square feet of new structures for Physical Plant offices, shops, motor pool and warehouse functions. In addition to these new buildings, an existing 10,600 square foot metal storage building will

be relocated onto the new site. Also, two covered storage areas and a covered fuel island, totaling approximately 2,900 square feet, will be provided.

10. U. T. El Paso: Authorization to Acquire Land Located at 1601 Hawthorne Street, Block 51, Alexander Addition, El Paso, El Paso County, Texas, from Mr. Salvador Fierro, El Paso, Texas.--Upon recommendation of the Buildings and Grounds Committee, the Board authorized the acquisition of a tract of land located at 1601 Hawthorne Street, Block 51, Alexander Addition, El Paso, El Paso County, Texas, from Mr. Salvador Fierro, El Paso, Texas, for \$53,000, for the benefit of The University of Texas at El Paso. Funding for the purchase of this property will be provided from the Parking Services account balance at U. T. El Paso.

This tract was among those parcels which were specifically designated for acquisition by U. T. El Paso in legislation enacted in 1969, Section 69.21, Texas Education Code. Upon acquisition of this tract and the remainder of the block, the property will be used for parking as well as general institutional facilities expansion. This tract may be temporarily leased as income-producing property to cover its maintenance until such time that the space is needed for more compelling use.

11. U. T. San Antonio - Additional Surface Parking Facilities: Authorization for Project; Submission to Coordinating Board; Completion of Final Plans by U. T. San Antonio Physical Plant Staff or Contract Services; Authorization to Advertise for Bids and for the Executive Committee to Award Contract; and Appropriation Therefor.--In order to avoid serious overcrowding of the parking facilities on the campus of The University of Texas at San Antonio, the Finance and Audit and Buildings and Grounds Committees recommended and the Board:
- a. Authorized Additional Surface Parking Facilities at The University of Texas at San Antonio at an estimated total project cost of \$520,000
 - b. Authorized submission of the project to the Coordinating Board, Texas College and University System
 - c. Authorized completion of final plans and specifications by U. T. San Antonio Physical Plant personnel or through contract services as required, in consultation with the Office of Facilities Planning and Construction
 - d. Subject to Coordinating Board approval and final review of bidding documents, authorized the Office of Facilities Planning and Construction to advertise for bids
 - e. Authorized the Executive Committee to award a construction contract within the authorized total project cost
 - f. Appropriated \$520,000 from Combined Fee Revenue Bonds, Series 1984, for total project funding

It is anticipated that approximately 540 spaces will be created by the construction of one lot and the expansion of an existing lot. It was noted that the project will include the necessary drainage system, paving and lighting.

12. U. T. San Antonio - University Center Building (Project No. 401-447): Approval of Final Plans; Authorization to Advertise for Bids and for Executive Committee to Award Contracts; and Additional Appropriation Therefor.--
The Finance and Audit and Buildings and Grounds Committees recommended and the Board:

- a. Approved the final plans and specifications for the University Center Building at The University of Texas at San Antonio at an estimated total project cost of \$5,000,000
- b. Authorized the Office of Facilities Planning and Construction to advertise for bids following completion of final review
- c. Authorized the Executive Committee to award all contracts within the authorized total project cost
- d. Appropriated \$4,777,000 from Combined Fee Revenue Bonds, Series 1984, for total project funding. Previous appropriations had been \$203,000 from U. T. San Antonio University Center Student Fees and \$20,000 from U. T. San Antonio Unappropriated Plant Funds.

13. U. T. Medical Branch - Galveston - Hospital Central Supply Warehouse (Project No. 601-580): Approval of Preliminary Plans; Submission to Coordinating Board; Completion of Final Plans; Advertisement for Bids; and Award of Contract by Executive Committee.--Mr. Joseph A. Hoover, representing the Project Architect, Hoover and Hamilton, Texas City, Texas, presented the preliminary plans for the Hospital Central Supply Warehouse at The University of Texas Medical Branch at Galveston to the Buildings and Grounds Committee.

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

- a. Approved the preliminary plans and specifications for the Hospital Central Supply Warehouse at The University of Texas Medical Branch at Galveston at an estimated total project cost of \$1,500,000
- b. Authorized submission of the project to the Coordinating Board, Texas College and University System
- c. Authorized the Project Architect to prepare final plans and specifications
- d. Subject to approval by the Coordinating Board and review and approval of final documents by U. T. Medical Branch - Galveston and the Office of Facilities Planning and Construction, authorized advertisement for bids
- e. Authorized the Executive Committee to award a construction contract within the authorized project cost

The project will consist of a new facility of approximately 26,000 gross square feet of space.

14. U. T. Medical Branch - Galveston - New Parking Facilities (Project No. 601-581): Approval of Preliminary Plans; Submission to Coordinating Board; Completion of Final Plans; Advertisement for Bids; Award of Contract by Executive Committee; and Additional Appropriation Therefor.-- Mr. Louis Oliver and Mr. David Oliver, representing the Project Architect, Louis Lloyd Oliver and Tibor Beerman, Galveston, Texas, presented the preliminary plans for the New Parking Facilities at The University of Texas Medical Branch at Galveston to the Buildings and Grounds Committee.

On the basis of this presentation, the Buildings and Grounds and Finance and Audit Committees recommended and the Board:

- a. Approved the preliminary plans and specifications for the New Parking Facilities at The University of Texas Medical Branch at Galveston at an estimated total project cost of \$6,200,000
- b. Authorized submission of the project to the Coordinating Board, Texas College and University System
- c. Authorized the Project Architect to prepare final plans and specifications
- d. Subject to approval by the Coordinating Board and review and approval of final documents by U. T. Medical Branch - Galveston and the Office of Facilities Planning and Construction, authorized advertisement for bids
- e. Authorized the Executive Committee to award a construction contract within the authorized project cost
- f. Appropriated \$3,500,000 subject to the sale of Parking Facility Revenue Bonds, \$1,000,000 from Parking Facility Auxiliary Enterprise Surplus, and \$1,600,000 from Library Repository - Medical Branch Unexpended Plant Funds. Previous appropriations had been \$100,000 from Medical Branch Unexpended Plant Funds.

This project will provide approximately 840 parking spaces in two separate structures. One of the parking garages will have an additional floor added for use as a repository for library periodicals and journals, teaching and research purposes, and a book bindery. The two new structures will contain a total of approximately 267,400 gross square feet of floor space for parking. The library repository floor will contain approximately 20,000 gross square feet of space.

15. U. T. Medical Branch - Galveston (U. T. Hospitals - Galveston) - Remodeling of John Sealy Hospital (Old Building) - Remodeling of the Third Floor for Obstetrics, Gynecology, Labor and Delivery (Project No. 601-579): Approval of Final Plans; Authorization to Advertise for Bids and for the Executive Committee to Award Contracts.-- Upon recommendation of the Buildings and Grounds Committee, the Board:

- a. Approved the final plans and specifications for remodeling the third floor in John Sealy Hospital (Old Building) for Obstetrics, Gynecology, Labor and Delivery at The University of Texas Medical Branch at Galveston at an estimated total project cost of \$2,900,000
- b. Authorized the Office of Facilities Planning and Construction to advertise for bids upon completion of final review
- c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost

As part of the phased remodeling of the older part of John Sealy Hospital, this project will renovate approximately 20,100 gross square feet of space for faculty offices and laboratory support for patient care activities.

