

B  
R + R  
Amendment

U. T. SYSTEM: PROPOSED 1977-78 OPERATING BUDGETS (AMENDED) INCLUDING AUXILIARY ENTERPRISES, GRANTS AND GOVERNMENT FUNDS, RESTRICTED CURRENT FUNDS AND MEDICAL SERVICES RESEARCH DEVELOPMENT PROGRAMS; REQUEST FOR REGENTS' RULES AND REGULATIONS TO CONFORM. --A motion was made and seconded that the following Proposed 1977-78 Operating Budgets for The University of Texas System be approved:

System Administration and 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 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

JUL 23, 1977

These Operating Budgets include Auxiliary Enterprises, Grants and Government Funds, Restricted Current Funds and Medical Services Research Development Programs.

Regent Clark offered the following amendment to the Budget. This amendment was seconded by Regent Sterling and unanimously approved:

BE IT RESOLVED, That the budget for The University of Texas System for the fiscal year beginning September 1, 1977, be amended by changing the title of "Deputy Chancellor" to "President and Chief Operating Officer of The University of Texas System."

AND BE IT FURTHER RESOLVED, That the General Counsel be directed to prepare, under the direction and supervision of the Deputy Chancellor, an updated version of the Regents' Rules and Regulations for consideration by the Regents at their September meeting, with the updated version to reflect the Deputy Chancellor's new title and responsibilities, such other changes in The University of Texas System Administration titles and responsibilities as the Deputy Chancellor may recommend, and all other changes necessary to bring the Regents' Rules and Regulations in line with present practices and procedures in The University of Texas System.

The question then recurred on the motion as amended, and the proposed 1977-78 Operating Budgets as outlined above were adopted by unanimous vote.

BOARD OF REGENTS - RULES AND REGULATIONS, PART TWO:  
AMENDMENT TO CHAPTER I, SECTION 5 (POLICY AGAINST DIS-  
CRIMINATION). -- Upon recommendation of System Administration,  
the Regents' Rules and Regulations, Part Two, Chapter I, Section 5  
was amended to read as follows. This change was necessary to  
implement the notice requirement of Section 504 of the Rehabilitation  
Act of 1973 (45 CFR 84) relating to the handicapped:

Sec. 5 Policy Against Discrimination. -- No person shall be  
excluded from participation in, denied the benefits of,  
or be subject to discrimination under, any program  
or activity sponsored or conducted by The University  
of Texas System or any of its component institutions,  
on any basis prohibited by applicable law, including,  
but not limited to, race, color, national origin,  
religion, sex, or handicap.

JUL 29 1977

BOARD OF REGENTS - RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER X, SECTION 11 (EMPLOYMENT OF ATTORNEY BY STUDENTS' ASSOCIATION OR OTHER AGENCY OF STUDENT GOVERNMENT). -- Upon recommendation of System Administration, the Regents' Rules and Regulations, Part Two, Chapter X, Section 11 was amended to read as follows. The changes were necessary to conform the Rules and Regulations to the budget action of the Board of Regents in 1973 separating the Office of Students' Attorney at U. T. Austin from the Students' Association:

Sec. 11 Employment of a Students' Attorney

11.1 If an attorney is retained in any manner by a component institution or by a Students' Association or other agency of student government at any component institution of The University of Texas System to serve as a students' attorney, said attorney shall not act as counsel of record nor represent any student, faculty member, or staff member, or any group or combination of students, faculty members, or staff members, or System Administration or any component institution of The University of Texas System:

OCT 1 1976

11.11 In any matter that required an administrative decision to be made by any officer, committee, board, or agency of a component institution of The University of Texas System, The University of Texas System, or the Board of Regents of The University of Texas System.

11.12 At any stage of any criminal proceeding in any federal, state, county, or local court.

11.13 At any stage of any civil proceeding in any federal, state, county, or local court where such proceeding is directly or indirectly against or antagonistic to the interest of The University of Texas System or any component institution thereof, or against or antagonistic to the interests of any person who is sued in his official capacity as an officer of the System or any component institution thereof.

11.2 Any contract or agreement for legal services entered into by a Students' Association or other agency of student government or other agency of a component institution with an attorney whose remuneration will be paid from funds under the control and management of the Board of Regents of The University of Texas System, including funds from student fees whether mandatory or optional, is expressly subject to the applicable provisions of the Regents' Rules and Regulations, including, but not limited to, the foregoing provisions of this Section 11 and the following:

Section 8.8 of Chapter I of Part One;  
Section 1.1 of Chapter III of Part One;  
Section 1.3 of Chapter III of Part One;  
Section 11 of Chapter III of Part One;  
Section 5.15 of Chapter VI of Part One; and  
Section 5.21 of Chapter VI of Part One.

**BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER XI, SECTIONS 1 AND 2 (CONTRACTS AND GRANTS FOR RESEARCH, TRAINING, AND EDUCATIONAL SERVICES, INCLUDING INSTITUTIONAL SUPPORT GRANTS). --Upon the recommendation of System Administration, Part Two, Chapter XI of the Regents' Rules and Regulations was amended as follows:**

Sections 1 and 2 were deleted and the following substituted therefor:

JUL 9 1976

- Sec. 1      Contracts, grants, and agreements from or with outside agencies for research, training, and educational services, including institutional support grants, (except as provided in Subsection 1. 1 below) shall be approved by the chief administrative officer and ratified by the Board of Regents via the institutional dockets.
1. 1      Contracts or agreements with foreign governments, agencies thereof, and with institutions, enterprises or individuals subject to the jurisdiction of foreign governments, shall be submitted for approval by the Board of Regents, following review of such contracts or agreements by appropriate System Administration officers and recommendation by the Deputy Chancellor.
1. 2      The Office of the Deputy Chancellor will issue special instructions for those contracts and grants requiring special approvals other than as provided in this section.
1. 3      Funds shall not be encumbered or expended under any contract or grant prior to the approval of the contract or grant as indicated above.
1. 4      Institutional support grants include NSF Institutional Grants for Science, NIH General Research Support Grants, Health Professions Education Improvement and/or Capitation Grant Programs, and other such grants awarded on a formula basis rather than a budgeted project basis.
- Sec. 2      Proposals for such contracts, grants and agreements, whether with government agencies, industry, foundations, or other private granting agencies, shall be initiated by the faculty member (or other appropriate official who will direct the work) and shall be approved by designated administrative officials, including the chief administrative officer. These proposals will receive such System Administration review and approval as directed by the Deputy Chancellor. Proposals to private foundations for support should be forwarded via the Office of the System Comptroller to the Chancellor for further approval. The chief business officer at each component institution is responsible for the business aspects of the proposals.

BOARD OF REGENTS - AMENDMENTS TO REGENTS' RULES AND REGULATIONS TO CONFORM TO 1975-77 APPROPRIATION ACT: PART ONE, CHAPTER III, PART TWO, CHAPTER V (VACATION, SICK LEAVE AND OTHER GENERAL APPROPRIATION ACT PROVISIONS) AND PART TWO, CHAPTER III (TRAVEL EXPENSE). --Upon recommendation of System Administration and in order to comply with the current General Appropriation Act, the necessary rules were waived and the following amendments to the Regents' Rules and Regulations, Part One and Part Two were approved effective immediately:

JUL 9 1976

1. Section 15 of Chapter III of Part One was amended by adding a new Subsection 15. 2 to read as set out below and by renumbering the present Subsection 15. 2, Subsection 15. 3:

15. 2 An employee who resigns, is dismissed, or separates from University employment shall be entitled to be paid in "lump sum" for all vacation leave entitlement duly accrued at the date of termination provided the employee has had continuous employment with the State for six months. The payment shall be calculated at the rate of compensation being paid the employee at the time of termination.

2. Section 19 of Chapter III of Part One was amended by adding a new Subsection 19. 3 to read as follows and by renumbering the present Subsection 19. 3, Subsection 19. 4:

19. 3 An employee who resigns, is dismissed, or separates from University employment shall be entitled to be paid in "lump sum" for one-half sick leave entitlement duly accrued at the date of termination. The payment shall be calculated at the rate of compensation being paid the employee at the time of termination.

3. Section 3 of Chapter V of Part Two was amended by deleting Subsection 3. 2 and by renumbering Subsection 3. 3, Subsection 3. 2.

4. Chapter III of Part Two was amended by changing Subsection 13. 4(10)3 of Section 13. 4 (Travel Expense Reimbursements) to read as follows:

13. 4(10)3 Intercollegiate Athletics. --Actual expenses will be paid at no per diem limit, provided such expenditures in the amount of \$4. 00 or more are supported by signed receipts.

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS,  
PART TWO: AMENDMENTS TO CHAPTERS II, III, IV, VII AND  
XI. --To update in part the Regents' Rules and Regulations, Part  
Two, the following amendments were adopted:

1. Amend Chapter II of Part Two of the Regents' Rules and Regu-  
lations as follows:
- a. By adding to Subsection 1.5 new Subsections 1.52 and 1.54  
to read as follows and by changing the present Subsection  
1.52 to 1.53:

DEC 12 1975

CHAPTER II

ACCOUNTING, AUDITING, REPORTING, AND BUDGETARY CONTROL

Sec. 1 Types of Funds.

1.5 Plant Funds.

1.51 . . .

1.52 Renewals and Replacement Funds.--Funds specified  
by the Board of Regents or by external sources  
to be used for the renewal and replacement of  
plant fund assets. A regular source for such  
funds shall be the portion of indirect cost  
allowances represented by use charges on build-  
ings, other improvements and equipment allocated  
to sponsored programs. (See also Part Two,  
Chapter XI, Section 7).

1.53 Retirement of Indebtedness Funds.--Funds speci-  
fied by the Board of Regents or by external  
sources to be set aside to meet debt service  
charges and the retirement of indebtedness on  
institutional plant assets.

1.54 Investment in Plant Funds.--Funds invested in  
physical properties to be used for institutional  
purposes.

- b. By changing Subsection 2.1 to read as follows:

Sec. 2 Accounting.

2.1 The financial records of The University of Texas System  
shall be kept as nearly as practicable in accordance  
with the recommendations set forth in "College and  
University Business Administration, Third Edition,"  
(1974) published by the National Association of College  
and University Business Officers. Where those recom-  
mendations conflict with statutes or with regulations  
of the Coordinating Board, Texas College and University  
System, the latter shall be controlling.

- c. By changing Subsections 4.1, 4.2, 4.21, 4.22 and 4.3 to  
read as follows:

Sec. 4 Reporting.

4.1 All financial reports shall be prepared in accordance  
with the provisions of the statutes, official directives  
of the Coordinating Board, Texas College and University  
System, and directives of the Board of Regents, and in  
conformity with the manual, "College and University

Business Administration, Third Edition," (1974) referred to above. The reports shall be prepared by the Chief Business Officer and approved by the System Comptroller.

- 4.2 Two reports, both of which shall be prepared under the direction of the Chief Business Officer and the System Comptroller, shall be prepared annually:
- 4.21 Annual Financial Report.--As required by Statute, printed financial reports, in the format recommended in "College and University Business Administration, Third Edition," (1974), or its successor publication, shall be filed with the Coordinating Board, Texas College and University System, and other State Offices as required by law.
- 4.22 Salary Payment Report.--On or before December 31, each year, an itemized report in format prescribed by System Administration shall be prepared of salaries and wages paid all employees for services during the preceding fiscal year out of any funds from any source or character under the control and/or custody of the Board of Regents, showing for each employee the total amount paid from each source during the twelve months of the fiscal year, the title of the position held or kind of service rendered. Copies of this report shall be furnished the Secretary to the Board of Regents, the System Budget Director, and the System Comptroller.
- 4.3 Monthly financial reports, in the form prescribed by the System Comptroller, shall be prepared by each institutional chief business officer and distributed to the institutional head, the Deputy Chancellor, the Secretary to the Board of Regents, and the System Comptroller.

d. By changing Subsection 5.5 to read as follows:

Sec. 5 Operating Budgets.

- 5.5 A copy of each budget, and any subsequent amendment thereto, shall be filed by the Secretary to the Board of Regents with the Legislative Reference Library to be available for public inspection, and also filed with such other State Offices as required by law.

2. Amend Chapter III of Part Two of the Regents' Rules and Regulations as follows:

- a. By changing Subsection 2.1 and the present Subsection 2.3, by adding Subsections 2.11, 2.12 and 2.2 as set out below and by renumbering 2.2 and 2.3 as 2.3 and 2.4 respectively:

CHAPTER III

RECEIPT, CUSTODY, AND DISBURSEMENT OF MONEYS; ABSENCE  
FROM USUAL AND REGULAR DUTIES INCLUDING TRAVEL

Sec. 2 Deposits with Institutional Business Office.

