

MINUTES OF A REGULAR MEETING
BOARD OF REGENTS OF THE UNIVERSITY OF OKLAHOMA
THURSDAY, NOVEMBER 14, 1974

A regular meeting of the Board of Regents of the University of Oklahoma was held on Thursday, November 14, 1974, in Dining Room 5, Oklahoma Memorial Union, Norman, beginning at 10:35 a.m.

The following were present; Regent Jack H. Santee, President of the Board, presiding; Regents Walter Neustadt, Jr., Mack M. Braly, Thomas R. Brett, Bob G. Mitchell, M.D., and Richard A. Bell.

Absent: Regent K. D. Bailey.

The following were also present: President Paul F. Sharp; Provosts William E. Brown and I. Moyer Hunsberger; Vice Presidents Burr, Dean, Morris and White; Mr. Joseph C. Ray, Executive Assistant to the President; Dr. Thomas H. Tucker, University Chief Counsel; Mr. R. Boyd Gunning, Trust Officer of the University; and Mrs. Barbara H. James, Executive Secretary of the Board of Regents.

The minutes of the meeting held on October 18, 1974, were approved as printed and distributed prior to the meeting.

Provost, Health Sciences

President Sharp said he recommends with a great deal of pleasure the appointment of Dr. William G. Thurman as Provost, Health Sciences, and Professor of Pediatrics at an annual salary of \$70,000, effective April 1, 1975. President Sharp said since April we have been searching on a national scale for an outstanding health professions educator and our search has been brought to this happy conclusion. President Sharp expressed appreciation to the Search Committee for the outstanding job they did in assisting the administration in this search. President Sharp said he is confident Dr. Thurman will bring to the Health Sciences Center, the University, and to the State a strong and vigorous leadership based on his experience of many years. Under Dr. Thurman's leadership, President Sharp said he is sure the Health Sciences Center will continue to make rapid progress in the education of health professionals.

On motion by Regent Brett, the recommendation regarding the appointment of Dr. William G. Thurman was approved as presented.

President Sharp presented Dr. Thurman to the Regents. Dr. Thurman expressed appreciation for this opportunity and said he is looking forward to a long association with the Health Sciences Center and the University.

AMOCO Teaching Awards

President Sharp reported that two of our faculty members, Professor Marilyn Affleck, Sociology, and Professor Evelyn Ramming, Nursing, are recipients

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of the 1974 AMOCO Good Teaching Award which carries with it a \$1,000 stipend. He congratulated Professors Affleck and Ramming, and said they would be visiting with the Regents at lunch today.

Big Eight Conference

President Sharp said during the last 24 to 48 hours there has been considerable discussion in the newspapers regarding the relationship of the University to the Big Eight Conference. He said he would like to clarify those discussions by stating there are no proposals before the administration or the Regents to withdraw from the Big Eight. He suggested that reports in the media regarding this matter are without substance and that no study contemplating this action is underway.

UOSA Budget for 1974-75

Regent Brett, Chairman of the Student Affairs Committee, said Student Congress recently approved appropriations for UOSA for 1974-75 and this budget was reviewed by the Student Affairs Committee yesterday. In making the final appropriations, it was necessary for Student Congress to request some revisions in the allocations by functions as approved by the Regents in July, as follows:

	<u>Amount Approved on 7-26-74</u>	<u>Current Amount Proposed</u>	<u>Difference</u>
Executive Branch	\$ 17,401.26	\$ 15,085.16	-\$2,316.10
Legislative Branch	9,042.86	10,780.22	+\$1,737.36
Judicial Branch	12,408.18	15,671.50	+\$3,263.32
Joint Operations	25,144.60	24,335.10	-\$ 809.50
Housing Centers	60,043.10	60,043.33	+\$.23
Student Activities	45,000.00	45,250.00	+\$ 250.00
Special Programs	19,960.00	23,834.69	+\$3,874.69
Reserve	<u>1,000.00</u>	<u>- 0 -</u>	<u>-\$1,000.00</u>
Total	\$190,000.00	\$195,000.00*	+\$5,000.00

* A \$5,000.00 transfer from the Student Activity Fee Reserve Account (which was the surplus carried over from 1973-74) actually brought the amount appropriated by UOSA Congress to \$195,000.00; however the total amount appropriated from the Student Activity Fee for the year is still only \$190,000.00.