16. U. T. Medical Branch - Galveston (U. T. Hospitals - Galveston) - Remodeling of John Sealy Hospital (Old Building) - Remodeling of McCullough Building Fourth and Sixth Floors for the Departments of Internal Medicine and Surgery (Project No. 601-577): Approval of Final Plans; Authorization to Advertise for Bids and for the Executive Committee to Award Contracts.--The Buildings and Grounds Committee recommended and the Board:

- a. Approved the final plans and specifications for remodeling portions of the fourth and sixth floors in John Sealy Hospital (Old Building) McCullough Building for the Departments of Internal Medicine and Surgery at The University of Texas Medical Branch at Galveston at an estimated total project cost of \$4,800,000
- b. Authorized the Office of Facilities Planning and Construction to advertise for bids upon completion of final review
- c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost

As part of the phased remodeling of the older part of John Sealy Hospital, this project will renovate approximately 36,000 gross square feet of space for research laboratories and faculty offices for the Divisions of Infectious Diseases and General Medicine, and the Heart Station of the Department of Internal Medicine. This project will also provide research laboratories and faculty offices for the Divisions of Orthopedic Surgery, Plastic Surgery and General Surgery of the Department of Surgery. These areas support the patient care activities at the U. T. Medical Branch - Galveston.

17. U. T. Medical Branch - Galveston (U. T. Hospitals - Galveston) - Remodeling of John Sealy Hospital (Old Building) - Remodeling of First Floor of Clinical Science Building for the Departments of Pharmacy and Social Services (Project No. 601-578): Approval of Final Plans; Authorization to Advertise for Bids and for the Executive Committee to Award Contracts.--The Board, upon recommendation of the Buildings and Grounds Committee:

- a. Approved the final plans and specifications for remodeling the first floor in John Sealy Hospital (Old Building) Clinical Science Building for the Departments of Pharmacy and Social Services at The University of Texas Medical Branch at Galveston at an estimated total project cost of \$2,300,000
- b. Authorized the Office of Facilities Planning and Construction to advertise for bids upon completion of final review
- c. Authorized the Executive Committee to award all contracts associated with this project within the authorized total project cost

As part of the phased remodeling of the older part of John Sealy Hospital, this project will renovate approximately 18,600 gross square feet of space for faculty offices and laboratory support for patient care activities.

18. U. T. Health Science Center - San Antonio - Warehouse Building: Authorization for Project; Submission to Coordinating Board; Preparation of Final Plans by U. T. Health Science Center - San Antonio Physical Plant Staff or Contract Services; and Appropriation Therefor.-- Upon recommendation of the Finance and Audit, Health Affairs and Buildings and Grounds Committees, the Board:

- a. Authorized the construction of a Warehouse Building at The University of Texas Health Science Center at San Antonio at an estimated total project cost of \$560,000
- b. Authorized submission of the project to the Coordinating Board, Texas College and University System
- c. Authorized the preparation of final plans and specifications by the physical plant staff of the U. T. Health Science Center - San Antonio or through contract services, as required, and in consultation with the Office of Facilities Planning and Construction to be presented to the U. T. Board of Regents for consideration at a future meeting
- d. Appropriated \$560,000 from Unexpended Plant Funds for total project funding

It was noted that this basic building will be constructed with tilt-up concrete panels. The facility will be equipped with a dock, dock leveler, overhead doors,

restrooms, rough-in for lighting, sprinkler systems, and a small amount of office space. No skylights, windows, heating, interior finish or floor covering are included. These can be added at a later time if necessary. The building will be designed to allow expansion by adding bays as needed as funding becomes available.

The building will have 14,000 square feet on the ground floor and a mezzanine floor of approximately 7,000 square feet of space.

19. U. T. Health Center - Tyler - Biomedical Research Building: Authorization for Project; Appointment of Simons - Clark Associates, Tyler, Texas, Project Architect to Prepare Preliminary Plans; Submission to Coordinating Board; and Appropriation Therefor.--The Finance and Audit, Health Affairs and Buildings and Grounds Committees recommended and the Board:

- a. Authorized construction of a Biomedical Research Building at The University of Texas Health Center at Tyler at an estimated total project cost of \$8,990,275
- b. Appointed the firm of Simons - Clark Associates, Tyler, Texas, Project Architect with authorization to prepare preliminary plans and specifications for consideration by the U. T. Board of Regents at a future meeting
- c. Authorized submission of the project to the Coordinating Board, Texas College and University System
- d. Appropriated \$8,990,275 from Unexpended Plant Funds for total project funding

The Biomedical Research Building will be of one-story, fire resistant, campus-style construction which can be built in phases as needed.

This facility will have 64,000 square feet of laboratory and related space in four separate modules connected to a central area of approximately 6,000 square feet for reception, meeting areas, administrative and mechanical room needs. Each of the four laboratory modules will have approximately 16,000 square feet containing eight laboratories of 1,500 square feet. Each module will have office space and common areas for equipment. The building site will be west of the hospital building, a site that will allow for ultimate development of the research facility. It will be adjacent to the new Vivarium, which will be completed in May 1985.

REPORT AND RECOMMENDATIONS OF THE LAND AND INVESTMENT COMMITTEE
(Pages 90 - 104).--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 recom-
mended 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

INVESTMENT MATTERS

Report on Clearance of Monies to Permanent University Fund for March and April 1984, and Report on Oil and Gas Development as of April 30, 1984.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for March and April 1984, and (b) Oil and Gas Development as of April 30, 1984, were submitted by the Executive Director for Investments and Trusts:

<u>Permanent University Fund</u>	<u>March, 1984</u>	<u>April, 1984</u>	<u>Cumulative Through April of This Fiscal Year (1983-1984)</u>	<u>Cumulative Through April of Preceding Fiscal Year (1982-1983)</u>	<u>Per Cent Change</u>
Royalty					
Oil	\$ 8,633,707.72	\$ 8,410,815.97	\$ 71,104,330.06	\$ 79,936,468.22	(11.05%)
Gas	3,494,220.81	3,024,942.36	26,143,773.61	28,904,400.90	(9.55%)
Sulphur	10,000.00	10,000.00	70,000.00	594,169.96	
Water	25,536.40	71,374.32	336,225.30	186,703.45	
Brine	7,120.35	6,404.99	122,529.53	34,999.12	
Rental					
Oil and Gas Leases	33,831.20	1,289.00	1,363,402.27	996,315.40	
Other	322.15	107.00	2,027.11	3,087.01	
Sale of Sand, Gravel, Etc.	1,086.75	910.50	8,722.00	13,357.40	
Gain or (Loss) on Sale of Securities	(1,194,203.20)	298,291.77	23,033,841.62	10,756,541.80	
Sub-Total	<u>11,011,622.18</u>	<u>11,824,135.91</u>	<u>122,184,851.50</u>	<u>121,426,043.26</u>	0.62%
Bonuses					
Oil and Gas Lease Sales	-0-	-0-	7,006,200.00	-0-	
Amendments and Extensions to Mineral Leases	-0-	-0-	215,427.19	495,047.23	
Total Bonuses	<u>-0-</u>	<u>-0-</u>	<u>7,221,627.19</u>	<u>495,047.23</u>	
TOTAL CLEARANCES	<u>\$11,011,622.18</u>	<u>\$11,824,135.91</u>	<u>\$129,406,478.69</u>	<u>\$121,921,090.49</u>	6.14%