- 2.1 Money received by all departments from all sources shall be deposited, using an official form, in the institutional business office, unless depositing directly to a special bank account has been specifically authorized by

the Deputy Chancellor. The deposits shall be daily if the receipts are \$50 or more, and weekly even if the accumulation is less than \$50. Except for mail deposits authorized under subsections 2.11 and 2.12, the deposit shall be made in person by a departmental representative to whom an official receipt is issued.

2.11 Mail deposits by on campus departments are authorized if the amount of each deposit is less than \$100 and does not contain cash (currency).

2.12 Mail deposits by off campus activities are authorized if such deposit does not contain cash (currency).

2.2 Departments or activities mailing deposits shall maintain adequate record of such deposits, including detailed description of negotiable instruments.

2.3 Cash overages or shortages shall be reported to the business office with each deposit. Cash overages are deposited in the business office.

2.4 Petty cash funds shall be provided only on approval of, and by arrangement of, the department with the Chief Business Officer. Special petty cash fund bank accounts may be established only with the approval of the Deputy Chancellor.

b. By changing Subsections 4.11 and 4.12 to read as follows:

Sec. 4 Local Institutional Funds.

4.1 . . . .

4.11 Depository agreements with official depository banks shall be negotiated, as necessary, by the System Comptroller with those banks approved by the Board of Regents and in accordance with the then current policies of the Board. Such depository agreements shall be executed by the Chairman of the Board of Regents.

4.12 Requests for authorized signatures, or changes thereto, for bank accounts maintained in all depository banks, shall be forwarded to the System Comptroller, who, after review and approval, shall refer such requests to the Deputy Chancellor for notification of the banks concerned.

c. By changing Subsection 12.2 to read as follows:

Sec. 12 Payrolls.

12.2 All payrolls shall be prepared or verified in the business office from regular budgets, appointment documents, authorizations, time cards, or other documentation, and approved by the chief business officer or a person designated by him.

d. By changing Subsections 13.422 and 13.4(10)2 and by adding a new Subsection 13.4(11) to read as follows:

Sec. 13 Absence from Usual and Regular Duties, Authorization for Absence, Including Travel, and Travel Expense Reimbursement.

13.422 Component Institutions - Reimbursement for all travel by employees of the component institutions shall be

approved either by the Deputy Chancellor or by the administrative officers designated below:

Chief Administrative Officer (President) or Chief Business Officer (Vice-President for Business Affairs or Business Manager) or other senior administrative or fiscal officers as may be delegated in writing by the Chief Administrative Officer and the Chief Business Officer. Such delegations shall be approved by the Deputy Chancellor and filed with the Secretary to the Board of Regents and the State Comptroller of Public Accounts, together with the names of the individuals occupying the positions named.

13.4(10)2 Gifts, Grants, and Designated Funds.-- Reimbursement of travel expenses paid from Gifts, Grants, and Designated Funds will be as follows:

- (a) For grants from or derived from Federal or State agencies, travel allowances shall be paid as specified in the foregoing general travel regulations, Subsections 13.43 through 13.49.
- (b) For other gifts, grants, trust or designated funds, travel allowances may be for actual expenses for meals, lodging and airport parking, not to exceed \$35 per day. The transportation allowances will be as specified in Subsection 13.47 of the foregoing general travel regulations.

The provisions of both (a) and (b) above are subject to the terms, provisions and conditions of the particular gifts, grants, or funds involved. Further exceptions to these provisions may be in accordance with specific authorization by the Board of Regents with certain designated funds. Likewise, when anticipated living costs are unusually low for those engaged in travel, the person authorizing the travel may reduce the allowance for all or any part of the travel, provided that the employee shall be notified of such reduced allowance before being allowed to incur any expense. When not otherwise prohibited by the terms of the gift or grant, employees may also be reimbursed for required registration fees or similar expenses incurred in attending meetings of organizations or associations. Receipts for lodging, registration fees, or similar expenses shall be obtained and attached to the expense

voucher. Project Directors, Principal Investigators, Departmental Chairmen, or other authorized personnel under a gift or grant who travel in their personally owned airplanes on necessary official business may be reimbursed at the rate of twenty-one cents (21¢) per highway mile for in-state travel. The same rate shall apply to out-of-state travel, subject to the limitation that the mileage reimbursement shall not exceed the amount equal to the number of persons flying by private plane times the lowest available airline fare.

13.4(11) As provided by House Bill 1058, 64th Legislature (amending Tex.Rev.Civ.Stat. Ann. art. 6823a), component institutions may establish procedures for payment in advance of travel expenses incurred by employees in the exercise of their official duties. Any such procedures established shall be in accordance with the statute, based on guidelines provided by the State Comptroller, and provide for prompt recovery of any such advances.

e. By changing Subsections 16.1, 16.2 and 16.24 to read as follows:

Sec. 16 Insurance on Money and Securities; Fidelity Bonds.

16.1 Insurance on Money and Securities.--As approved by the Board of Regents, The University of Texas System carries a blanket System-wide policy insuring against loss of money or securities at any of the component institutions. The premium paid by each institution is separately computed and is based on the coverage applicable at each institution. At the time any loss occurs at any institution, the Associate Deputy Chancellor for Operations shall be notified by the appropriate Chief Business Officer and shall approve all loss claims and settlements. Any settlement over \$2,000 and under \$10,000 shall be reported to the Board of Regents for ratification. Settlements in the amount of \$10,000 or more must have the approval of the Board of Regents. Money and Securities coverage may be combined with the blanket position fidelity bond.

16.2 Fidelity Bonds.

16.24 At the time a loss occurs, the Associate Deputy Chancellor for Operations shall be notified by the Chief Business Officer and shall approve all loss claims and settlements. Any settlement over \$2,000 and under \$10,000 shall be reported to the Board of Regents for ratification. Settlements in the amount of \$10,000 or more must have the approval of the Board of Regents.

3. Amend Chapter IV of Part Two of the Regents' Rules and Regulations by changing Subsection 6.2 to read as follows:

CHAPTER IV

PURCHASING

Sec. 6 Space Leases.

- 6.2 Proposals for space leases require the advance approval of the Deputy Chancellor or his delegate. Lease contracts drawn in accordance with such approval shall be executed by the System Comptroller, and submitted for ratification by the Board of Regents through the institutional docket.
4. Amend Chapter VII of Part Two of the Regents' Rules and Regulations by changing Subsections 3.6, 3.7, 4.2, 4.3, 4.4, 9.3, 9.4 and 9.5 to read as follows:

CHAPTER VII

PHYSICAL PROPERTIES

Sec. 3 Motor Vehicles.

- 3.6 Each institution shall be cognizant of and render reports on operation of motor vehicles as required by the current appropriations bill.
- 3.7 The University of Texas System is authorized to acquire, operate, and maintain, including replacing, two passenger airplanes. Such airplanes may be acquired by gift only, purchase, or partly by gift and partly by purchase. All costs of acquisition, operation, and maintenance, including replacement, may be paid out of the Available University Fund allocable to The University of Texas System.

Sec. 4 Insurance on Property of The University of Texas System.

- 4.2 The terms of the policies covering the risks indicated above are negotiated by the Associate Deputy Chancellor for Operations in accordance with procedures approved by the Deputy Chancellor and the Board of Regents.
- 4.3 When it is necessary or advisable to insure risks on a basis other than System-wide, insurance policies covering such risks shall be approved by the Associate Deputy Chancellor for Operations on an individual basis upon recommendation by the Chief Business Officer of the component institution affected.
- 4.4 At the time a loss occurs applicable to either System-wide or individual insurance policies, the Associate Deputy Chancellor for Operations shall be notified by the Chief Business Officer, and shall approve all loss claims and settlements. Any settlement over \$2,000 and under \$10,000 shall be reported to the Board of Regents for ratification. Settlements in the amount of \$10,000 or more must have the approval of the Board of Regents.

Sec. 9 Disposal of Property of The University of Texas System.

- 9.3 For items of little value or limited use where sale on competitive bids is not practicable, the Chief Business Officer shall have the authority to dispose of the property on the basis of negotiated bids in amounts under \$2,000.
- 9.4 Sale of property estimated to bring \$2,000 or more shall be made on a basis of competitive bids.
- 9.5 Sales in amount of \$10,000 or more shall be approved in advance by the Deputy Chancellor and ratified by the Board of Regents through the institutional docket.

5. Amend Chapter XI of Part Two of the Regents' Rules and Regulations by adding a new Section 7 and by changing Sections 2, 5 and 6 to read as follows:

CHAPTER XI

CONTRACTS AND GRANTS FOR RESEARCH, TRAINING, AND  
EDUCATIONAL SERVICES, INCLUDING  
INSTITUTIONAL SUPPORT GRANTS

- Sec. 2 Proposals for such contracts, grants, and agreements, whether with government agencies, industry, foundations, or other private granting agencies, shall be initiated by the faculty member (or other appropriate official who will direct the work) and shall be approved by designated administrative officials, including the chief administrative officer. Proposals to private foundations for support should be forwarded via the Office of the System Comptroller to the Chancellor for further approval. The chief business officer at each component institution is responsible for the business aspects of the proposals.
- Sec. 5 Proposals as to overhead rates and specialized rates for fringe benefits, computers, and other facilities chargeable to cost-reimbursement contracts and other government contracts and grants shall be worked out in preliminary form by the chief business officer concerned and shall be reviewed and approved by the System Comptroller before being submitted. Subject to approval of the Deputy Chancellor, the System Comptroller shall negotiate all such rates for the component institutions of The University of Texas System.
- Sec. 6 Information as to overhead and specialized rates applicable to the type of contract, grant or agreement to be entered into shall be secured from the System Comptroller via the business officers and/or the appropriate research administration officer.
- Sec. 7 To the extent that indirect cost recoveries from the application of overhead rates are derived from use charges for buildings, other improvements, or equipment, the funds so derived shall be designated for renewals and replacements of plant fund assets or for other purposes specified and approved in the budgetary processes as related to the indirect cost recoveries.

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENT TO CHAPTER VI, SECTION 5.2 (MAXIMUM LIMITS ON GROUP TERM LIFE INSURANCE). --In order to conform the Regents' Rules and Regulations to the maximum limits on Group Life Insurance set by S.B. 348, 64th Legislature, R.S., Section 5.2 of Chapter VI of Part Two of the Regents' Rules and Regulations was deleted and the following substituted in lieu thereof:

Sec. 5 Group Term Life Insurance.

5.2 The amount of insurance available is based on a schedule that may not exceed two times annual earnings with a maximum of \$100,000 or 200% of annual compensation, whichever is the lesser amount. The amount of insurance for any employee who does not elect to change to the new schedule will continue to conform to the Insurance Table in effect prior to September 1, 1975. Annual earnings for academic personnel shall be the nine-month or twelve-month academic rate as applicable. Annual earnings for nonteaching personnel shall be the twelve-month rate. When an employee classification changes, due to increase or decrease in earnings, including Modified Service, the amount of insurance will be adjusted on the annual renewal date (January 1) following the date of the change provided the employee is available for work.

DEC 12 1975

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENT TO CHAPTER IX (INVESTMENTS, TRUSTS AND LANDS). --Upon the recommendation of the Associate Deputy Chancellor for Investments, Trusts and Lands, concurred in by System Administration, the following sections and subsections of Chapter IX of Part Two of the Regents' Rules and Regulations were amended to read as set out below:

Subsections 1.1, 1.2, 1.5, 2.213, 2.22, 2.61,  
6.1 and 6.3

DEC 12 1975

Sec. 1 Authorizations re Sales, Assignments, Conveyances, Receipt of Property and Proxies.

1.1 Authority to Purchase, Exchange, and Sell Securities for and on Behalf of the Permanent University Fund of The University of Texas and the Board of Regents of The University of Texas System.--The Deputy Chancellor or his delegate, or the Associate Deputy Chancellor for Investments, Trusts and Lands, or the Investment Officer, are each authorized to purchase, exchange and sell any and all securities for and on behalf of the Permanent University Fund of The University of Texas or the Board of Regents of The University of Texas System, and to execute any and all documents necessary to the consummation of any purchases or exchanges.