Regent Brett said the revisions were approved by the Student Affairs Committee and he moved approval by the Board. Approved.

Health Care Fee Increase and Goddard Health Center Report

Regent Brett said the Student Affairs Committee reviewed again yesterday the Report of the UOSA President's Special Committee to Study Goddard Health Center, a copy of which is attached hereto as Exhibit A. He said the Student Affairs Committee recommends that the Regents approve an increase in the Student Health Fee for the Norman Campus of \$10.00 per student for each semester, and \$5.00 per student for each summer session, beginning with the summer session of 1975.

Regent Brett said the Health Center Report (Exhibit A) contains recommendations regarding certain specific priorities which should be achieved by this increase. He said the administration and the Student Affairs Committee also recommend that the student recommendations in the Report be approved in principle.

Regent Brett moved approval of the above recommendations of the Student Affairs Committee.

In response to a request from Regent Braly, Vice President Morris summarized the recommendations in the Goddard Health Center Report as follows:

1. The salaries of the professional staff must be maintained at a level competitive with the health care agencies and institutions with which Goddard must compete.
2. One of the highest priorities must be the improvement of gynecological services, through attracting qualified professionals for this area with at least a half-time physician limiting his practice to gynecological services.
3. Internal laboratory fees as well as other fees for the treatment of acute conditions as detailed in the Goddard report should be eliminated.
4. The salary of the University sanitarian is presently paid by Goddard. This should end by July 1, 1975, and his services should be charged back to the departments which he serves.
5. Students who have been enrolled on a full-time basis for any Spring semester, and residing in Norman the following summer may continue to use the services of Goddard throughout the summer session by paying the current non-student rates.

Ms. Cathy Kidd, Student President, reported that late in October there was a student referendum which included a question regarding the health fee increase and that it passed by 770 votes. In addition, Student Congress has passed a resolution urging that this plan be implemented by the administration and the Regents.

Regent Brett's motion was approved.

Regent Bell said he attended the October 28 meeting of the Oklahoma State Regents for Higher Education and they considered the following items pertaining to the University of Oklahoma:

1. Law Summer Session Abroad - postponed to November 18.
2. American Indian Law Review - approved. Regent Bell said there is a further report on this item in the agenda for this meeting.
3. Family Practice Postdoctoral Education Program - approved with certain stipulations; further information, he said, is included in the agenda for this meeting.
4. Allocation of HERO bond funds for Kaufman-Gittinger Renovation - approved.
5. Request of University Hospital for approval of Capital Improvement Projects at the Hospital - approved.

A. The Health Sciences Center

II. Academic

a. Faculty Personnel Actions

LEAVES OF ABSENCE:

Dan C. Galloway, Instructor in Radiological Sciences, leave of absence without pay, October 1, 1974 to October 1, 1975. Drafted into Navy.

APPOINTMENTS:

Walter Daniel Atkins, D.D.S., Assistant Professor of Community Dentistry, rate of \$2,500 for 12 months (state), .10 time, January 1, 1975.

Georgia Rae Prentice, M.D., Clinical Assistant Professor of Neurology, without remuneration, October 1, 1974.

Martha A. Edgar, M.A., Assistant Professor of Nursing, without remuneration, October 1, 1974 to July 1, 1975.

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Carol Rose Smith, M.S., Assistant Professor of Nursing, without remuneration, October 1, 1974.

Rosemary Wood, M.S., Assistant Professor of Nursing, without remuneration, October 1, 1974 to July 1, 1975.

Ronald F. Gates, M.D., Clinical Assistant Professor of Ophthalmology, Tulsa Medical College, without remuneration, July 1, 1974.

Jerry Lee Puls, M.D., Clinical Assistant Professor of Pathology, Tulsa Medical College, without remuneration, July 1, 1974.

Daniel E. Christman, M.D., Clinical Instructor in Anesthesiology, Tulsa Medical College, without remuneration, July 1, 1974.

Joseph L. McDonald, M.D., Clinical Instructor in Anesthesiology, Tulsa Medical College, without remuneration, July 1, 1974.