Oil and Gas Development - April 30, 1984
Acreage Under Lease - 861,171

Number of Producing Acres - 548,324

Number of Producing Leases - 2,214

II. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

1. U. T. Arlington: Establishment of The University of Texas at Arlington Academic Scholarship Fund.--Upon recommendation of the Land and Investment Committee, the Board established The University of Texas at Arlington Academic Scholarship Fund with a transfer of \$50,000 from various auxiliary enterprise accounts of U. T. Arlington.

Income earned from the endowment will be used to fund scholarships in an amount to be determined by the President of U. T. Arlington to recruit academically talented students.

2. U. T. Austin: Acceptance of Gifts from The Cockrell Foundation, Houston, Texas, and an Anonymous Donor for Addition to the Ernest Cockrell, Sr. Chair in Engineering, and the Ernest Cockrell, Jr. Centennial Chair in Engineering in the College of Engineering and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--The Land and Investment Committee recommended and the Board authorized that the \$800,000 distribution received in 1983 from The Cockrell Foundation, Houston, Texas, and \$200,000 in College of Engineering unrestricted funds received after September 1, 1981, be used to increase the endowment of the Ernest Cockrell, Sr. Chair in Engineering in the College of Engineering at The University of Texas at Austin to \$1,400,000.

Further, a \$1,000,000 gift from an anonymous donor was accepted and the funds will be added to the Ernest Cockrell, Jr. Centennial Chair in Engineering to increase the endowment to \$1,400,000.

The total \$2,000,000 will be matched under The Regents' Endowed Teachers and Scholars Program and will be used to increase the endowments of the Virginia H. Cockrell Centennial Chair in Engineering and the Dula D. Cockrell Centennial Chair in Engineering to \$1,400,000 each.

At the April 12-13, 1984 meeting of the Board, authorization was given to conclude negotiations for gifts related to the establishment of 32 chairs in the Colleges of Natural Sciences and Engineering. It was noted that the above action involves 4 of those 32 chairs in the four areas of the College of Engineering Development Plan. The specific areas will be designated when appointments to the chairs are recommended.

See Page 50, Item 4 for the initial appointment to the Ernest Cockrell, Jr. Centennial Chair in Engineering.

3. U. T. Austin: Acceptance of Pledge from Mr. Edwin M. Gale, Beaumont, Texas, and Establishment of the Rebecca L. Gale Regents Professorship in Business in the College of Business Administration and the Graduate School of Business and Establishment of the Erich W. Zimmermann Regents Professorship in Geography in the College of Liberal Arts with Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--Approval was given to accept a \$100,000 pledge, payable prior to August 31, 1987, from Mr. Edwin M. Gale, Beaumont, Texas, and to establish the

Rebecca L. Gale Regents Professorship in Business in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

The pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and will be used, in accordance with the donor's wishes, to establish the Erich W. Zimmermann Regents Professorship in Geography in the College of Liberal Arts.

4. U. T. Austin: Acceptance of Gifts and Pledges and Establishment of the Curtis Mathes Memorial Fellowship 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 \$17,347 in gifts and \$33,000 in pledges, due prior to August 31, 1987, for a total of \$50,347 from various donors and established the Curtis Mathes Memorial Fellowship in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

Further, the gifts and pledges, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and will be used, in accordance with the donors' wishes, to double the endowment of the Fellowship.

5. U. T. Austin: J. Ludwig Mosle Centennial Memorial Professorship in Investments and Money Management in the College of Business Administration and the Graduate School of Business - Establishment of the Eleanor T. Mosle Fellowship in the College of Business Administration and the Graduate School of Business with Acceptance of a Pledge from the Family of J. Ludwig Mosle, Sr., Dallas, Texas, and Partial Redesignation of Previously Accepted Gifts and Matching Funds and Establishment of the Collins Hill, Jr. Fellowship 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 accepted a \$46,979.68 pledge, payable prior to August 31, 1987, from the family of J. Ludwig Mosle, Sr., Dallas, Texas, and redesignated \$3,020.32 in previously accepted gifts to the J. Ludwig Mosle Centennial Memorial Professorship in Investments and Money Management and established the Eleanor T. Mosle Fellowship with a total of \$50,000 in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

The \$46,979.68 pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and \$3,020.32 in previously approved matching funds for the J. Ludwig Mosle Centennial Memorial Professorship in Investments and Money Management will be redesignated and will be used, in accordance with the donors' wishes, to establish the Collins Hill, Jr. Fellowship with a total of \$50,000 in the College of Business Administration and the Graduate School of Business.

6. U. T. Austin: Acceptance of Gifts and Pledges and Establishment of the T. S. Painter Centennial Professorship in Genetics in the College of Natural Sciences and Establishment of the William Shive Centennial Professorship in Biochemistry in the College of Natural Sciences with Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--Approval was given to accept \$40,000 in gifts and \$60,000 in pledges, payable prior to August 31, 1987, from various donors and to establish the T. S. Painter Centennial Professorship in Genetics in the Department of Zoology, College of Natural Sciences, at The University of Texas at Austin.

The gifts and pledges, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and will be used to establish the William Shive Centennial Professorship in Biochemistry in the Department of Chemistry, College of Natural Sciences.

It was noted that fund raising activities began in December 1982 to endow this Professorship; therefore, the title includes the Centennial designation.

7. U. T. Austin: Acceptance of Pledge from the Pharmaceutical Foundation Advisory Council and Establishment of The Pharmaceutical Foundation Regents Professorship in Pharmacy in the College of Pharmacy and Establishment of The Regents Professorship in Pharmacy in the College of Pharmacy with Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$70,000 pledge, payable prior to August 31, 1987, from the members of the Pharmaceutical Foundation Advisory Council and established The Pharmaceutical Foundation Regents Professorship in Pharmacy in the College of Pharmacy at The University of Texas at Austin. The required funding will be completed by a \$30,000 transfer of gifts received since September 1, 1981, from the Pharmaceutical Foundation Various Donors - Various Purposes account.

Further, the \$30,000 transfer of gifts and the \$70,000 pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and, in accordance with the donors' wishes, will be used to establish The Regents Professorship in Pharmacy in the College of Pharmacy. A request to amend the title of this Professorship may be submitted at a later date.