1.2 Authority to Assign and Transfer Securities Held by the Permanent University Fund of The University of Texas and the Board of Regents of The University of Texas System.--The Deputy Chancellor, the Associate Deputy Chancellor for Investments, Trusts and Lands or the Executive Assistant for Administration or any Trust Officer may assign and transfer any and all securities of any description, whatever, and execute any and all documents necessary to the consummation of any sale, assignment or transfer of any securities registered in the name of the Permanent University Fund of The University of Texas of the Board

of Regents of The University of Texas System or in any other form of registration of such securities held for the account of the Permanent University Fund of The University of Texas or the Board of Regents of The University of Texas System in whatever manner, including all fiduciary capacities, and including those registered in the names of trusts or foundations managed and controlled by said Board of Regents.

- 1.5 Authority to Execute Proxies.--The Deputy Chancellor or the Associate Deputy Chancellor for Investments, Trusts and Lands, or any Trust Officer, or the Director of Stock Research are each authorized to execute proxies within the approved investment policies.

Sec. 2 Investment Policy for Permanent University Fund.

- 2.2 Standards as to Quality.
- 2.21 Corporate Stocks:
- 2.213 Common stocks and convertible securities are eligible for purchase if they are issued by corporations which have been approved by the Board of Regents.
- 2.22 Corporate Obligations and Preferred Stocks: Corporate Bonds and Preferred Stocks must be rated "A" or better by Moody's Investors Service, Inc., or by Standard and Poor's Corporation. Bonds or preferred stocks offered by private placement and not rated may be purchased if in the opinion of the University's Investment Counsel they are of "A" quality or better. Commercial Paper must be rated in the two highest quality classes by Moody's Investors Service, Inc., or Standard and Poor's Corporation to be eligible for purchase.
- 2.6 Implementation of Policies.
- 2.61 Approved List. A list of companies whose stocks are considered suitable for purchase or retention shall, after consultation with the Staff Investment Committee, the Investment Counsel, and the Investment Advisory Committee, be submitted by the Deputy Chancellor, or the Associate Deputy Chancellor for Investments, Trusts and Lands for approval by the Board of Regents through the Regents' Land and Investment Committee. This list will be reviewed annually.

Sec. 6 Investment Advisory Committee.

- 6.1 Membership.--Five members of the Committee shall be selected because of their particular qualifications and experience in the field of investments, including experience in bond and corporate stock investments.
- 6.3 Term of Office.--Each member shall serve a five year term on a rotating basis, with the term of one member expiring each August 31.

OCT 24 1975

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENT TO SECTION 6, CHAPTER I (ADMISSION TO MEDICAL SCHOOL - COMPLIANCE WITH H.B. 2136, 64th LEG., R.S., 1975).--To comply with H.B. 2136, 64th Legislature, R.S., 1975, Section 6 (Admission to Medical School) of Chapter I of Part Two of the Regents' Rules and Regulations was amended by renumbering Section 6 to read 6.1 and by adding a new section (6.2) to read as follows:

Sec. 6 General Admission Policy.

6.1 ...

6.2 All Texas resident applicants to medical schools within The University of Texas System shall be notified of their eligibility to apply to the State Rural Medical Education Board for financial assistance pursuant to Article 4498(c), Vernon's Civil Statutes. Article 4498(c) authorizes the Rural Medical Education Board to make loans, grants or scholarships to medical students who are contractually obligated to practice medicine in rural areas of the State. The notification will also inform applicants that they may seek financial assistance from the State Rural Medical Education Board at any time during medical school should they subsequently determine that they desire to enter the practice of medicine in a rural area. The fact that an applicant has contracted for a loan, grant or scholarship from the State Rural Medical Education Board will be considered by the admissions committee in the overall consideration of the applicant.

**BOARD OF REGENTS: REPORT OF SPECIAL COMMITTEE FOR ADDITIONAL AMENDMENTS TO REGENTS' RULES AND REGULATIONS IN IMPLEMENTATION OF ADMINISTRATIVE REORGANIZATION (AMENDMENTS TO PART ONE, CHAPTERS I, II, III, VIII AND PART TWO, CHAPTERS V AND X).** --The Special Committee composed of Chairman Shivers, Chancellor LeMaistre and Deputy Chancellor Walker to review the Regents' Rules and Regulations for implementation of the reorganization of the Office of the Chancellor (approved July 25, 1975) unani- mously proposed the following amendments to the Regents' Rules and Regulations. The necessary rules were waived and the following amendments were adopted:

5. Amend the Regents' Rules and Regulations, Part Two, Chapter V, by deleting Subsection 1.1 and substituting the following in lieu thereof:

- 1.1 System Personnel Director.  
The System Personnel Director serves as a staff officer advising the Deputy Chancellor.

6. Amend the Regents' Rules and Regulations, Part Two, Chapter X, by deleting Subsection 10.2 and substituting the following in lieu thereof:

- 10.2 The President of The University of Texas at Austin shall review the minutes of all meetings of the Athletics Council and may subsequently approve, reverse, or modify any action therein. After reviewing the minutes of a meeting of the Athletics Council, the President of The University of Texas at Austin shall deliver to the Deputy Chancellor two copies of such minutes and a copy of the action, if any, taken by the President with regard to the approval, modification, or reversal of any action of the Athletics Council. Nothing in this section shall be deemed to limit or restrict the authority of the Board of Regents.

SEP 11 1975

SEP 12 1975

U. T. SYSTEM: ADMINISTRATIVE REORGANIZATION AND AMENDMENTS TO REGENTS' RULES AND REGULATIONS, PARTS ONE AND TWO TO CONFORM THERETO; SPECIAL COMMITTEE AUTHORIZED TO SUBMIT AT SEPTEMBER MEETING ADDITIONAL AMENDMENTS RELATING THERETO IF NEEDED. --Chairman Shivers reported that Chancellor LeMaistre had written a letter requesting, and stating the necessity for, a reorganization of the Administration. The Board of Regents agreed with Chancellor LeMaistre, and a reorganization of the Administration of The University of Texas System was approved effective immediately.

Mr. E. D. Walker, currently Deputy Chancellor for Administration, was named Deputy Chancellor. He will report to the Chancellor. All other officers of System Administration will report to the Deputy Chancellor except the Executive Assistant to the Chancellor and the Director for Development. These two officers will report to the Chancellor.

The Deputy Chancellor will direct the day-to-day operations of the U. T. System and will have direct contact with the Presidents of the component institutions while the Chancellor will become more involved in education policy concerns at the community, state, regional and national levels and will concentrate on education policy matters internal to the University. The Chancellor and the Deputy Chancellor will work in close cooperation on all matters.

To accomplish this reorganization, the Regents' Rules and Regulations, Parts One and Two, were amended as set out on Pages 118 - 135 .

156 9 5 1975

1. Amend Chapter II of Part One of the Regents' Rules and Regulations to read as follows:

CHAPTER II

ADMINISTRATION

Sec. 1 General Provisions.

- 1.1 The "System Administration" is the administration of The University of Texas System.
- 1.2 Component Institutions.  
The University of Texas System is composed of those institutions assigned by the Constitution or by the Legislature to be governed by the Board of Regents of The University of Texas System.
- 1.3 Location.  
The System Administration shall be based at Austin, to benefit from the proximity of state agencies and to take advantage of economies made possible by share use of personnel and facilities with The University of Texas at Austin. System Administration officers shall travel to the other component institutions as their administrative responsibilities require.

Sec. 2 Officers of System Administration.

- 2.1 Chancellor Emeritus.  
The authority to bestow the title of Chancellor Emeritus shall rest with the Board of Regents, and an individual holding this title shall receive such salary and emoluments as are determined by the Board. This title shall be held at the pleasure of the Board of Regents. The Chancellor Emeritus shall have such duties and responsibilities as may be delegated or assigned to him by the Board of Regents and in these matters he shall report directly to the Board.
- 2.2 Principal Officers.  
The Chancellor is the chief executive and administrative officer of The University of Texas System. The other principal executive and administrative officer of System Administration is the Deputy Chancellor.
- 2.3 Administrative Officers.  
The other administrative officers of The University of Texas System are the Executive Assistant to the Chancellor; the Director for Development; Associate Deputy Chancellor for Academic Affairs; the Associate Deputy Chancellor for Health Affairs; the Associate Deputy Chancellor for Investments, Trusts and Lands; the Associate Deputy Chancellor for Operations; the Director for Information; the Director for Public Affairs; the Comptroller; the Director of Facilities Planning and Construction; the Budget Director; the General Counsel for The University of Texas System; the System Personnel Director; the Director of Accounting; the Director of Police; and the Director for Special Services.
- 2.4 Appointment and Tenure of Administrative Officers.
  - 2.41 The Chancellor of The University of Texas System shall be elected by the affirmative vote of a majority of the Regents in office. The Chancellor shall hold office without fixed term, subject to the pleasure of the Board of Regents.

2.42 The Deputy Chancellor, the Executive Assistant to the Chancellor, and the Director for Development shall each be appointed by the Board of Regents after nomination by the Chancellor. Each of such officers shall hold office without fixed term, subject to the pleasure of the Chancellor, whose actions concerning such officers are subject to review and approval by the Board of Regents.

2.43 All other administrative officers of The University of Texas System shall be appointed by the Board of Regents after nomination by the Deputy Chancellor. Officers so appointed shall not have tenure by virtue of their respective administrative offices. They shall hold office without fixed term, subject to the pleasure of the Deputy Chancellor. His actions concerning administrative officers are in turn subject to review and approval by the Board of Regents.

2.5 Staff and Line Functions of Officers Other than the Chancellor, Deputy Chancellor, Executive Assistant to the Chancellor and Director for Development.

2.51 Staff Function. Each officer of System Administration, other than the Chancellor, the Deputy Chancellor, the Executive Assistant to the Chancellor, and the Director for Development, shall be responsible for planning and policy formulation in his particular field and shall serve as adviser in his area to the Deputy Chancellor. In addition, with the knowledge of the Deputy Chancellor, he shall advise and consult with other members of System Administration and with the officials of the component institutions in his particular area of responsibility.

2.52 Duties. Such officers of System Administration shall have such duties as shall be assigned to them by the Deputy Chancellor, and as his personal representatives, they may be assigned specific executive responsibilities for carrying out administrative policies.

Sec. 3 Administrative Authority, Duties and Responsibilities of Officers of System Administration.

3.1 Chancellor.

The Chancellor is the chief executive officer of The University of Texas System. In the areas of development, general policy, and general academic planning for The University of Texas System and its component institutions, the Chancellor, by delegation from the Board of Regents, is authorized to exercise or to delegate all of the power and authority possessed by the Board of Regents in the governance of the institutions composing The University of Texas System. The Chancellor reports to and is responsible to the Board of Regents.

3.2 Executive Assistant to the Chancellor.

The Executive Assistant to the Chancellor is an administrative officer of The University of Texas System, and is the principal assistant to the Chancellor in the administration of the responsibilities of the Office of the Chancellor. In this regard, the duties of the position include, but are not limited to:

3.21 Coordination of all matters between the Office of the Chancellor and the activities and functions in the Office of the Deputy Chancellor.

- 3.22 Coordination of all matters between the Office of the Chancellor and the Office of the Secretary to the Board of Regents.
- 3.23 Ongoing evaluation and coordination of the internal administrative procedures and supporting staff of the Office of the Chancellor.
- 3.24 Such other duties and responsibilities as may be directed by the Chancellor.

3.3 Director for Development.

The Director for Development is an administrative officer of The University of Texas System.

- 3.3(1) In carrying out his duties and responsibilities he:
  - 3.3(1)(1) Serves as executive officer for The University of Texas System Advisory Council.
  - 3.3(1)(2) Acts under the authority delegated by the Chancellor for private fund development for The University of Texas System.
  - 3.3(1)(3) Coordinates policies and activities involving internal foundations and University-related external foundations.
  - 3.3(1)(4) Coordinates and cooperates with the chief administrative officers of the component institutions in development programs.
  - 3.3(1)(5) Coordinates efforts of component institution officials to create a favorable climate for philanthropic support among various constituencies, including alumni, foundations, business and industry, associations, parents of students, friends and benefactors.
  - 3.3(1)(6) Advises component institution administrative officials, deans, and directors on projects involving private gift support, suggests possible granting agencies or benefactors, and assists when needed in the preparation of grant proposals and their presentation.
  - 3.3(1)(7) Administers procedures for the preparation of gift records, gift processing, gift acknowledgments, and gift dockets for the Board of Regents.
- 3.3(2) The Director for Development reports to and is responsible to the Chancellor.