Carl C. Morgan, M.D., Clinical Instructor in Anesthesiology, Tulsa Medical College, without remuneration, July 1, 1974.

Kim Ann Winston, M.C.D., Instructor in Communication Disorders, \$12,500 for 12 months (grant), November 1, 1974.

Homer D. Hardy, M.D., Clinical Instructor in Family Practice and Community Medicine and Dentistry, Tulsa Medical College, without remuneration, July 1, 1974.

David L. Edwards, M.D., Clinical Instructor in Ophthalmology, Tulsa Medical College, without remuneration, July 1, 1974.

Thomas L. Ozment, M.D., Clinical Instructor in Ophthalmology, Tulsa Medical College, without remuneration, July 1, 1974.

Ned M. Reinstein, M.D., Clinical Instructor in Ophthalmology, Tulsa Medical College, without remuneration, July 1, 1974.

Robert James Livingston, D.D.S., Clinical Instructor in Oral Surgery, without remuneration, November 1, 1974.

Dale Eldwyn McCune, D.D.S., Instructor in Orthodontics, \$4,000 for 8 months (state), .30 time, November 1, 1974 to July 1, 1975.

Sandra Kay Berousek, B.S., Special Instructor in Physical Therapy, without remuneration, December 1, 1974.

Suzanne Mary Brown, B.S., Special Instructor in Physical Therapy, without remuneration, December 1, 1974.

Mildred Coles Kasper, B.S., Special Instructor in Physical Therapy, without remuneration, November 1, 1974.

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Robert H. Kyle, Jr., B.S., Special Instructor in Physical Therapy, without remuneration, November 1, 1974.

Jerry Max Pierson, B.S., Special Instructor in Physical Therapy, without remuneration, November 1, 1974.

Thurman Jones Pitchlynn, B.S., Special Instructor in Physical Therapy, without remuneration, December 1, 1974.

Joseph Price Fallin, D.D.S., Instructor in Prosthodontics, \$3,750 for 9 months (state), .20 time for 4 months, .30 time for 5 months, September 1, 1974.

John Dee Mose, D.D.S., Clinical Instructor in Prosthodontics, without remuneration, November 1, 1974.

Carole Kaye Leverett, M.S., Instructor in Psychiatry and Behavioral Sciences, without remuneration, October 1, 1974.

Billy P. Loughride, M.D., Clinical Instructor in Surgery, Tulsa Medical College, without remuneration, July 1, 1974.

Richard F. Tenny, M.D., Clinical Instructor in Surgery, Tulsa Medical College, without remuneration, July 1, 1974.

Paul Edward Donat, M.D., Clinical Instructor in Urology, without remuneration, November 1, 1974.

Charles Eugene Heinberg, M.D., Clinical Associate in Otorhinolaryngology, without remuneration, September 1, 1974.

Richard Vertrees Smith, M.D., Clinical Assistant in Surgery, without remuneration, November 1, 1974.

Daniel William Tubb, M.D., Clinical Assistant in Surgery, without remuneration, November 1, 1974.