8. U. T. Austin: Charles N. Prothro Fellowship in the College of Business Administration and the Graduate School of Business - Acceptance of Pledge from Mr. Charles N. Prothro, Wichita Falls, Texas, and Redesignation as the Charles N. Prothro Regents Chair in Business and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program (No Publicity).--The Land and Investment Committee recommended and the Board accepted a \$450,000 pledge, payable prior to August 31, 1987, from Mr. Charles N. Prothro, Wichita Falls, Texas, for addition to the Charles N. Prothro Fellowship in the College

of Business Administration and the Graduate School of Business at The University of Texas at Austin and the Fellowship was redesignated the Charles N. Prothro Regents Chair in Business.

The \$450,000 pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and will be used to increase the endowment of the Chair to \$1,000,000.

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

9. U. T. Austin: Acceptance of Gift from Anonymous Donor and Establishment of the Regents Chair in Higher Education Leadership and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program (No Publicity).--Approval was given to accept a \$500,000 gift from an anonymous donor and to establish the Regents Chair in Higher Education Leadership at The University of Texas at Austin. The gift will be matched under The Regents' Endowed Teachers and Scholars Program and will be used to increase the endowment of the Chair to \$1,000,000. Under terms of the gift, the Chair is to be held by the individual appointed as President of U. T. Austin with the term of appointment to be concurrent with the tenure of the appointee as President.

See Page 52, Item 5 for the initial appointment to the Regents Chair in Higher Education Leadership.

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

10. U. T. Austin: Acceptance of Pledge from the Pharmaceutical Foundation Advisory Council and Establishment of The Regents Professorship in Psychiatric Pharmacy in the College of Pharmacy and Establishment of Two Pharmaceutical Foundation Fellowships in Psychiatric Pharmacy in the College of Pharmacy with Matching Funds Under The Regents' Endowed Teachers and Scholars Program.--The Board, upon recommendation of the Land and Investment Committee, accepted a \$70,000 pledge, payable prior to August 31, 1987, from the members of the Pharmaceutical Foundation Advisory Council and established The Regents Professorship in Psychiatric Pharmacy in the College of Pharmacy at The University of Texas at Austin. The required funding will be completed by a \$30,000 transfer of gifts received since September 1, 1981, from the Pharmaceutical Foundation Various Donors - Various Purposes account.

Further, the \$30,000 transfer of gifts and the \$70,000 pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and, in accordance with the donors' wishes, will be used to establish two Pharmaceutical Foundation Fellowships in Psychiatric Pharmacy in the College of Pharmacy.

11. U. T. Austin: Schlumberger Centennial Chair in Computer Sciences in the College of Natural Sciences - Acceptance of Gift from Anonymous Donor and Eligibility for Matching Funds Under The Regents' Endowed Teachers and Scholars Program (No Publicity).--The Land and Investment Committee recommended and the Board accepted a \$125,000 gift from an anonymous donor for addition to the Schlumberger Centennial Chair in Computer Sciences in the College of Natural Sciences at The University of Texas at Austin.

The \$125,000 gift will be matched under The Regents' Endowed Teachers and Scholars Program and will be used to increase the endowment of the Chair to a total of \$1,000,000.

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

12. U. T. Austin: Acceptance of Pledge from Mr. and Mrs. Wilton E. Thomas, Bartlesville, Oklahoma, and Establishment of The Wilton E. and Catherine A. Thomas Professorship in Accounting 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.--Approval was given to accept a \$100,000 pledge, payable prior to August 31, 1987, from Mr. and Mrs. Wilton E. Thomas, Bartlesville, Oklahoma, and to establish The Wilton E. and Catherine A. Thomas Professorship in Accounting in the College of Business Administration and the Graduate School of Business at The University of Texas at Austin.

The \$100,000 pledge, as received, will be matched under The Regents' Endowed Teachers and Scholars Program and, in accordance with the donors' wishes, will be used to double the endowment of the Professorship.

13. U. T. Austin: Curtis T. Vaughan, Jr. Centennial Chair in Astronomy in the College of Natural Sciences - Designation for Use of Previously Approved Matching Funds Under The Centennial Teachers and Scholars Program.--Upon recommendation of the Land and Investment Committee, the Board designated the use of \$141,993.75 in previously approved matching funds under The Centennial Teachers and Scholars Program to increase the endowment of the Curtis T. Vaughan, Jr. Centennial Chair in Astronomy in the College of Natural Sciences at The University of Texas at Austin.

14. U. T. Austin: Allocation of Additional Matching Funds Under The Regents' Endowed Teachers and Scholars Program for Previously Established Endowed Academic Positions.--Approval was given to allocate matching funds totaling \$225,480 from The Regents' Endowed Teachers and Scholars Program for additional gifts and pledges to the previously established endowed academic positions at The University of Texas at Austin set forth on Page 97.

<u>Eligible Position, Date of Establishment and Donor</u>	<u>Total Matching Designation</u>	<u>Previously Approved</u>	<u>Additional Gifts/Pledges</u>
<u>College of Business Administration and the Graduate School of Business</u>			
Century Club Professorship 6/11-12/81	Added to Professorship	\$ 80,000.00	\$ 60,000.00 (pledge)
Donor: CBA Century Club			
Thomas A. Loomis Endowed Lectureship 4/12-13/84	Added to Lectureship	25,000.00	15,000.00 (pledges)
Donor: Various Donors			
Foster Parker Centen- nial Professorship of Finance and Manage- ment 2/28-29/80	Added to Professorship	143,400.00	100,000.00 (pledge)
Donor: Guardian Savings Houston, Texas			
Rex A. Sebastian/ Dresser Foundation, Inc. Centennial Pro- fessorship in Business Administration 8/11-12/83	Rex A. and Dorothy B. Sebastian Centen- nial Professor- ship in Business Administration	100,000.00	430.00 (gift)
Donor: M/M Sebastian, Dallas, Texas			
<u>College of Liberal Arts</u>			
Student Endowed Centennial Lectureship 8/11-12/83	Added to Lectureship	54,543.49	50.00 (gift)
Donor: Various Donors			
<u>College of Pharmacy</u>			
James E. Bauerle Cen- tennial Professorship in Drug Dynamics 4/7-8/82	Added to Professorship	100,000.00	25,000.00 (gifts)
Donor: College of Pharmacy Drug Dynamics Institute Current Restricted Funds			
The Hoechst-Roussel Centennial Endowed Professorship in Pharmacy 2/28-29/80	Added to Professorship	125,000.00	25,000.00 (gifts)
Donor: Pharmaceutical Foundation Advisory Council			

15. U. T. Austin: Acceptance of Gift from Mr. Richard W. McKinney, Nacogdoches, Texas, and Establishment of The Alec Center for Creativity Endowment Fund in the College of Engineering.--The Land and Investment Committee recommended and the Board accepted a \$10,000 gift from Mr. Richard W. McKinney, Nacogdoches, Texas, and established The Alec Center for Creativity Endowment Fund in the College of Engineering at The University of Texas at Austin.