3.4 Deputy Chancellor.

The Deputy Chancellor is the other principal executive and administrative officer of The University of Texas System. The chief administrative officer of each component institution in the System, acting in a line capacity for the operation of his institution, reports to and is responsible to the Deputy Chancellor, and, through the Deputy Chancellor and the Chancellor, to the Board of Regents.

- 3.41 By delegation from the Chancellor, the Deputy Chancellor is the chief executive and administrative officer for the day-to-day administrative operations of The University of Texas System and its component institutions. He shall:
  - 3.41(1) Act as agent of the Board of Regents in implementing policies of the Board.

- 3.41(2) Present to the Board of Regents nominations for all officers of System Administration (other than Chancellor, the Executive Assistant to the Chancellor, the Director for Development, and the Deputy Chancellor) and component institutions as provided in these Rules and Regulations.
- 3.41(3) With the aid and advice of the Board of Regents, represent The University of Texas System with the Legislature, the Coordinating Board, Texas College and University System, and other state and federal agencies.
- 3.41(4) Conduct periodic review of the organization of The University of Texas System and its component institutions. In light of this review, he shall report to the Board of Regents recommendations for changes in organization, assignments, and procedures.
- 3.41(5) Normally act through the chief administrative officer regarding the affairs of any component institution of The University of Texas System; however, he shall not be precluded from any direct participation and communication with faculty members and groups.
- 3.41(6) Approve and submit for the meetings of the Board of Regents all recommendations to the Secretary to the Board of Regents for consideration by the Chairman of the Board, with a copy to the Chancellor.
- 3.41(7) Recommend annual operating budgets and biennial legislative submissions of each component institution of The University of Texas System.
- 3.41(8) Develop and implement programs for the most efficient management of personnel and resources.
- 3.41(9) Develop and implement programs of long-range planning for physical facilities and financial resources.
- 3.41(10) Through the System Administration and the staff of the component institutions develop training programs for personnel in the nonacademic areas.
- 3.41(11) Plan and implement programs for uniform business systems development and management.
- 3.41(12) Have direct administrative authority and responsibility for efficient functioning of the following officers and operations:
  - 3.41(12)(1) Associate Deputy Chancellor for Academic Affairs
  - 3.41(12)(2) Associate Deputy Chancellor for Health Affairs

- 3.41(12)(3) Associate Deputy Chancellor for Investments, Trusts and Lands
  - 3.41(12)(4) Associate Deputy Chancellor for Operations
  - 3.41(12)(5) Director for Information
  - 3.41(12)(6) Director for Public Affairs
  - 3.41(12)(7) Comptroller
  - 3.41(12)(8) Director of Facilities Planning and Construction
  - 3.41(12)(9) Budget Director
  - 3.41(12)(10) General Counsel, The University of Texas System
  - 3.41(12)(11) Director of Police
  - 3.41(12)(12) System Personnel Director
  - 3.41(12)(13) Director for Special Services
  - 3.41(12)(14) Director of Accounting of The University of Texas at Austin (with respect to System Administration activities)
  - 3.41(12)(15) Business Administrative Operations of the Component Institutions (coordination of activities)
- 3.41(13) In the absence of the Chancellor, or in the event of his inability to act, the Deputy Chancellor shall discharge the duties and responsibilities of the Chancellor.
- 3.42 The Deputy Chancellor reports to and is responsible to the Chancellor.
- 3.43 The Academic Affairs Council. The Academic Affairs Council is composed of the Deputy Chancellor and the chief administrative officers of all component institutions of The University of Texas System. The Deputy Chancellor shall serve as the permanent chairman, and the Council shall review academic planning, operational procedures, development activities, and other matters of general concern to the several component institutions.
- 3.44 University Council. The University Council is composed of the Deputy Chancellor, the Associate Deputy Chancellor for Academic Affairs, and the chief administrative officers of the general academic institutions of The University of Texas System. The Deputy Chancellor shall serve as the Council's permanent chairman and shall conduct regular meetings to review common problems of planning, development, and operation of the several institutions represented.
- 3.45 Health Affairs Council. The Health Affairs Council is composed of the Deputy Chancellor, the Associate Deputy Chancellor for Health Affairs, and the chief administrative officers of the component institutions of The University of Texas System concerned directly with health affairs. The Deputy Chancellor acts as the Council's permanent chairman and shall conduct regular meetings to review common problems of planning, development, and operation of the several institutions represented.

- 3.46 Business Management Council. The Business Management Council advises the Deputy Chancellor in the areas of budgeting, business management, data processing, physical plant operations, planning, construction, and accounting systems development. The Council is composed of the chief business officers and the Deputy Chancellor (the Chairman), who prepares the agenda.
- 3.5 Associate Deputy Chancellor for Academic Affairs. The Associate Deputy Chancellor for Academic Affairs (general academic institutions) is an administrative officer of The University of Texas System.
- 3.51 Subject to delegation by the Deputy Chancellor, the Associate Deputy Chancellor for Academic Affairs has the general assignment of effective coordination of the general academic institutions. Specifically, he:
- 3.51(1) Submits to the Deputy Chancellor recommendations on The University of Texas System programs in education, research, and public service, including general plans and operations of general academic institutions.
- 3.51(2) Reviews and makes recommendations on proposals from the general academic institutions requiring action by the Deputy Chancellor.
- 3.51(3) Prepares and submits to the Deputy Chancellor long-range and immediate academic plans.
- 3.51(4) Pursuant to governing policies, recommends to the Deputy Chancellor upon the annual operating budget requests submitted by each general academic institution.
- 3.51(5) Recommends to the Deputy Chancellor legislative appropriation requests (and policies for the development of such requests) to be submitted by The University of Texas System on behalf of the general academic institutions.
- 3.51(6) Processes all academic matters for the System institutions, both health and academic, with the Coordinating Board, and coordinates other academic matters directed to the Coordinating Board.
- 3.52 The Associate Deputy Chancellor for Academic Affairs reports to and is responsible to the Deputy Chancellor.
- 3.6 Associate Deputy Chancellor for Health Affairs. The Associate Deputy Chancellor for Health Affairs is an administrative officer of The University of Texas System.
- 3.61 Subject to delegation by the Deputy Chancellor, the Associate Deputy Chancellor for Health Affairs has the general assignment of effective coordination of those component institutions concerned primarily with health sciences. Specifically, he:
- 3.61(1) Submits to the Deputy Chancellor recommendations on The University of Texas System programs on health science education, research, and public service, including general plans and operations of the biomedical institutions.

- 3.61(2) Reviews and makes recommendations on proposals from the biomedical institutions requiring action by the Deputy Chancellor.
- 3.61(3) Prepares and submits to the Deputy Chancellor long-range and immediate academic plans.
- 3.61(4) Pursuant to governing policies, recommends to the Deputy Chancellor upon the annual operating budget requests submitted by each biomedical institution.
- 3.61(5) Recommends to the Deputy Chancellor legislative appropriation requests (and policies for the development of such requests) to be submitted by The University of Texas System on behalf of the biomedical institutions.
- 3.62 The Associate Deputy Chancellor for Health Affairs reports to and is responsible to the Deputy Chancellor.

3.7 Associate Deputy Chancellor for Investments, Trusts and Lands.

The Associate Deputy Chancellor for Investments, Trusts and Lands is an administrative officer of The University of Texas System.

- 3.71 Subject to delegation by the Deputy Chancellor, the Associate Deputy Chancellor for Investments, Trusts and Lands implements, when they are approved by the Board of Regents, policies and actions with respect to:
  - 3.71(1) The investment, management, and administration of all endowment funds belonging to The University of Texas System and its component institutions, including the Permanent University Fund, the Available Fund, and all trust and special funds.
  - 3.71(2) The management and administration of the surface of all endowment lands and real estate belonging to The University of Texas System and its component institutions, including the West Texas Lands and all trust properties.
  - 3.71(3) The management and administration of oil, gas, and other mineral exploration and production on all endowment lands and real estate belonging to The University of Texas System and its component institutions, including the West Texas Lands and all trust properties.
  - 3.71(4) The issuance, management, and payment of all bonds and other evidences of indebtedness issued by the Board of Regents for The University of Texas System and its component institutions.
  - 3.71(5) Working closely with the Board for Lease of University Lands in the discharge of its duties and responsibilities.

- 3.71(6) Presenting to the Board of Regents through the Deputy Chancellor periodic reports of the status and prospect of funds for which he has responsibility and that will be available for expenditure by The University of Texas System and its component institutions.
- 3.71(7) Consulting with the Executive Associate for Economic Affairs with respect to the development of long-range plans for the development and management of the economic resources of The University of Texas System and its component institutions.
- 3.71(8) Supervising the proper operation of the following budgeted activities:
  - Office of Investments, Trusts and Lands
  - Board for Lease - University Lands;
  - Auditing Oil and Gas Production;
  - University Lands - Geology and Surveying;
  - Oil Field Supervision and Geophysical Exploration;
  - University Lands - Surface Leasing.
- 3.72 The Associate Deputy Chancellor for Investments, Trusts and Lands reports to and is responsible to the Deputy Chancellor.

3.8 Associate Deputy Chancellor for Operations.

The Associate Deputy Chancellor for Operations is an administrative officer of The University of Texas System.

- 3.81 Subject to delegation by the Deputy Chancellor, the Associate Deputy Chancellor for Operations is responsible for:
  - 3.81(1) Supervising and coordinating the acquisition of all real property at the component institutions.
  - 3.81(2) Representing the Deputy Chancellor at all meetings of:
    - Committee of Governing Boards;
    - Council of College Presidents;
    - Coordinating Board;
    - TASSCUBO;
    - Texas Association of Classroom Teachers; and
    - such other organizations as the Chancellor or Deputy Chancellor may designate.
  - 3.81(3) Direct responsibility for the management of the System-wide insurance programs, including approval of all policies, such programs to include:
    - Fire and Extended Coverage;
    - Liability;
    - Health;
    - Life;
    - Accidental Death and Dismemberment;
    - Income Replacement; and
    - Retirement.
  - 3.81(4) Special assignments, as delegated or assigned by the Deputy Chancellor.
- 3.82 The Associate Deputy Chancellor for Operations reports to and is responsible to the Deputy Chancellor.

3.9 Director for Information.

The Director for Information is an administrative officer of The University of Texas System.

- 3.91 Subject to delegation by the Deputy Chancellor, the Director for Information:
- 3.91(1) Has direct responsibility for communications about activities of the Board of Regents and The University of Texas System Administration.
  - 3.91(2) Has the responsibility of coordinating news releases and other public information emanating from the component institutions, which involve the Board of Regents, and System Administration.
  - 3.91(3) Coordinates and serves as liaison to any person or persons who serve as consultants to The University of Texas System administration in the area of media relations and public information dissemination.
  - 3.91(4) Develops a format for the presentation of information about System and/or component institutions to the general public.
  - 3.91(5) Makes recommendations to the Deputy Chancellor regarding budget requests and staffing requirements for the public information services of the component institutions.
  - 3.91(6) Performs such other duties and assignments as may be delegated to him by the Deputy Chancellor.
- 3.92 The Director for Information reports to and is responsible to the Deputy Chancellor.

3.10 Director for Public Affairs.

The Director for Public Affairs is an administrative officer of The University of Texas System.

- 3.10(1) Subject to delegation by the Deputy Chancellor, the Director for Public Affairs shall:
- 3.10(1)(1) On the direction of the Deputy Chancellor represent The University of Texas System in its relations with federal agencies, the Texas Legislature, and state and municipal agencies.
  - 3.10(1)(2) Advise the Deputy Chancellor on relations with the Congress and federal agencies, the Legislature, and state agencies.
  - 3.10(1)(3) Inform appropriate administrative officers of current and long-range developments on the national level and the state level, which may affect The University of Texas System and its component institutions.
  - 3.10(1)(4) Maintain and distribute information on federal and state programs, which will assure continuous and prompt action by The University of Texas System on applications and communications to federal and state agencies and offices.