NAME	TITLES	FTE INCOME CELLING	GUARANTEED BASE SALARY		PPP EARNINGS POTENTIAL	EFFECTIVE DATE	REMARKS
			TENURED	NON-TENURED			
APPOINTMENTS:							
Hodges Lee Martin, M.D.	Assistant Professor of Family Practice and Community Medicine and Dentistry	\$55,000	-0-	\$33,500	\$21,500	12/1/74	
Flora Duarte Nunez, M.D.	Assistant Professor of Medicine	\$50,450	-0-	\$25,863	\$24,587	10/1/74	Base salary 100% from VA Hospital
Francisco Cabatic Rausa, Jr., M.D.	Assistant Professor of Medicine	\$50,400	-0-	\$27,479	\$22,921	10/1/74	Base salary 100% from VA Hospital
David Joseph Tomko, M.D.	Assistant Professor of Medicine	\$50,200	-0-	\$30,147	\$20,053	10/1/74	Base salary 100% from VA Hospital
Shreekumar Sanjiv Vinekar, M.B.	Clinical Assistant Professor of Psychiatry and Behavioral Sciences	\$ 8,000	-0-	\$ 4,000	\$ 4,000	11/1/74	12.5 time
M. DeWayne Andrews, M.D.	Clinical Assistant in Medicine	\$33,200	-0-	\$20,000	\$13,200	7/1/74	\$13,934 from Univer. Hosp.; \$6,066 from VAH
CHANGES:							
R. Lee Austin	Title changed from Associate Professor to Clinical Associate Professor of Pediatrics, October 1, 1974.	\$ 5,000	-0-	FROM: \$18,690 TO: \$ 5,000	FROM: NA TO: -0-	9/16/74	1/2 time
Albert G. Glass	Title changed from Professor to Clinical Professor of Psychiatry and Behavioral Sciences	FROM: \$68,000 TO: WITHOUT REMUNERATION	-0-	FROM: \$28,000	FROM: \$40,000	11/1/74	
David R. Krauss	Instructor in Pediatrics	\$56,000	-0-	FROM: \$21,360 TO: \$22,050	FROM: \$34,640 TO: \$33,950	10/16/74	
Robert A. Patnode	Appointed Acting Chairman of Microbiology and Immunology; retains title Professor of Microbiology and Immunology	\$49,000	FROM: \$27,918 TO: \$29,719	-0-	FROM: \$21,082 TO: \$19,281	1/1/75 to 8/1/75	
Stephen R. Ryter	Title changed from Assistant Professor to Clinical Assistant Professor of Pediatrics	FROM: -0- TO: \$14,190	-0-	FROM: -0- TO: \$14,190	-0-	10/1/74	1/2 time
		FROM: \$14,190 TO: \$14,400	-0-	FROM: \$14,190 TO: \$14,400	-0-	10/16/74	1/2 time
Webb M. Thompson, Jr.	Professor of Pediatrics	\$77,999	FROM: \$22,733 TO: \$24,150	-0-	FROM: \$55,266 TO: \$53,849	10/16/74	

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CHANGES:

Jay T. Shurley, titles changed from Career Research Professor of Psychiatry and Behavioral Sciences and Adjunct Professor of Human Ecology to Professor of Psychiatry and Behavioral Sciences and Professor of Human Ecology and Environmental Health, September 1, 1974.

William Dean Hawley, promoted from Clinical Assistant to Clinical Instructor in Surgery, July 1, 1973.

William C. Hopkins, titles changed from Clinical Assistant in Dental Surgery and Instructor in Restorative Dentistry to Instructor in Restorative Dentistry, October 1, 1974.

Clyde A. Lynn, Associate Professor of Human Ecology and Environmental Health and Director of Aerospace Medical Research Program, salary changed from \$34,000 for 12 months, full-time, to \$5,500 for 12 months, .16 time, July 1, 1974.

Jack D. Shirley, promoted from Clinical Assistant to Clinical Instructor in Anesthesiology, April 1, 1975.

Daniel R. Stough, promoted from Clinical Assistant to Clinical Instructor in Surgery, July 1, 1973.

TERMINATIONS:

Jones B. Ballina, Clinical Assistant Professor of Gynecology and Obstetrics, June 30, 1974. Requested by faculty member.

Aileen T. Compton, Special Instructor in Human Ecology, September 30, 1974.

Richard Lobdell Coppedge, Clinical Professor of Human Ecology, September 30, 1974. Program is no longer related to department.

Kathryn Young Davis, Special Instructor in Physical Therapy, September 30, 1974.

Clarence C. Feightner, Special Instructor in Environmental Health, September 30, 1974.

Richard Michael Fowler, Special Instructor in Physical Therapy, September 30, 1974.

Reginald H. Frank, Consultant Assistant Professor of Environmental Health, September 30, 1974. Program no longer consistent with department.

Robert W. Fritz, Adjunct Assistant Professor of Environmental Health, September 30, 1974. Program no longer consistent with department.

Harold M. Graning, Visiting Associate Professor of Environmental Health, September 30, 1974. Program no longer consistent with department.

Elizabeth Belle Hensler, Special Instructor in Clinical Dietetics and in Family Practice and Community Medicine and Dentistry, November 1, 1974.

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Jerrold Mark Michael, Associate Consultant Professor of Health Administration, October 1, 1974. Moved out of state.