Income earned from the endowment account will be used to support the academic purposes of Room No. 1.306, a reading room in Ernest Cockrell, Jr. Hall which was named for the donor in recognition of this gift.

See Page 53, Item 8 for the naming of this room.

16. U. T. Austin: Acceptance of Gift from Mr. Rex G. Baker, Jr., Houston, Texas, and Establishment of the Rex G. Baker, Jr. Centennial Endowed Scholarship.--Approval was given to accept a \$10,000 gift from Mr. Rex G. Baker, Jr., Houston, Texas, and to establish the Rex G. Baker, Jr. Centennial Endowed Scholarship at The University of Texas at Austin.

Income earned from the endowment will be used to grant scholarships to students in the Division of Intercollegiate Athletics for Women.

17. U. T. Austin: Acceptance of Gifts and Establishment of the Michael Frary Endowed Scholarship in Painting in the College of Fine Arts.--Upon recommendation of the Land and Investment Committee, the Board accepted \$29,720 in gifts from various donors and established the Michael Frary Endowed Scholarship in Painting in the Department of Art, College of Fine Arts, at The University of Texas at Austin.

Income earned from the endowment will be used to provide scholarships and awards for undergraduate and graduate students studying painting in the Department of Art.

18. U. T. Austin: Acceptance of Gift of Securities from Dr. and Mrs. David Himmelblau, Austin, Texas, and Establishment of The Betty Himmelblau Endowed Scholarship for Women's Athletics.--The Board, upon recommendation of the Land and Investment Committee, accepted 300 shares of Wal-Mart Stores, Inc., common stock valued at approximately \$10,537.50 from Dr. and Mrs. David Himmelblau, Austin, Texas, and established The Betty Himmelblau Endowed Scholarship for Women's Athletics at The University of Texas at Austin. Net proceeds from the sale of the common stock in excess of \$10,000 will be added to an identified current restricted account in the Department of Chemical Engineering.

Income earned from the endowment will be used to grant scholarships to students within the Division of Intercollegiate Athletics for Women.

19. U. T. Austin: Acceptance of Gifts and Establishment of the Marjorie Davisson Parker Endowed Scholarship and Award in the College of Communication.--The Land and Investment Committee recommended and the Board accepted \$10,012 in gifts from various donors and established the Marjorie Davisson Parker Endowed Scholarship and Award in the Department of Speech Communication, College of Communication, at The University of Texas at Austin.

Income earned from the endowment will be used to grant annual scholarships and awards to students in the Department of Speech Communication, preferably to students who demonstrate outstanding skills in the area of oral interpretation of literature.

20. U. T. Austin: Estate of Anna Elizabeth Simmons - Final Report and Acceptance of Cash and Undivided One-Half Interest in Lot No. 6, Block 15, McCulloch County, Texas, and Establishment of the Anna Elizabeth Simmons Fund in the School of Law.--The Board, upon recommendation of the Land and Investment Committee, received the final report of the Estate of Anna Elizabeth Simmons for the benefit of The University of Texas at Austin. Cash distributions totaling \$57,256.74 and an undivided one-half interest in Lot No. 6, Block 15, McCulloch County, Texas, with an undetermined value, had been received. Mr. Adrian F. Levy, Jr., Independent Executor, is holding a balance of \$911.01 pending preparation of the final fiduciary income tax return.

Further, the Board established the Anna Elizabeth Simmons Fund in the School of Law with the distributions.

Income earned from the endowment account will be used for unrestricted purposes under the administration of the John Charles Townes Foundation in the School of Law.

In addition to the establishment of this endowment fund, a room in Townes Hall was named for Miss Simmons.
See Page 54, Item 9.

21. U. T. Austin: Acceptance of Gifts and Pledges from the Houston Pod, Chili Appreciation Society International, Houston, Texas, and Establishment of the Hal John Wimberly Memorial Scholarship in the College of Communication.--Approval was given to accept \$3,341.58 in gifts and \$6,658.42 in pledges, from members of the Houston Pod, Chili Appreciation Society International, Houston, Texas, and to establish the Hal John Wimberly Memorial Scholarship in the Department of Journalism, College of Communication, at The University of Texas at Austin.

Income earned from the endowment will be used to grant scholarships to upper level students in the Department of Journalism who are preferably specializing in newspaper journalism.

22. U. T. El Paso: Acceptance of Gift from Mr. Burton F. Littleton, El Paso, Texas, and Establishment of the Anna M. Littleton Memorial Scholarship Fund.--Upon recommendation of the Land and Investment Committee, the Board accepted a \$10,709.12 cash gift from Mr. Burton F. Littleton, El Paso, Texas, and established the Anna M. Littleton Memorial Scholarship Fund at The University of Texas at El Paso.

Income earned from the endowment fund will be used to provide an annual scholarship of approximately \$750, renewable for four years, to a worthy and deserving qualified student at U. T. El Paso in accordance with the Presidential Endowed Scholarship Program.

23. U. T. El Paso: Establishment of the Dr. and Mrs. Haskell Monroe Presidential Endowed Scholarship Fund.--The Board, upon recommendation of the Land and Investment Committee, established the Dr. and Mrs. Haskell Monroe Presidential Endowed Scholarship Fund at The University of Texas at El Paso. Funding will be provided by a transfer of \$25,000 in interest earnings from the President's Associates Endowment Fund at U. T. El Paso.

Income earned from the scholarship fund will be used to provide an annual scholarship of \$1,500 or more, renewable for four years. This scholarship is to be awarded to a worthy and deserving qualified student in accordance with the Presidential Endowed Scholarship Program.

24. U. T. Tyler: Acceptance of Gifts from George W. and Robert S. Pirtle, Tyler, Texas, and Establishment of the George W. and Robert S. Pirtle Distinguished Professorship in Free Enterprise Endowment Fund and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--The Land and Investment Committee recommended and the Board accepted cash gifts of \$55,000 each from George W. and Robert S. Pirtle, Tyler, Texas. In accordance with the donors' wishes, \$100,000 was designated to establish the George W. and Robert S. Pirtle Distinguished Professorship in Free Enterprise Endowment Fund at The University of Texas at Tyler, and \$10,000 was designated as income to be used to activate the Professorship during the 1984-85 fiscal year.

The actual income which will be earned on the \$100,000 gift, 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.

25. U. T. Tyler: Acceptance of Gifts and Establishment of the Dr. Tom G. Turns Scholarship Endowment Fund.--Approval was given to accept gifts totaling \$2,000 from various donors and to establish the Dr. Tom G. Turns Scholarship Endowment Fund at The University of Texas at Tyler. Additional funding will be provided by a transfer of \$10,500 from the President's Associates Fund at U. T. Tyler and \$12,500 from Student Service Fee income for a total endowment of \$25,000.

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.