- 3.10(1)(5) Advise the appropriate officials of the component institutions with regard to available federal and state programs and facilitate their participation therein.
- 3.10(2) The Director for Public Affairs reports to and is responsible to the Deputy Chancellor; provided, however, that with regard to legislative matters, the Director for Public Affairs shall work with and under the direction of the Chairman of the Board of Regents or his delegate.
- 3.11 Director of Facilities Planning and Construction.  
The Director of Facilities Planning and Construction is an administrative officer of The University of Texas System.
  - 3.11(1) Subject to delegation by the Deputy Chancellor, the Director:
    - 3.11(1)(1) Has direct supervisory responsibility over the administration and general supervision of any new building construction and initial equipping thereof costing in excess of \$5,000; any inside or outside repairs, remodeling, rehabilitation, new construction of improvements other than building, or campus planning costing \$50,000 or more; any preliminary planning, feasibility studies, or investigations which are estimated to ultimately develop into one of the above projects at any component institution of The University of Texas System; and over consultation, advise and work with the architects and engineers employed by the Board of Regents, subject to the terms and conditions of the contracts with those architects and engineers.
    - 3.11(1)(2) Serves as ex officio member of all faculty building committees at the component institutions.
    - 3.11(1)(3) Prepares and executes all documents relating to the acquisition and the use of funds received from the federal government and state agencies in connection with construction grant awards.
    - 3.11(1)(4) Coordinates the preparation of and approves all grant applications on approved construction projects filed with governmental agencies.
    - 3.11(1)(5) Coordinates the development of and maintains master plans for all component institutions, including but not limited to land utilization, utility, and landscape plans.
    - 3.11(1)(6) Develops standards for maintenance of all physical facilities at component institutions.
    - 3.11(1)(7) Has direct responsibility for negotiation and approval of all utility contracts.
  - 3.11(2) The Director of Facilities Planning and Construction reports to and is responsible to the Deputy Chancellor.

3.12 Comptroller.

The Comptroller is an administrative officer of The University of Texas System.

- 3.12(1) Subject to delegation by the Deputy Chancellor, the Comptroller formulates and recommends procedures to be followed in the business operations of The University of Texas System for:
- 3.12(1)(1) Accounting, auditing and reporting, and expenditure control.
  - 3.12(1)(2) Receipt, disbursement, and custody of moneys.
  - 3.12(1)(3) Procurement and purchasing.
  - 3.12(1)(4) Management of auxiliary service enterprises.
  - 3.12(1)(5) Data processing systems--including prior approval of equipment acquisitions by purchase or lease.
  - 3.12(1)(6) Accounting and business system development.
  - 3.12(1)(7) Accounting records, forms, procedures, and financial reports, including format for such reports.
  - 3.12(1)(8) Terms of depository agreements with banks.
  - 3.12(1)(9) Lease contracts for building space.
  - 3.12(1)(10) Approval of the business aspects and overhead rates in research and other contracts with outside agencies.
  - 3.12(1)(11) Supervision of post auditing at each component institution.
- 3.12(2) The Comptroller is responsible as joint custodian with the Director of Accounting of The University of Texas at Austin for securities owned by The University of Texas System funds that are not on deposit in the State Treasury.
- 3.12(3) The Comptroller reports to and is responsible to the Deputy Chancellor.

3.13 Budget Director.

The Budget Director is an administrative officer of The University of Texas System.

- 3.13(1) The Budget Director's primary responsibilities are to plan and develop systems and procedures for uniform budget preparation, budget control, and financial reporting.
- 3.13(2) Subject to delegation by the Deputy Chancellor, the Budget Director:
- 3.13(2)(1) Formulates procedures governing the preparation and review of all budgets and development of effective methods of presenting approved budgets to appropriate agencies.
  - 3.13(2)(2) Recommends procedures to be followed, including format, schedules of budget preparation, and effective review of budgets.
  - 3.13(2)(3) Prepares budget-writing instructions.
  - 3.13(2)(4) Conducts budget and other related research studies.
  - 3.13(2)(5) Plans systems and procedures for budgetary control and financial reporting.
  - 3.13(2)(6) Controls and supervises distribution of all budgets, and processes and approves (as delegated) interim budget changes.

- 3.13(2)(7) Prepares periodic budgetary, financial, and special reports, as appropriate.
  - 3.13(2)(8) Serves as liaison with the staff of the Legislative Budget Board, the Governor's Budget Office, and the Coordinating Board, Texas College and University System.
  - 3.13(3) The Budget Director reports to and is responsible to the Deputy Chancellor.
- 3.14 General Counsel for The University of Texas System.  
The General Counsel for The University of Texas System is an administrative officer of The University of Texas System.
- 3.14(1) Subject to delegation by the Deputy Chancellor, the General Counsel for The University of Texas System is responsible for:
    - 3.14(1)(1) Administering and supervising all legal matters affecting The University of Texas System.
    - 3.14(1)(2) Delegating to staff members responsibility for the administration and general supervision of certain legal matters, the scheduling of work loads, and the assignment by subject of legal problems to staff members.
    - 3.14(1)(3) Approving as to form all contracts and agreements.
    - 3.14(1)(4) Approving as to form all amendments to the Regents' Rules and Regulations.
    - 3.14(1)(5) Approving as to both form and content all Institutional Handbooks of Operating Procedures, whether finally approved or not, and all amendments to such handbooks.
    - 3.14(1)(6) Drafting all legislation that has been approved by the Board of Regents or that has been requested by any officer of System Administration for submission to the Board of Regents for approval.
    - 3.14(1)(7) Working in cooperation with the Attorney General of the State of Texas, as well as legal counsel engaged in private practice or in practice for any agency of the State.
    - 3.14(1)(8) Any other legal matters delegated by the Deputy Chancellor.
  - 3.14(2) The General Counsel for The University of Texas System reports to and is responsible to the Deputy Chancellor.
- 3.15 System Personnel Director.  
The System Personnel Director is an administrative officer of The University of Texas System.
- 3.15(1) The System Personnel Director's primary responsibility is to plan, develop, and coordinate System-wide personnel policies and procedures. Subject to delegation by the Deputy Chancellor, the System Personnel Director:
    - 3.15(1)(1) Acts as liaison between component institution personnel officers and the System offices regarding all personnel matters related to classified personnel, administrative staff, and certain matters relating to teaching and/or academic personnel.

- 3.15(1)(2) Advises the System Officers and makes recommendations concerning development of methods and procedures designed to maximize the effectiveness of System Personnel Programs.
- 3.15(1)(3) Reviews and recommends all classified personnel pay plans for each component institution, including the establishment of proper classifications and pay scales consistent with needs and System-wide policies and procedures.
- 3.15(1)(4) Reviews and recommends the Personnel Office budgets for each component institution.
- 3.15(1)(5) Directs administration of the System Personnel Office, including the Workmen's Compensation Insurance section.
- 3.15(1)(6) Reviews and recommends to System Officers any rules and regulations or changes thereto that, after proper consultation with officers of component institutions, are considered beneficial or necessary for the proper administration of the System-wide Personnel Program.
- 3.15(1)(7) Establishes Employee Development and Training Programs for all component institutions, including particularly Supervisory Training Programs.
- 3.15(1)(8) Formulates policies and procedures concerning labor relations and employer-employee relationships.
- 3.15(1)(9) Assists in establishing Personnel Data Systems and proper practices and procedures concerning the personnel records of all employees.
- 3.15(1)(10) Conducts System-wide Wage and Salary Research Studies and formulates data for proper implementation of personnel pay programs.
- 3.15(1)(11) In consultation with the personnel offices of the component institutions, develops and maintains a System-wide personnel pay plan with uniform titles and account numbers.
- 3.15(2) The System Personnel Director reports to and is responsible to the Deputy Chancellor.

3.16 Director of Accounting of The University of Texas at Austin.

The Director of Accounting of The University of Texas at Austin is the accounting officer for both The University of Texas at Austin and for System Administration.

- 3.16(1) Subject to delegation by the Deputy Chancellor, he shall:
  - 3.16(1)(1) Have responsibility for custody, accounting, and reporting of all funds handled by the Director of Accounting's Office for the component institutions outside of Austin, and for System Administration, the Permanent University Fund, the Available University Fund, and trust and special funds.

- 3.16(1)(2) Have custodianship with the Comptroller of securities owned by The University of Texas System funds that are not on deposit in the State Treasury.
  - 3.16(1)(3) Maintain a full and complete set of records that accurately reflect the balances and transactions of all financial and property accounts of The University of Texas System (as contrasted with such accounts of the component institutions).
  - 3.16(2) With respect to System Administration matters, the Director of Accounting of The University of Texas at Austin reports to and is responsible to the Deputy Chancellor. With respect to other matters, he reports to the appropriate officers of The University of Texas at Austin.
- 3.17 Director of Police.  
The Director of Police is an administrative officer of The University of Texas System.
- 3.17(1) Subject to delegation by the Deputy Chancellor, the Director of Police is responsible for:
    - 3.17(1)(1) Recommending qualifications for police personnel at the component institutions of The University of Texas System.
    - 3.17(1)(2) Recommending the organizational structure for police departments at the component institutions of The University of Texas System.
    - 3.17(1)(3) Establishing a uniform training program for System police, including basic in-service training and seminars, establishment of a program for supervision and coordination of on-the-job training at each component institution of The University of Texas System, and developing of new training techniques.
    - 3.17(1)(4) Conducting The University of Texas System training in accordance with the standards of the Texas Commission on Law Enforcement Officer Standards and Education, in order to maintain accreditation with this state agency.
    - 3.17(1)(5) Maintaining liaison with the Director of Training, Texas Department of Public Safety, and the Coordinator of Training, Federal Bureau of Investigation, and being aware of new training techniques, procedures, programs, and equipment.
    - 3.17(1)(6) Establishing a uniform reporting and record system for police departments at the component institutions of The University of Texas System.
    - 3.17(1)(7) Conducting periodic surveys of the police departments of the component institutions and evaluating their performance as police agencies.
    - 3.17(1)(8) Submitting periodic reports to the Deputy Chancellor concerning the operations of the police departments of the component institutions of The University of Texas System.
  - 3.17(2) The Director of Police reports to and is responsible to the Deputy Chancellor.

Sec. 4 Chief Administrative Officers of Component Institutions.

- 4.1 The Chancellor shall appoint the chief administrative officer of each component institution, as defined in this section, after receiving the prior approval of the Board of Regents. The Chancellor shall be assisted in making his appointment by a Selection Committee made up of the Chancellor, who serves as Chairman, the Deputy Chancellor, the Associate Deputy Chancellors for Academic Affairs and for Health Affairs, a minimum of two Regents, three chief administrative officers from the U. T. System appointed by the Chairman of the Board of Regents, and such other persons as the Chairman of the Board of Regents may deem appropriate. The availability of candidates and their interest in the position will be determined by this Selection Committee. The Chancellor will ordinarily authorize the establishment of a component institution advisory committee consisting of faculty and students at the institution to consult with the Selection Committee. This faculty-student committee may, in accordance with a schedule set by the Chancellor, suggest persons who should be considered by the Selection Committee and individual members of that Committee. The Selection Committee shall be free to seek such additional consultation with the faculty and students as it deems appropriate.
- 4.2 Each chief administrative officer reports to and is responsible to the Deputy Chancellor, and he serves without fixed term, subject to the pleasure of the Deputy Chancellor, but the Deputy Chancellor's actions concerning such chief administrative officers are subject to review and approval by the Board of Regents.
- 4.3 Within the policies and regulations of the Board of Regents, and under the supervision and direction of the Deputy Chancellor, the chief administrative officer has general authority and responsibility for the administration of that institution.
- 4.31 Specifically, the Chief Administrative Officer is expected, with the appropriate participation of the staff, to:
- 4.31(1) Develop and administer plans and policies for the program, organization, and operation of the institution.
  - 4.31(2) Interpret The University of Texas System policy to the staff, and interpret the institution's program and needs to the Deputy Chancellor and to the public.
  - 4.31(3) Develop and administer policies relating to students, where applicable, to the proper management of services to patients.
  - 4.31(4) Recommend appropriate operating budgets and supervise expenditures under approved budgets.
  - 4.31(5) Nominate all members of the faculty and staff, maintain efficient personnel programs, and recommend staff members for promotion, retention, or dismissal for cause.
  - 4.31(6) Insure efficient management of business affairs and physical property; recommend additions and alterations to the physical plant.

- 4.31(7) Serve as presiding officer at official meetings of faculty and staff of the institution, and as ex officio member of each college or school faculty (if any) within the institution.
- 4.31(8) Appoint all faculty, staff, and student committees.
- 4.31(9) Cause to be prepared and submitted to the Deputy Chancellor the rules and regulations for the governance of the institution. When such rules and regulations have been finally approved by the Deputy Chancellor, they shall thereafter constitute the Handbook of Operating Procedures for that institution. Provided, however, that whether or not finally approved by the Deputy Chancellor, any rule or regulation in any such institutional Handbook of Operating Procedures that is in conflict with any rule or regulation in the Regents' Rules and Regulations, is null and void and has no effect, and whenever any such conflict is detected, the Deputy Chancellor and the Chief Administrative Officer of the component institution shall immediately make such amendments to the institutional Handbook of Operating Procedures as may be necessary to eliminate such conflict.
- 4.31(10) Assume initiative in developing long-range plans for the program and physical facilities of the institution.
- 4.31(11) Assume active leadership in developing private fund support for the institution in accordance with policies and procedures established in the Regents' Rules and Regulations.