Richard F. Murphy, Assistant Professor of Community Dentistry and of Dental Public Health, October 1, 1974. Moved out of state.

Nafi Oruc, Clinical Assistant Professor of Pathology, July 1, 1974. Moved back to Turkey.

Wayne Quinlan, Professor of Health Administration, October 1, 1974.

Harold A. Shanks, Special Instructor in Physical Therapy, September 30, 1974.

Linda Jean Skidmore, Assistant Professor of Radiologic Technology, November 9, 1974. Furthering her education in Florida.

Lou Juanell Stiles, Special Instructor in Medical Technology, September 27, 1974.

John J. Swearingen, Assistant Professor of Environmental Health, September 30, 1974. Retired from FAA.

Shirley L. Wells, Adjunct Associate Professor of Clinical Dietetics and Adjunct Instructor in Family Practice and Community Medicine and Dentistry, November 1, 1974. Retired.

William J. Williams. Clinical Assistant Professor of Pathology, July 1, 1974. Moved to Nigeria to serve as medical missionary.

Approved on motion by Regent Mitchell.

President Sharp reported the death of Harlon K. Sowell, Assistant Professor of Anesthesiology, on June 28, 1974.

b. Tenure

At the September 5 meeting, Dr. Harold Williams was appointed Distinguished Professor of Psychiatry and Behavioral Sciences effective December 1, 1974. Dr. Williams was a full-time member of the Health Sciences Center faculty from 1965 until 1972, and as such was granted tenure in 1967. President Sharp said the Department of Psychiatry and Behavioral Sciences, the Acting Dean of the College of Medicine, and the Acting Provost have recommended that Dr. Williams' tenure be reinstated effective with his reappointment to the full-time faculty of the Health Sciences Center effective December 1, 1974.

President Sharp recommended approval of academic tenure for Dr. Harold Williams effective December 1, 1974.

Approved on motion by Regent Bell.

c. Admissions Board - College of Medicine

At the September meeting, Dr. Kent Braden was reappointed to the Admissions Board at the College of Medicine for the academic year 1974-75. Dr. Braden has informed the Acting Dean of the College of Medicine that due to circumstances beyond his control, he will not be able to put in the amount of time needed for this most important process. The members of the faculty for the Admissions Board are elected by the faculty. Dr. Teresa Stacy is next in line for appointment to the Admissions Board.

President Sharp recommended that Dr. Teresa Stacy replace Dr. Kent Braden on the Admissions Board of the College of Medicine for this academic year.

Approved on motion by Regent Neustadt.

d. Family Practice Postdoctoral Educational Program

President Sharp said he has been notified that in their meeting on October 28, the Oklahoma State Regents for Higher Education took the following action on the family practice postdoctoral education programs:

1. The State Regents endorse and support the goal of providing additional family physicians for Oklahoma, with particular reference to the provision of practitioners for small cities and towns located at some distance from large urban communities.
2. The State Regents believe in the concept of "shared responsibility" in meeting the costs of extending the family practice program to additional locations within the state, with the educational costs to be assumed by the state higher education system, and the remaining costs to be shared by general state government, local communities, and private agencies.
3. The State Regents are opposed to the expenditure of state funds for capital installations at locations other than the main campus of the Health Sciences Center.
4. The State Regents are opposed to paying the cost of stipends for medical residents from educational funds. These costs should be borne through a combination of sources such as general governmental appropriations, and through local hospitals and clinics, contributed funds, loans, grants, and the like.

5. The State Regents are in agreement with the principle of establishing a pilot program in Enid beginning with the 1975-76 fiscal year for the purpose of (1) providing supervision for the training of first-year medical residents (M.D. graduates) in family medicine, (2) providing education and supervision for appropriate medical students (M.D. candidates) in a preceptorship arrangement, and (3) arranging for appropriate clinical accommodations for the practice of family medicine at a level sufficient to accomplish (1) and (2) above.

In addition to the action adopting the concept statement as set forth above, the State Regents requested that their special committee continue to work with the University staff toward the development of a specific proposal for implementing the program approved in principle.