26. U. T. Health Science Center - Dallas (U. T. Southwestern Medical School - Dallas): Acceptance of Gift from Mrs. William D. Seybold, Dallas, Texas, and Establishment of the William D. Seybold, M.D. Lectureship in Surgery.-- Upon recommendation of the Land and Investment Committee, the Board accepted a \$25,000 cash gift from Mrs. William D. Seybold, Dallas, Texas, and established the William D. Seybold, M.D. Lectureship in Surgery at the U. T. Southwestern Medical School - Dallas of The University of Texas Health Science Center at Dallas.

Income earned from the endowment will be used to bring outstanding teachers who have made valuable contributions to research, pedagogy or practice in the broad field of surgery to the campus for lectures and consultation.

27. U. T. Medical Branch - Galveston: Acceptance of Gift of Real Property Located at 327 University Boulevard, Galveston, Texas, from The Sealy & Smith Foundation for the John Sealy Hospital, Galveston, Texas.--Approval was given to accept a gift of real property located at 327 University Boulevard, Galveston, Texas, with a market value of \$500,000, from The Sealy & Smith Foundation for the John Sealy Hospital, Galveston, Texas, for the benefit of The University of Texas Medical Branch at Galveston.

Section 74.003, Texas Education Code, authorized acquisition of this property.

28. U. T. Medical Branch - Galveston (U. T. Medical School - Galveston): Acceptance of Gift from The Sealy & Smith Foundation for the John Sealy Hospital, Galveston, Texas, and Establishment of the Rebecca Terry White Chair in Anesthesiology and Eligibility for Matching Funds Under the Texas Eminent Scholars Program.--The Board, upon recommendation of the Land and Investment Committee, accepted a \$500,000 cash gift from The Sealy & Smith Foundation for the John Sealy Hospital, Galveston, Texas, and established the Rebecca Terry White Chair in Anesthesiology at the U. T. Medical School - Galveston of The University of Texas Medical Branch at Galveston.

Further, the actual income which will be earned on the \$500,000 gift, 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.

29. U. T. Health Science Center - Houston (U. T. Medical School - Houston): Establishment of the Griff T. Ross Professorship in Humanities and Technology in Health Care.--The Land and Investment Committee recommended and the Board established the Griff T. Ross Professorship in Humanities and Technology in Health Care at the U. T. Medical School - Houston of The University of Texas Health Science Center at Houston with institutional development funds to be transferred in 1984 (50%) and in 1985 (50%) for a total of \$100,000.

See Page 75, Item 9 for the initial appointment to this Professorship.

30. U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston): Acceptance of Gift of 22½ Acres of Land in the Eli Nolan Survey, Harris County, Texas, from Robert E. Hibbert and Mary Taub Hibbert, Houston, Texas.--Approval was given to accept a gift of approximately 22½ acres of land in the Eli Nolan Survey, Harris County, Texas, from Robert E. Hibbert and Mary Taub Hibbert, Houston, Texas, for the benefit of the U.T. M. D. Anderson Hospital - Houston of The University of Texas System Cancer Center. The value of the gift is estimated to be approximately \$225,000. A specific designation for use of the proceeds from the sale of this property will be made at a later date.

B. REAL ESTATE MATTERS

1. U. T. System and U. T. Cancer Center (U.T. M. D. Anderson Hospital - Houston): The Robert and Alma Moreton 1983 Unitrust - Authorization for Sale of 872.03 Acres of Land in Eastland County, Texas, to the Sara Crockett Whittington Trust, Dallas, Texas.--The Board, upon recommendation of the Land and Investment Committee, authorized the sale of 872.03 acres of land in Eastland County, Texas (The Robert and Alma Moreton 1983 Unitrust - The University of Texas System Cancer Center), to the Sara Crockett Whittington Trust, Dallas, Texas, for \$250,000. The purchaser will pay \$25,000 cash at closing and will execute a twenty-year, 10% note in the principal amount of \$225,000. Mineral ownership consisting of 97.224 net mineral acres will be retained by the U. T. Board of Regents for the balance of the lifetimes of Alma Williamson Moreton and Dr. Robert D. Moreton, in accordance with The Robert and Alma Moreton 1983 Unitrust. After both Dr. and Mrs. Moreton are deceased, the mineral ownership will vest in the land owner.
2. U. T. Austin: Brackenridge Tract - Amendment to Lease Agreement with Craig Gatewood and Stan Bomar, Lessee, at 3800 Lake Austin Boulevard, Austin, Texas.--Approval was given to amend the lease dated December 30, 1980, between the U. T. Board of Regents, Lessor, and Craig Gatewood and Stan Bomar, Lessee, covering the property at 3800 Lake Austin Boulevard, Austin, Texas (Brackenridge Tract - The University of Texas at Austin), as follows:
- a. Approximately 15,322 square feet of land will be added to the leased premises for a total area of about 33,663 square feet
 - b. The term of the Lease will be extended to June 30, 1994, and the Lessee will be given an option to extend the lease for a period of five additional years
 - c. The provision granting the Lessor the right to terminate the Lease upon 180 days' notice at any time after January 31, 1986, will be deleted
 - d. The minimum guaranteed rent for the first five years will be \$1,500 per month, such rental to be increased each five years by an amount proportional to the percentage increase in the Consumer Price Index during the preceding five-year period

- e. The Lessee will pay percentage rent equal to the amount, if any, by which 4% of gross sales exceeds the minimum guaranteed rent
- f. The Lessee will continue to pay all taxes, insurance, maintenance, and remodeling expenses.

3. U. T. El Paso: Josephine Clardy Fox Fund - Report of Failure to Execute Amendment to Lease with the City of El Paso, Texas, Covering 5306-08 El Paso Drive, El Paso, Texas, and Authorization to Lease 5300 El Paso Drive, El Paso, Texas, to the El Paso Center for Mental Health and Mental Retardation Services, El Paso, Texas.--Upon recommendation of the Land and Investment Committee, the Board received a report of the failure to execute an amendment of a lease with the City of El Paso covering 25,098.13 square feet of land at 5306-08 El Paso Drive, El Paso, Texas (Josephine Clardy Fox Fund - The University of Texas at El Paso), which was approved by the U. T. Board of Regents at its December 8-9, 1983 meeting. Due to complications, the proposed amendment was not executed.

The Board, upon recommendation of the Land and Investment Committee, authorized the lease of approximately 63,424.25 square feet of space at 5300 El Paso Drive to the El Paso Center for Mental Health and Mental Retardation Services, El Paso, Texas, for an initial monthly rental of \$1,500. The lease will expire on March 31, 1992, which is the expiration date of the lease to the City of El Paso on the adjacent property. The lease will provide for two ten-year renewal options at rentals equal to 9% of the appraised value of the land. This provision is also identical to the renewal provisions of the lease to the City of El Paso. Taxes, insurance, maintenance, and all remodeling expenses will be paid by the Lessee.