Sec. 5 Appointment of Other Administrative Officers.

- 5.1 The Board of Regents shall delegate to the Chancellor, the Chancellor shall delegate to the Deputy Chancellor, and the Deputy Chancellor shall delegate to the chief administrative officer of each component institution, the responsibility for the appointment of all other administrative officers of each component institution, and their primary operating units, including vice-presidents, deans, and directors, after obtaining prior approval of the Deputy Chancellor for each such appointment.
- 5.2 The chief administrative officer of each component institution is responsible for the appointment of department chairmen and/or department heads.
- 5.3 The Board of Regents endorses the principle of reasonable faculty and student consultation in the selection of administrative officers of the component institutions, and the primary operating units, and expects the chief administrative officer, as he deems appropriate, to consult in the selection process with representatives

of the faculty and student body. However, the chief administrative officer of the component institution is responsible for executing the duties of his office and consequently shall not be bound by nominations to key administrative positions in his office by campus selection committees in making his nominations to the Deputy Chancellor. Such advice and consultation as he may seek or be given shall not be binding upon his nominations for appointments to positions in the echelon immediately below his position.

Sec. 6 Interinstitutional Programs.

6.1 Advisory Council on Marine-Related Affairs.

6.11 The Council shall be chaired by the Deputy Chancellor (or his delegate) and membership shall consist of the Deputy Chancellor, the Associate Deputy Chancellor for Academic Affairs, the Associate Deputy Chancellor for Health Affairs, and two persons from each of the following component institutions appointed by the respective chief administrative officers: U. T. Austin, U. T. Dallas, Galveston Medical Branch, and San Antonio Health Science Center. Additional U. T. System component institutions may be appointed to membership on the Council by the Deputy Chancellor upon demonstration that they have substantive and ongoing programs in marine-related programs. The Chairman shall call meetings of the Council as required.

6.12 The Council is charged with advising the Academic Affairs Council in the development of coordinated marine programs within the U. T. System institutions to maximize the efficient utilization of facilities, staff, and faculties and to serve most effectively the needs of students and the public. The Advisory Council on Marine-Related Affairs will advise the Academic Affairs Council on marine affairs in the U. T. System including degree programs, research activities, and the construction and conversion of facilities related to the oceans and the coastal areas of Texas.

6.2 Advisory Council on Allied Health Programs.

6.21 The Council shall be chaired by the Deputy Chancellor (or his delegate) and membership shall consist of the Deputy Chancellor, the Associate Deputy Chancellor for Health Affairs, the Associate Deputy Chancellor for Academic Affairs, and one person from each of the following component institutions appointed by the respective chief administrative officers: U. T. Arlington, U. T. Austin, U. T. Dallas, U. T. El Paso, U. T. Permian Basin, U. T. San Antonio, Dallas Health Science Center, Galveston Medical Branch, Houston Health Science Center, San Antonio Health Science Center, and System Nursing School. The Deputy Chancellor may add other component institutions to the Council as he deems appropriate. The Chairman shall call meetings of the Council as required and may appoint such special study committees as are appropriate to the work of the Council.

6.22 The Council is charged with advising the Academic Affairs Council in the development of coordinated allied health programs within the U. T. System to maximize the efficient utilization of facilities, staff, and faculties and to provide the health manpower needs of the State.

2. Amend Section 5.22 of Chapter I of Part One of the Regents' Rules and Regulations to read as follows:

"5.22 The Agenda. Under the direction of the Chairman of the Board, the Secretary shall prepare and distribute the Agenda and the Material Supporting the Agenda for all meetings of the Board and its committees."

3. Amend Section 5.23 of Chapter I of Part One of the Regents' Rules and Regulations to read as follows:

"5.23 Minutes. The Secretary shall record, prepare, and index the official Minutes of the Board and shall distribute copies thereof, including the annual budgets, to members of the Board and to other persons on the approved list. The official copy of the Minutes shall be kept in the Office of the Secretary and certified excerpts from these Minutes shall be prepared by the Secretary."

4. Amend Sections 8.6, 8.7 and 8.8 of Chapter I, Chapters III through VI, inclusive, and Chapters VIII and IX of Part One of the Regents' Rules and Regulations and Chapters I through XI, inclusive, of Part Two of the Regents' Rules and Regulations:

- (a) by striking therefrom the words "Deputy Chancellor for Administration" wherever they appear and substituting therefor the words "Deputy Chancellor";
- (b) by striking therefrom the word "Chancellor" wherever it appears and substituting therefor the words "Deputy Chancellor";
- (c) by authorizing and directing the Secretary to the Board of Regents to make such editorial changes in the Regents' Rules and Regulations as are necessary to conform the Rules and Regulations with the administrative reorganization that is provided for in the new Chapter II of Part One that is adopted and set out in Amendment No. 1, above; and
- (d) by further authorizing and directing a committee composed of the Chairman of the Board, the Chancellor, and the Deputy Chancellor to present to the Board of Regents at its next meeting recommendations for such further amendment of the Regents' Rules and Regulations as may be necessary to effectuate and clarify the administrative reorganization outlined and accomplished in the foregoing four amendments to the Rules and Regulations.

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO (1) CHAPTER I, SECTION 5 (POLICY AGAINST DISCRIMINATION) and (2) CHAPTER X, SECTION 9 (TEXAS UNION). -- The following amendments to Part Two of the Regents' Rules and Regulations were adopted to be effective immediately:

JUL 25 1975

1. Section 5 of Chapter I of Part Two of the Regents' Rules and Regulations was deleted, and the following was substituted in lieu thereof:

Sec. 5 Policy Against Discrimination. --No person shall, on the basis of race, color, national origin, religion or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity sponsored or conducted by The University of Texas System or any of its component institutions.

2. Section 9 of Chapter X of Part Two of the Regents' Rules and Regulations was deleted, and the following was substituted in lieu thereof:

Sec. 9 The Texas Union (The University of Texas at Austin)

9.1 Subject to all relevant provisions of the Rules and Regulations of the Board of Regents and the rules and regulations of The University of Texas at Austin, the Board of Directors of the Texas Union shall recommend to the President of The University of Texas at Austin rules, regulations, and procedures regarding the operation and use of the Texas Union, shall review the Texas Union Budget, shall advise the President in the appointment of the Union Director and shall be involved in the future development of the Texas Union. The Texas Union is designed to provide facilities, services and programs for the students, faculty and staff of The University of Texas at Austin, including the coordination of beneficial co-curricular activities of students and faculty members, programs for intellectual, social, cultural and recreational development, for the promotion of genuine democracy, for the cultivation of a more intelligent interest in and deeper affection for The University of Texas at Austin.

JUL 25 1975

9.2 The Board of Directors of the Texas Union shall consist of nine voting members: Six students and three faculty members. The Dean of Students, or his/her delegate, the Secretary of the Board of Directors, and the Union Director shall be ex officio members without vote.

9.21 The faculty members shall be appointed by the President for three-year overlapping terms, one to be appointed each year. New faculty member appointments shall become effective on May first of each year.

- 9.22 The six student members of the Board shall be as follows: The President of the Students' Association, the Coordinator of the Texas Union Program Council, and four other students to be appointed for two-year overlapping terms. The four non-ex officio student members shall be registered for at least six semester hours during each long session semester of service and shall be selected as follows: A public announcement of Union Board vacancies shall be published in THE DAILY TEXAN and an interview process shall be conducted by the Executive Officers of the Students' Association, or by the appropriate committee of the Students' Association. Appointments shall be ratified by a 2/3 vote of the Student Senate. New student appointments shall become effective on May first of each year.
- 9.3 The officers of the Board of Directors of the Texas Union shall be as follows: Chairman; Vice-Chairman; Secretary; and Union Director. The Chairman shall be elected each year from the student membership of the Board of Directors by the voting members of the Board. In order to qualify for election as Chairman, a student shall have at least one year's experience on either the Texas Union Program Council or the Board of Directors. The Vice-Chairman shall be the President of the Students' Association, and the Secretary and the Union Director shall be elected by the voting members of the Board of Directors. The officers of the Board of Directors shall perform the usual duties of their respective offices.
- 9.31 The Chairman shall be elected each year to serve a term to extend from the first official Board meeting of the Fall Semester until May 15th.
- 9.32 An Interim Chairman shall be elected each year to serve a term from May 15th until the first official Board meeting of the following Fall Semester. The Interim Chairman shall have the same qualifications as the Chairman.
- 9.4 The Board of Directors may, at its discretion, authorize any three voting members of the Board to serve as an executive committee acting for the Board of Directors between meetings, but only during the period from May 15th until the first day of registration for the fall semester, or during official UT semester break or holiday periods. All actions taken by the Executive Committee are subject to later ratification by the Board of Directors.
- 9.5 At least two copies of the minutes of all meetings of the Board of Directors and the Executive Committee shall be delivered promptly to the President of The University of Texas at Austin. No budget or budget amendment adopted by the Board of Directors of the Texas Union, or of any committee or subcommittee of such Board, shall have any force or effect until such budget or budget amendment has been approved by the Board of Regents.

- 9.6 No expenditure shall be made by the Board of Directors of the Texas Union, unless it is made in accordance with and pursuant to a budget item which has previously been adopted by the Board of Directors of the Texas Union and approved by the Board of Regents.
- 9.7 Within ninety days following the close of each fiscal year of the Texas Union, there shall be furnished to the President of The University of Texas at Austin for distribution to the Deputy Chancellor, to the members of the Board of Regents, to the Secretary to the Board of Regents, and to such other members of the administration as the President of The University of Texas at Austin may direct, at least 15 copies of a complete audit of the fiscal affairs of the Texas Union during the preceding fiscal year.
- 9.8 The Board of Directors of the Texas Union shall meet at least once a month during each Long Session, setting its own date for meetings, formulating its own rules of procedure, setting up and appointing such committees as it may deem necessary and desirable for the proper use of the facilities of the Union Building, and exercising all powers not specifically assigned herein.
- 9.9 The Union Director shall serve as chief executive official in the Union Building. The Board of Directors of the Texas Union shall recommend annually on June 1 through the President of The University of Texas at Austin to the Deputy Chancellor and the Board of Regents the appointment of the Union Director. His term of service shall extend from September 1 through the following August 31. The Union Director shall have the responsibility for the day-to-day operation of the Union Building and its programs or activities. He shall be charged with coordinating the various functions of the Building and the interests of the various groups served by the Building. The Union Director shall consult with the Texas Union Board of Directors regarding the appointment of appropriate staff members. He shall employ, supervise, and direct the work of all subordinate employees. The Union Director shall be a member of all committees without vote. On May 1 annually he shall make a complete report to the Board of Directors of the Texas Union covering the activities in the Union Building. The report shall be transmitted through the President of The University of Texas at Austin to the Deputy Chancellor, to the Board of Regents, to the Secretary to the Board of Regents, and to such other members of the administration as the President of The University of Texas at Austin may direct. The Union Director shall perform such additional services as may be required by the Board of Directors and approved by the Board of Regents.
- 9.10 While various parts and facilities of the Union Building are reserved primarily for the general use of students and faculty, provision is made by extending the use of portions of the Building to special groups for their exclusive use when this

can be done in such manner as not to interfere with the regular program of the Union, and in such cases a rental price may be charged. However, when persons, groups, or organizations officially designated by the President of The University of Texas at Austin, by the Deputy Chancellor, or by the Board of Regents as guests of the University desire to use the facilities of the Union, such privilege shall be granted and shall be granted without cost to the guest group. It is understood, of course, that all requests for the use of the facilities of the Union shall be subject to the principle that prior reservations will be respected, and for that reason requests for the use of the Building or any part of it should be made as early as possible.

- 9.11 Notwithstanding any other provision of this section, every action of the Board of Directors of the Texas Union, and every action of any committee or subcommittee of such board, shall be reviewed by the President of The University of Texas at Austin and the President of The University of Texas at Austin may approve, reverse, or modify each such action. After reviewing the minutes of the Board of Directors, the President of The University of Texas at Austin shall deliver to the Deputy Chancellor two copies of such minutes and a copy of the action, if any, taken by the President with regard to the approval, modification, or reversal of any action of the Board of Directors. Nothing in this section shall be deemed to limit or restrict the authority of the Board of Regents.

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO (1) CHAPTER V, SECTION 1, SUBSECTIONS 1.221, 1.222, 1.241, 1.242 and 1.243 (CLASSIFIED PERSONNEL) and (2) CHAPTER VI, SECTION 2, SUBSECTION 2.7 (RETIREMENT PROGRAM). --The following amendments to Part Two of the Regents' Rules and Regulations were adopted to be effective immediately:

1. Subsections 1.221, 1.222, 1.241, 1.242 and 1.243 of Section 1 of Chapter V of Part Two of the Regents' Rules and Regulations were deleted and the following substituted in lieu thereof:

JUN 5 1975

- 1.221 A uniform system of salary steps providing for an increase of approximately 3.4 percent, to the nearest dollar, above each preceding step shall be used for all pay plans. All salaries shall be on salary steps, or a fractional part thereof.
- 1.222 A System-wide Personnel Pay Plan setting forth the salary ranges for each job classification shall be utilized encompassing the salary ranges reflected in the component unit pay plans.
- 1.241 Formal approval of the Classification Plan and System-wide Personnel Pay Plan, including annual revision thereto, is obtained annually from the Board of Regents. Such approval shall be secured prior to the effective date of the plan.
- 1.242 Changes in the Classification Plan and System-wide Personnel Pay Plan involving the following require only the approval of the Chief Administrative Officer or his delegate, the System Personnel Director, and the Deputy Chancellor for Administration.
  - (a) Type A. Adjustment of a salary range in a component unit plan within the established System-wide salary range, which when approved, will not change the System-wide Personnel Pay Plan in any way.
  - (b) Type B. Adjustments to the component unit personnel pay plan, which when approved, will change the System-wide Personnel Pay Plan in some way.
    - (1) Deletion of Title
    - (2) Change in title only

JUN 5 1975 U. T. AUSTIN: COMMENDATION OF PRESIDENT ROGERS AND STAFF IN RESPONSE TO HEW REPORT; SUGGESTION TO STUDY AND RESTATE SECTION 5, CHAPTER I OF PART TWO OF THE REGENTS' RULES AND REGULATIONS (POLICY AGAINST DISCRIMINATION). --Upon motion of Regent Clark, joined by Regents (Mrs.) Johnson and Sterling, President Rogers and her staff were commended for their response to the report of the Department of Health, Education and Welfare relating to the recent survey of The University of Texas at Austin.

Following this commendation, Regent Law suggested that Section 5, Chapter I of Part Two of the Regents' Rules and Regulations relating to the policy against discrimination be studied and restated in a more positive manner since HEW was dissatisfied with the wording of the present policy.

- (3) Change in code number only
- (4) Addition of a title to a component unit pay plan that is in the System-wide Plan and the Salary range requested is within the established System-wide salary range.

1.243 Changes in the Classification Plan and System-wide Personnel Pay Plan involving the following must have approval of the Chief Administrative Officer or his delegate, the System Personnel Director, the Deputy Chancellor for Administration, and the Chancellor. In addition, such changes require ratification of the Board of Regents through the docket procedure.

- (a) The addition of a title to a component unit pay plan which is not included in the System-wide Plan.
- (b) The addition of a title to a component unit pay plan which is included in the System-wide Plan, but the salary range being proposed is not within the established System-wide salary range.
- (c) Adjustment of a salary range in a component unit pay plan that would change the established System-wide salary range.

2. Subsection 2.7 of Section 2 of Chapter VI of Part Two of the Regents' Rules and Regulations was deleted and the following substituted in lieu thereof. This amendment conforms to Attorney General's Opinion No. M-1027, 1971:

**JUN 5 1975**

2.7 There can only be one change in Optional Retirement Program carriers per year, and such change may be made only on September 1st of each year.

BOARD OF REGENTS - REGENTS RULES AND REGULATIONS, PART TWO: AMENDMENTS TO SECTION 13, CHAPTER III (REIMBURSEMENT OF TRAVEL EXPENSES - S. B. NO. 1, 64TH LEGISLATURE, R. S., 1975). --Approval was given to System Administration's recommendation to conform Section 13 of Chapter III of Part Two of the Regents' Rules and Regulations to the recently enacted Senate Bill No. 1, 64th Legislature, R. S., 1975, as it relates to travel reimbursements by amending Subdivisions 13.431 of Subsection 13.43, 13.442 of Subsection 13.44, and 13.472 and 13.473 of Subsection 13.47 to read as follows:

13.431 In-State--A per diem allowance, in lieu of actual expenses for meals and lodging, will be paid at the rate of \$22.00 per calendar day, and at the rate of \$5.50 for each period of six (6) hours or fraction thereof (at least 2 hours).

MAR 14 1975

13.442 An employee who is traveling on official University business in-state for a continuous period of a minimum of six (6) hours but less than twenty-four (24) hours which does involve overnight stay will be reimbursed for meals and lodging at an amount not in excess of \$22.00 at the rate of \$5.50 for each six (6) hour period involved or fraction thereof (at least 2 hours).

13.472 Private Motor Vehicle. --An employee traveling in his personally owned motor vehicle shall be reimbursed at the rate of sixteen cents (16¢) per mile on the basis of the shortest practical route between points. No additional expense incidental to the operation of such motor vehicle shall be allowed.

13.473 Private Airplane. --The rate of reimbursement to executive heads and other state employees for travel in their personally owned airplanes within and outside the boundaries of Texas and between points of necessary official business shall be twenty-one cents (21¢) per highway mile.

Chairman Shivers presented the following Report of the Open Session of the Committee of the Whole. The report was adopted by unanimous vote:

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENT TO SECTION 13, CHAPTER III (SUBMISSION OF TRAVEL VOUCHERS TO STATE COMPTROLLER). --Approval was given to amend Section 13, Chapter III of Part Two of the Regents' Rules and Regulations by deleting Subsection 13.412 in its entirety and substituting therefor the following:

13.412 In submitting travel vouchers for payment from funds in the State Treasury, component institutions should recognize the regulations of the State Comptroller with respect to travel expense accounts.

APR 28 1975

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER VI, SECTIONS 1 AND 9 (CONFORMITY WITH STATUTES RELATING TO TEACHER RETIREMENT SYSTEM AND WORKMEN'S COMPENSATION INSURANCE, RESPECTIVELY).--To conform to the statutes relating thereto, approval was given to amend Section 1 (relating to Teacher Retirement System) and Section 9 (relating to Workmen's Compensation Insurance) of Chapter VI of Part Two of the Regents' Rules and Regulations as follows:

- a. Subsection 1.2 and its subdivisions 1.21, 1.22 and 1.23 were amended to read as follows:

- 1.2 Effective September 1, 1974, any employee of The University of Texas System employed at least one-half time, whether paid on a monthly or hourly basis, and provided his employment will continue for a period of four and one-half (4 1/2) months cumulative within one (1) fiscal year, is eligible for and required by law to participate in the Teacher Retirement System, which became effective for teacher members September 1, 1937, and for auxiliary members September 1, 1949, except:
- 1.21 persons eligible at those times who executed waivers within the period allowed by law and have not revoked such waiver if later permitted;
- 1.22 members of the Employees Retirement System, about which information is given later; and
- 1.23 participants under the Optional Retirement Program, about which information is given later.

JAN 31 1975

- b. A new subsection 1.3 was approved to read as follows:

- 1.3 An employee may purchase prior service credit for any year in which he was employed for four and one-half (4 1/2) cumulative months by rendering service for five (5) subsequent consecutive creditable years or seven (7) subsequent creditable years within any ten-year period and depositing an amount equal to the deposits and dues he would have paid for each year of prior service credit, plus a reinstatement fee of two and one-half percent (2 1/2%) per annum up to redeposit or reinstatement, or both.

- c. The subsections previously designated 1.3, 1.4, 1.5, 1.6, 1.7 (and its subdivisions 1.71, 1.72, 1.73 and 1.74), 1.8, 1.9 and 1.10 were changed to 1.4, 1.5, 1.6, 1.7, 1.8 (and its subdivisions 1.81, 1.82, 1.83 and 1.84), 1.9, 1.10 and 1.11.

- d. Subsections 1.5 and 1.11 (previously designated 1.4 and 1.10) were amended to read as follows:
- 1.5 The annuity payable at retirement is based on the salary earned by the member. Annuity payments are based upon the average salary earned in the five highest years of creditable service, not to exceed \$25,000 of salary for any one year beginning September 1, 1969. Years of service for the period September 1, 1957, through August 31, 1969, have a maximum limit of \$8,400.
- 1.11 Few employees of The University of Texas System are members of the Employees Retirement System because they are no longer eligible for initial membership in this system. Only those who were eligible between September 1, 1947, and August 31, 1949, and who did not waive membership as of September 1, 1947, are now members. Beginning September 1, 1949, new employees who would previously have been eligible for this plan became eligible for membership in the Teacher Retirement System as auxiliary employees. Annual membership dues in this system have been provided by the 63rd Legislature for the fiscal years 1973-74 and 1974-75. Contributions of employees are 6 percent of the total salary earned, which is deducted from monthly salary payments.
- e. Subsection 9.3 was amended to read as follows and Subdivisions 9.31, 9.32 and 9.33 were deleted:
- 9.3 All employees whose names appear on the payrolls are eligible.
- f. Subsection 9.4 was amended to read as follows:
- 9.4 Eligible employees who do not wish coverage may waive all rights to the benefits at the time of appointment. However, the waiver may be revoked at any time during continuous employment.
- g. Subsection 9.5 was deleted, and the remaining Subsections 9.6, 9.7, 9.8, 9.9, 9.10, 9.11, 9.12, 9.13 and 9.14 were changed to 9.5, 9.6, 9.7, 9.8, 9.9, 9.10, 9.11, 9.12 and 9.13.
- h. Subsections 9.5, 9.11, 9.12 and 9.13 (previously designated 9.6, 9.12, 9.13 and 9.14) were amended to read as follows:
- 9.5 The institution shall give notice to all workmen that such insurance has been provided.
- 9.11 The weekly compensation benefit for a covered employee injured in the course of his work is equal to  $66 \frac{2}{3}$  percent of the average weekly earnings for the 12 months immediately preceding injury, though not more nor less than the amount set forth in Article 8306, Section 29, Vernon's Texas Civil Statutes. Compensation to an employee on less than a full work day basis is not more than  $66 \frac{2}{3}$  percent of his average weekly earnings, with the same maximum as the amount set forth in Article 8306, Section 29, Vernon's Texas Civil Statutes. Benefits may be paid for no longer than 401 weeks from date of removal from payroll for total incapacity and no longer than 300 weeks for partial incapacity for work. For specific injuries, the Supervisor has information available on request concerning benefits for specific injuries such as the loss of a hand or eye. In case of death, benefits shall be the same as those provided in Article 8306, Section 8, Vernon's Texas Civil Statutes.

- 9.12 Payment for medical aid, hospitalization and compensation is through the System Personnel Office.
- 9.13 The System Personnel Office shall issue an annual report through proper channels to the Deputy Chancellor for Administration and to the Secretary to the Board of Regents for the information of the members of the Board which shall include at least the following information for each component institution: the total claims and number of days lost, total compensation and medical benefits paid, receipts, and total expenditures including allocation of overhead. The report shall also include the balance in the fund at the beginning of the fiscal year, total receipts including interest, total disbursements, and balance in the fund at the end of the fiscal year.