4. U. T. El Paso: Lucille T. Stevens Estate and Frank B. Cotton Trust - Authorization for Lease of Property at 200 N. Mesa Street and 205 Texas Street, El Paso, Texas, to Walgreen Drug Company, Deerfield, Illinois.--Authorization was given to lease two adjacent buildings, located at 200 N. Mesa Street (Lucille T. Stevens Estate - The University of Texas at El Paso) and 205 Texas Street (Frank B. Cotton Trust - The University of Texas at El Paso), El Paso, Texas, to the Walgreen Drug Company, Deerfield, Illinois. The lease provides for a term of ten years, two months, commencing on the date the Texas Street property becomes available for possession and for three five-year renewal options. The minimum guaranteed rental during the primary term will be \$63,000 per year. Percentage rental in an amount equal to 2½% of gross sales in excess of \$3,000,000 will also be payable. Minimum rental during each option period will be equal to the minimum rental during the previous period plus the average percentage rent paid during the last two years of the previous period. Taxes, insurance, maintenance, and all remodeling expenses will be paid by the Lessee. A real estate commission of \$3,000 per year will be payable by the Lessor during the ten-year primary term to Mr. J. Ted Cottle, El Paso, Texas.

III. OTHER MATTERS

U. T. Austin: Progress Report on The Regents' Endowed Teachers and Scholars Program.--President Flawn reported that since the April meeting of the U. T. Board of Regents, the number of academic positions at The University of Texas at Austin has increased by 16 chairs, 7 professorships and 2 fellowships and lectureships, for a total of 25 new endowed positions, as a result of The Regents' Endowed Teachers and Scholars Program. The University of Texas at Austin now has 700 endowed academic positions for a total of \$67,999,783.

President Flawn also reported that there are 100 chairs at U. T. Austin, of which 38 are endowed for \$1 million or more, 379 professorships and 221 fellowships and lectureships. U. T. Austin expects to receive funds for the endowment of 65 additional academic positions by August 1987, including 17 additional chairs.

Regent Rhodes requested that the next report on The Regents' Endowed Teachers and Scholars Program divide the fellowships and lectureships into separate categories. He also requested that, as a related matter, the Land and Investment Committee be advised of:

- (1) The total number of professors in each department compared to the total number of other faculty in that department, and
- (2) The number of endowed academic positions in each category that were vacant as of the date of the next report.

ITEMS FOR THE RECORD

1. U. T. Board of Regents: Appointment of Chairman Jon P. Newton as Regental Representative to the U. T. Austin Ex-Students' Association Executive Council Beginning July 1984.--
It was reported for the record that Chairman Jon P. Newton will serve as the representative of the U. T. Board of Regents to the Executive Council of The Ex-Students' Association at The University of Texas at Austin beginning in July 1984.

2. U. T. Austin: Report for the Record on the Acceptance of Gifts to Establish Endowed Chairs in the Colleges of Natural Sciences and Engineering.--Following the Executive Session of the U. T. Board of Regents on April 13, 1984, Chairman Newton announced that the Board had concurred in the recommendations of President Flawn to negotiate gifts and pledges which would substantially increase the number of endowed chairs in the Colleges of Natural Sciences and Engineering at The University of Texas at Austin.

The successful completion of those negotiations was the subject of a major press conference at U. T. Austin on April 16, 1984, which announced the establishment of thirty-two academic chairs, each endowed at one million dollars, and which received nationwide publicity and recognition.

For the record, set forth below are the details of the negotiated contributions which were approved by the Board on April 13, 1984, and implemented by President Flawn.

- a. The Board of Regents agreed to accept pledges, payable prior to August 31, 1987, of \$8,000,000 from an anonymous donor, \$3,300,000 from the Cockrell Foundation of Houston, Texas, \$700,000 from the College of Engineering Foundation at U. T. Austin, \$2,000,000 from the Sid W. Richardson Foundation of Fort Worth, Texas, \$1,000,000 from The Robert A. Welch Foundation of Houston, Texas, and \$1,000,000 from the Cullen Trust for Higher Education of Houston, Texas, for a total of \$16,000,000 to endow sixteen chairs with \$1,000,000 each in the Colleges of Natural Sciences and Engineering at U. T. Austin.

- b. The Board of Regents further agreed that the \$16,000,000 in pledges, as received, would be matched under The Regents' Endowed Teachers and Scholars Program and used to fund an additional sixteen chairs with \$1,000,000 each in the Colleges of Natural Sciences and Engineering.

- c. The Board of Regents also concurred in the recommendation of President Flawn that each of the following eight academic areas of the Colleges of Natural Sciences and Engineering would receive four endowed chairs: mathematics, physics, chemistry, molecular biology, microelectronics, computer engineering, materials science and engineering, and manufacturing systems engineering and that specific recommendations regarding each of the thirty-two chairs would be presented to the Board as funds are received.

3. U. T. Austin: Acceptance of Membership on the McDonald Observatory and Department of Astronomy Board of Visitors.-- On February 9, 1984, nominees were approved for membership on the McDonald Observatory and Department of Astronomy Board of Visitors at The University of Texas at Austin. The acceptance of membership by those listed below is herewith reported for the record.

Term Expires

Mrs. Raye Virginia Allen, Washington, D.C.	1985
Mr. George Christian, Austin	1986
Mr. John Stuart, Dallas	1986

4. U. T. Health Science Center - Houston: Acceptance of Membership on the Speech and Hearing Institute Advisory Council.--On February 9, 1984, Mr. J. Tim Arnoult and Mrs. Thomas Holmes of Houston, Texas, were approved for membership on the Speech and Hearing Institute Advisory Council at The University of Texas Health Science Center at Houston for terms to expire August 31, 1987. Their acceptance of membership is herewith reported for the record.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Regent Powell, Chairman of the Board for Lease of University Lands, reported that the Board for Lease had not met since April 4, 1984, and the business of that meeting had been presented to the Board of Regents on April 12, 1984.

Regent Powell stated that the Board had been advised by the Sunset Commission staff that its recommendations on the Board for Lease will be made available in draft form by the last of June, and the public hearings on these recommendations should commence in mid-July, subject to change, depending upon the Special Session of the Legislature.

REPORT OF SPECIAL COMMITTEE

U. T. Board of Regents: Report of Ad Hoc Committee on Institutional Relationships Between the U. T. Board of Regents and the Hermann Hospital Estate Board of Trustees.--Regent Hay presented the following report with regard to the Ad Hoc Committee on Institutional Relationships between the U. T. Board of Regents and the Hermann Hospital Estate Board of Trustees:

Report

The Joint Conference Committee of The University of Texas System Board of Regents and the Hermann Hospital Estate Board of Trustees met in Austin on May 11, 1984.

The meeting began with a report by Dr. Bulger stating that Dr. Louis Faillace had been appointed as Acting Dean of Medicine at The University of Texas Health

Science Center at Houston and that greater emphasis is being placed on the clinical well being of the school and of Hermann Hospital.

Dr. Faillace briefly reviewed his ideas on incentives and indicated that monetary and academic incentives were necessary to increase the interest of full-time faculty participation in clinical activities. He pointed out that funds generated through the practice plan are very important to the University and that an increase in the number of clinic patients is essential to improving the hospital census.