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO  
AMENDMENT TO CHAPTER IX, SECTIONS 1 AND 2 (TITLE CHANGE IN  
OFFICE OF INVESTMENTS, TRUSTS AND LANDS). --Approval was given to  
amend Sections 1 and 2 of Chapter IX of Part Two of the Regents' Rules and  
Regulations by deleting Subsections 1.1, 1.2, 1.4 and 1.5 of Section 1 and  
Subdivision 2.233 of Section 2 and substituting in lieu thereof the following:

DEC 13 1974

- 1.1 Authority to Sell, Assign, and Transfer Securities Held by the Permanent University Fund. --The Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trust and Lands (or the Executive Assistant for Administration or any Trust Officer), and the Treasurer of the State of Texas (or the Acting Treasurer of the State of Texas) are jointly authorized to sell, assign, and transfer any and all of the bonds, stocks, notes, and other evidences of indebtedness and ownership of any description, whatever, owned by the Permanent University Fund of The University of Texas System (formerly The University of Texas) and registered in the name of "The University of Texas," "The University of Texas System," "The University of Texas for Permanent University Fund, a State Endowment Fund, Austin, Texas," "The University of Texas System for Permanent University Fund, a State Endowment Fund, Austin, Texas," "Permanent University Fund of The University of Texas," "Permanent University Fund of The University of Texas System," or in any other form of registration of such securities held for the account of the Permanent University Fund of The University of Texas System.
- 1.2 Authority to Sell, Assign, and Transfer Securities Held by the Board of Regents of The University of Texas System. --The Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trusts and Lands, and/or the Executive Assistant for Administration or any Trust Officer are each authorized to sell, assign, and transfer any and all bonds, stocks, notes, and other evidences of indebtedness and ownership of any description, whatever, registered in the name of the Board of Regents of The University of Texas System (formerly the Board of Regents of The University of Texas) in whatever manner, including all fiduciary capacities, and including those registered in the names of trusts or foundations managed and controlled by said Board of Regents.
- 1.4 Authority to Receive and Collect Money and/or Property. --The Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trusts and Lands, and/or the Executive Assistant for Administration or any Trust Officer are each authorized and empowered to ask, demand, collect, recover, and receive any and all sums of money, debts, dues, rights, property, effects, or demands, whatever, due, payable, or belonging, or that may become due, payable, or belonging to any of the above funds, from any person or persons, whatever, and to execute any and all necessary or proper receipts, releases, and discharges therefor.
- 1.5 Authority to Execute Proxies. --The Associate Deputy Chancellor for Investments, Trusts and Lands and/or the Executive Assistant for Administration or any Trust Officer are each authorized to execute proxies within the approved investment policies.
  - 2.233 Implementation of FHA Mortgage Loan Purchase program:  
The Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trusts and Lands and/or the Executive Assistant for Administration or any Trust Officer, are each authorized
    - 2.2331 To recommend the Seller-servicers with which Purchase and Servicing Agreements should be made, and after approval by the Board of Regents, to execute the Purchase and Servicing Agreements on the approved forms.

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER VI, SECTION 5, SUBSECTION 5.1 AND SECTION 7, SUBSECTION 7.1 (STAFF BENEFITS - GROUP LONG TERM LIFE INSURANCE AND GROUP LONG TERM DISABILITY INCOME INSURANCE). --

- a. Subsection 5.1 of Section 5 of Chapter VI was amended to read as follows:

Sec. 5 Group Term Life Insurance

5.1 The University of Texas System carries a master group term life insurance policy, applicable to all component institutions, with the Aetna Life Insurance Company for a "One Year Term Plan." Premiums are payable monthly by payroll deduction and increase with each year of age. The program is optional and is available to any employee employed at least one-half time or more; new employees are notified of their eligibility by the personnel office at the time of employment.

- b. Subsection 7.1 of Section 7 of Chapter VI was amended to read as follows:

Sec. 7 Group Long Term Disability Income Insurance

7.1 The University of Texas System carries a master group term disability income insurance policy, covering all institutions, with the Aetna Life Insurance Company. Premiums are payable monthly by payroll deduction, and the rate applies to the monthly rate of basic earnings of each covered employee regardless of age. The program is optional and is available to any employee employed at least one-half time or more. New employees are notified of their eligibility by the personnel office at the time of employment. The plan became effective initially on October 1, 1965.

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART TWO: REPORT OF REGENTAL COMMITTEE ON PATENT POLICY AND AMENDMENT TO CHAPTER V, SUBSECTION 2.4. --The Special Regental Committee (composed of Regent Shivers, Chairman, and Regents Clark, Erwin and Nelson) to recommend a new Patent Policy presented a report at the Regents' Meeting on June 14, 1974, but this report was deferred in order that the proposed policy could be considered by the various institutions within the System.

Chancellor LeMaistre reported that the institutional reviews had been completed and that the Academic Affairs Committee joined with System Administration and the Special Regental Committee in recommending the following policy whereby Subsection 2.4 of Chapter V of the Regents' Rules and Regulations, Part Two would be deleted and the following substituted in lieu thereof. By unanimous vote, the report of the Patent Policy Committee was accepted, and the Regents' Rules and Regulations, Part Two were amended in accordance therewith: (Pages 98 - 103 )

2.4. Patent Policy.

2.41 Statement of Basic Philosophy and Objectives.

While the discovery of patentable processes or inventions is not the primary objective of the University, for any such discoveries made, it is the objective of the Board of Regents to provide a patent policy which will encourage the development of such inventions for the best interest of the public, the inventor, and the sponsor whenever an invention occurs, and will permit the timely disclosure of any patentable discoveries, whether by patent, publication or both. The policy is further intended to protect the respective interests of all concerned by ensuring that the benefits of patents accrue to the public, to the inventor, to the University and to sponsors of specific research in varying degrees of protection, monetary return and recognition, as circumstances justify or require.

2.42 General Policy.

2.421 The patent policy as adopted shall apply to all persons employed by the component institutions of The University of Texas System, to anyone using University facilities under the supervision of University personnel, and to postdoctoral and predoctoral fellows.

2.422 It is the intent of this policy to permit staff members maximum freedom in respect to their findings, consistent with their obligations to the University. Any person affected by this policy who, as a result of his University researches makes a discovery, other than on certain government or other sponsored research projects, where individual grant agreements provide otherwise, should retain the ultimate right to decide how it is to be made public -- by publication, by patenting, or both.

SEP 20 1974

- 2.423 Property rights in inventions will be based on the degree of University support, as hereinafter specified.
- 2.424 The University will provide patent review and management services either by its own staff, through a related foundation, or by other means.
- 2.425 It is a basic policy of the University that patents be developed primarily to serve the public interest. This objective usually will require patent development by non-exclusive licensing but the public interest may best be promoted by the granting of a limited exclusive license or even an exclusive license for the period of the patent. These determinations will be recommended and made in accordance with the administrative procedures hereinafter set out and with the approval of the Board of Regents.
- 2.43 Institutional Patent Committees and System Patent Office.
  - 2.431 Patent Committees: To help administer the patent policy at each component institution and to make recommendations to Chief Administrative Officers for further referral to the Chancellor and Board of Regents (in those cases when action by the Chancellor and/or the Board of Regents is required), Institutional Patent Committees shall be established as directed by the Chancellor.
  - 2.432 System Patent Office: To assist the Institutional Patent Committees to provide technical advice to individual faculty and staff members in patent matters, and to coordinate details in respect to patent procedures, a System Patent Office shall be established.
- 2.44 Classification of Discoveries by Source of Research Support.
  - 2.441 The patentable idea has developed as a result of the individual's efforts on his own time, with no direct University support or use of University facilities.
  - 2.442 The patentable idea has resulted from research performed by the individual on University time, with support by state funds, or using University facilities.
  - 2.443 The patentable idea has resulted from research supported by a grant or contract with the Federal Government or an agency thereof, or with a non-profit foundation, or by a private gift to the University.
  - 2.444 The patentable idea has resulted from research supported by commercial concerns or industry.

2.45 Property Rights and Obligations:

2.451 Patentable ideas developed on an individual's own time and without direct University support or use of University facilities (see 2.441) are the exclusive property of the inventor, and the University has no interest in any patent obtained, and no claim to any profits resulting therefrom. Should the inventor choose to offer his invention to the University, the Institutional Patent Committee shall recommend as to whether the University should support and finance the patent application and manage the patent development. If the inventor makes his offer after obtaining the patent, the Institutional Patent Committee shall recommend as to whether the University should reimburse the inventor for his expenses in obtaining the patent. If the Patent Committee recommends and the invention is accepted for patent management by the University, the procedures to be followed and the rights of the parties shall be those set out in Subsection 2.4524 following.

2.452 Patentable ideas resulting from research performed on University time, with support by State funds, or using University facilities (see 2.442).

2.4521 The inventor may choose to publish the details of his research and not to patent.

2.4522 Before or after publishing, if the inventor decides to patent ideas resulting from research done on University time, with support by State funds, or using University facilities, he shall submit such ideas to the Institutional Patent Committee for determination of the University's interest. In those instances, however, where delay would jeopardize obtaining the patent, the inventor may, with the approval of the Chairman of the Institutional Patent Committee and the Chief Administrative Officer, file the patent application prior to the Committee and administrative review provided in the following two subsections. If the request is granted, the inventor may proceed with the filing of his patent application pending the determination of the University's interest as provided therein; provided, however, that the

inventor shall be reimbursed for his expenses in filing the patent application if the decision of the University is to assert and exploit its interests. The Chairman of the Institutional Patent Committee shall notify the System Patent Office of any such application.

2.4523 If the Institutional Patent Committee recommends that the University not assert and exploit its interest, and that recommendation is approved by the System Patent Officer and the Chancellor, the inventor shall be notified within ninety (90) days of the date of submission that he is free to obtain and exploit a patent in his own right and the University shall not have any further rights, obligations or duties thereto. (In some instances, the Committee may elect to impose certain limitations or obligations, dependent upon the degree of University support.)

2.4524 If the University decides to patent and assert and exploit its interest, it shall proceed either through its own efforts or those of a patent agent to obtain and manage the patent. The division of royalties or other income, patenting and licensing costs first being recaptured, shall be as follows:

0 - \$5,000 / 75% to Inventor  
25% to University

5,000 - 10,000 / 50% to Inventor  
50% to University

above - 10,000 / 25% to Inventor  
75% to University

The division of royalties and other income from patents managed by a patent agent will be controlled by the University's agreement with such agent, as approved by the Board of Regents. Any other deviation from this rule requires the prior approval of the Board of Regents.

2.453 Patentable ideas resulting from research supported by a grant or contract with the Federal Government, or an agency thereof, or with a non-profit foundation or by a private gift to the University (see 2.443).

- 2.4531 Administrative approval of application requests to, and acceptance of grants or contracts with, the Federal Government, or any agency thereof, or with a non-profit foundation, implies a definite decision that the value to the University of receiving the grant or performing the contract outweighs the impact of any resulting change in the basic patent policy of the University.
- 2.4532 The patent policy of the University is subject to, and thus amended and superseded by, the specific terms pertaining to patent rights included in Federal grants and contracts, or grants and contracts with non-profit foundations, to the extent of any conflict.
- 2.4533 In those instances where it is possible to negotiate System-wide patent agreements with the Federal agencies or non-profit foundations and thereby obtain more favorable treatment for the inventor and the University, every effort will be made to do so after consultation with the Institutional Patent Committees and the Chief Administrative Officer.
- 2.454 Patentable ideas resulting from research supported by a grant or contract with commercial concerns and industry.  
(see 2.444)
- 2.4541 The University of Texas System recognizes the academic advantages which can come from close scientific cooperation between the research staffs of the University and the research staffs of industry.
- 2.4542 The provisions of joint research arrangements with industry shall take into account (a) the extent of the industrial participant's contribution of funds and other services, including unique knowledge; (b) the import of the joint effort to the research and educational program of the University; (c) the protection of the personal achievements of the University participant or participants; and (d) most importantly, the interests of the State and its citizens who provide basic fiscal support.

- 2.4543 Balancing the equities between these different interests may require the joint arrangement to contain provisions for (a) non-exclusive licensing; (b) granting exclusive information prior to publication or patent application; (c) royalty free non-exclusive license; (d) exclusive license for some limited period of time; (e) exclusive license for the life of the patent; or (f) such other provisions as will properly equate the equities involved, including the right of the University to terminate an exclusive license upon failure of the industrial participant to develop or exploit the invention in a manner which will enhance the interests of the public.
- 2.4544 All such arrangements or contracts with industrial participants shall be approved in advance by the Institutional Patent Committee and recommended and approved by the Chief Administrative Officer, the Chancellor, and the Board of Regents.
- 2.4545 Any agreement altering the basic patent policy of The University of Texas as set out in the preceding sections shall have the advance approval of the Patent Committee, the Chief Administrative Officer, the Chancellor and the Board of Regents.
- 2.46 University Income from Patents.  
The portion of the net income the University retains from royalty or other patent-related income shall be used first to defray the expenses of the System Patent Office, if any, and thereafter, as approved by the Board of Regents, for research purposes at the component institutions where the invention originated.
- 2.47 Implementation of Revised Patent Policy.  
A Patent Procedures Manual shall be developed to provide more detail as to procedures to be followed under the various provisions of this policy.