A major agenda item discussed was the various options for financial support of teaching costs at Hermann Hospital. The options were:

- a. Direct appropriation to The University of Texas Health Science Center at Houston to support teaching costs at Hermann Hospital.
- b. Establishment of a Patient Care Trust Fund to support indigent patient care at Hermann Hospital.
- c. The possibility of contracting for indigent patient care services at Hermann Hospital through one of The University of Texas Hospitals -- The University of Texas Medical Branch Hospitals at Galveston or U.T. M. D. Anderson Hospital - Houston.
- d. The appropriation of Permanent University Funds to support capital expenditures at Hermann Hospital, for example, the funding of expensive research equipment.
- e. A concerted effort to establish a joint development campaign for capital funding from private sources.
- f. A joint effort between the institutions to improve the level of funding in the Residents Teaching Bill to support these costs at Hermann Hospital.

It was agreed that the Joint Institutional Planning Committee should develop an analysis of teaching costs and present mutually acceptable proposals for consideration at the next meeting of the Joint Conference Committee.

Mr. Smith, the Hermann Hospital Administrator, reported that the affiliation agreement previously approved by the Joint Conference Committee had been delayed by Hermann Hospital attorneys due to questions regarding vicarious liability. The Trustees agreed to ask the Hermann Hospital Board to consider finalizing the agreement without inclusion of a section covering vicarious liability.

A last item of business was the request for Hermann Hospital to reimburse traditional administrative and supervisory service to U. T. faculty for non-patient care and non-teaching functions performed for Hermann Hospital.

Similar programs are in effect at other teaching hospitals. This was referred back to the Joint Institutional Planning Committee for a recommendation.

It was agreed that, with the cooperative attitude now being shown by both institutions, there is an increasing possibility of arriving at mutually acceptable ways of handling health care costs.

SCHEDULED MEETING.--Chairman Newton announced that the next meeting of the U. T. Board of Regents would be held in Austin on August 9-10, 1984.

RECESS.--At 4:15 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, June 15, 1984

At 9:00 a.m. on Friday, June 15, 1984, the Board reconvened in Executive Session in Seminar Room 212 of the Auditorium Building at the Marine Science Institute at Port Aransas 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 1:00 p.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 Seminar Room 212 of the Auditorium Building on Thursday afternoon (June 14) following the meetings of the Standing Committees and continued its meeting on Friday morning (June 15) 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 Science Center - Dallas: Proposed Settlement of Medical Malpractice Litigation (Withdrawn).--Chairman Newton reported that the item related to proposed settlement of medical malpractice litigation at The University of Texas Health Science Center at Dallas was withdrawn.

2. U. T. Medical Branch - Galveston: Settlement of Construction Litigation Involving the Ambulatory Care Center, the Texas Department of Corrections Hospital, and the Graves Hospital.--Regent Hay moved that the Office of General Counsel be authorized to proceed to attempt to resolve the claims of J. W. Baleson Construction Company with regard to construction projects involving the Ambulatory Care Center, the Texas Department of Corrections Hospital, and the Graves Hospital at The University of Texas Medical Branch at Galveston in accordance with the proposal discussed in Executive Session.

Regent Richards seconded the motion which carried by unanimous vote.

3. U. T. Health Science Center - Houston: Consideration of Negotiated Lease of Real Property (Withdrawn).--The item related to a negotiated lease of real property associated with The University of Texas Health Science Center at Houston was withdrawn from consideration.

4. U. T. Health Science Center - San Antonio: Authorization for Executive Committee to Continue Negotiations Related to a Contract for the Acquisition and/or Gift of Real Property.--Regent Powell moved that the Executive Committee of the Board, in association with Executive Vice Chancellor Mullins, President Harrison, and General Counsel Crowson, be authorized to continue and, if possible, conclude negotiations with several San Antonio groups related to a contract for the acquisition and/or gift of real property for the use and benefit of The University of Texas Health Science Center at San Antonio within the parameters discussed in Executive Session.

Vice-Chairman Briscoe seconded the motion which prevailed without objection.

Chairman Newton noted that the Board had met in executive session with an impressive delegation from San Antonio, including Mayor Henry Cisneros, General Robert McDermott, Mr. Charles J. Katz and Mr. Glenn Biggs. These discussions involved negotiations between the San Antonio Bio-Technology Foundation, the San Antonio Medical Foundation and others related to ways in which the U. T. Health Science Center - San Antonio would become involved in the ambitious plans of the San Antonio Community to develop a leadership role in the general field of bio-technology. Chairman Newton expressed the expectation of the Board that the negotiations would be successfully concluded.

5. U. T. System: Approval of Personnel Aspects of the 1984-85 Operating Budgets, Including Auxilliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical Service, Research and Development Programs and Authorization for Office of the Chancellor to Make Editorial Corrections Therein.--Regent Rhodes moved that the personnel aspects of the 1984-85 Operating Budgets, Including Auxilliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, and Medical Service, Research and Development Programs for The University of Texas System be approved, and that the Office of the Chancellor be authorized to make editorial corrections therein and for subsequent adjustments to be reported to the Board through the institutional Dockets.

Regent Hay seconded the motion which prevailed by unanimous vote.

Chairman Newton stated that the passage of this motion and the previous action in the Finance and Audit Committee completed the Board's approval of the 1984-85 Operating Budgets for The University of Texas System. He noted that these budgets total approximately \$1.77 billion for the U. T. System which is, as Chancellor Walker indicated earlier, a 7.6% increase over the current budget. In general, the budgets for the general academic units have increased 7.2%, for the health-related components 7.9%, and for the System Administration about 5.6%. In terms of dollar amounts, the general academic units have budgeted just over \$700 million and the health-related components in excess of \$1 billion.

Chairman Newton reported that these budgets would be available for review upon adjournment of the meeting and noted for the press representatives that Mr. Joe Roddy, Director of Public Information, would have available summary budget information and summary faculty salary data for each component. These summaries detail in each case the variances in both dollars and percent change between the approved budget for 1984-85 and the current operating budget.

OTHER MATTERS

U. T. Board of Regents: Expression of Congratulations to U. T. Austin, U. T. El Paso, and U. T. San Antonio for a Most Successful Sports Year.--Regent Richards, in his capacity as the Regental Representative for Intercollegiate Athletics, asked President Flawn to convey the Board's congratulations to Men's Intercollegiate Athletics Director DeLoss Dodds and to Women's Intercollegiate Athletics Director Donna Lopiano for a most successful sports year at The University of Texas at Austin and also expressed congratulations to President Monroe (The University of Texas at El Paso) and President Wagener (The University of Texas at San Antonio) for their successful basketball seasons.

ADJOURNMENT.--On behalf of the Board, Chairman Newton expressed appreciation to President Flawn and the U. T. Austin Development Board for the very pleasant social event that was held the previous evening (June 14).

There being no further business, the meeting was adjourned at 1:10 p.m.


Arthur H. Dilly
Executive Secretary

June 20, 1984