This was reported for information.

e. Agreement for Fellowship Training in Rural Areas

President Sharp said the Department of Family Practice and Community Medicine and Dentistry has proposed an agreement with HEW and the Oklahoma City Area Indian Health Service Program. The proposed agreement will provide funds for training of physicians for practice in rural health care delivery. The program will be based at Claremore Indian Hospital in Claremore, Oklahoma. The Department of Family Practice and Community Medicine and Dentistry will function as a funding agent and provide consultation and quality control of the program.

The contract amount is \$52,155.00. The effective date is November 1, 1974 through June 30, 1975.

President Sharp recommended approval of entering into the agreement with HEW as explained above.

Approved on motion by Regent Mitchell.

IV. Finance and Management

a. Non-Academic Personnel Actions

APPOINTMENTS:

Richard Gale Buck, Senior Placement Counselor, Oklahoma Regional Medical Program, \$10,200 for 12 months, October 1, 1974.

Donaciano A. Carino, Supervisor, Dental Laboratory Technology, College of Dentistry, \$13,500 for 12 months, September 16, 1974.

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Lewis Devore, Physician Assistant, Department of Medicine, \$15,500 for 12 months, July 5, 1974.

Samuel M. Griffin, Accountant II, Grants and Contracts Section, Office of Financial Services, \$11,000 for 12 months, September 30, 1974.

Melvin G. Minty, Assistant Director-General Accounting, Office of Financial Services, \$15,000 for 12 months, October 1, 1974.

Norman D. Scott, Auditor III, Internal Auditing, \$13,000 for 12 months, October 16, 1974.

Betty Jane White, Research Assistant II, Pathology, \$13,500 for 12 months, September 23, 1974.

CHANGES:

Betty Cooper Batson, title changed from Clerical Supervisor to Administrative Assistant, Department of Surgery, salary increased from \$11,000 to \$12,000 for 12 months, July 1, 1974.

Nancy A. Fields, Auditor III, Internal Auditing, salary increased from \$11,000 to \$13,000 for 12 months, November 1, 1974.

Larry Loyd Gilliam, changed from Auditor III, Internal Auditing, Norman Campus to Associate Internal Auditor, Internal Auditing, Health Sciences Center, salary increased from \$12,800 to \$16,000 for 12 months, November 1, 1974.

Margaret E. Roberts, title changed from Clerical Supervisor to Billing Manager, Department of Surgery, salary increased from hourly rate of \$4.28 to \$10,200 for 12 months, July 1, 1974.

Approved on motion by Regent Mitchell.

b. Oklahoma Regional Medical Program

President Sharp said in compliance with the Division of Regional Medical Programs Policy concerning grantee and Regional Advisory Group responsibilities and relationships, the Oklahoma Regional Medical Program has submitted for confirmation by the University, the name of ORMP'S Regional Advisory Group Chairman elect, Mr. Terrence Rice. Mr. Rice, Assistant Area Director for Program Planning and Evaluation for the Oklahoma City Area Indian Health Service, was elected to this position during the Regional Advisory Group's April 5, 1974 meeting for a one-year term as chairman, effective January 1, 1975. This position is without remuneration.

President Sharp recommended that Mr. Terrence Rice be approved as Chairman of the Regional Advisory Group for the Oklahoma Regional Medical Program effective January 1, 1975 to January 1, 1976.

Approved on motion by Regent Neustadt.

c. Painting of Operations Service Center Building

Bids were requested through Central Purchasing for painting and caulking of the exterior of the Operations Service Center Building (Moon Junior High School).

The following bids were received:

A & A Painting Co., Inc. Oklahoma City	\$17,494.00
Maddox Paint Contracting Company Oklahoma City	\$11,860.00
Del-Co Construction, Inc. Oklahoma City	\$19,970.00
John Atterberry Paint Co. Pawhuska	\$18,872.00

Funds are available in Building Maintenance Budget 7010-8 to cover the cost of the service.

President Sharp recommended the acceptance of the bid of Maddox Paint Contracting Company in the amount of \$11,860.00.

Approved on motion by Regent Mitchell.

d. Proposal, Contract, and Grant Report

Included in the agenda for this meeting was a summary of proposals for contracts and grants for the Health Sciences Center for October, 1974.

President Sharp recommended that the President of the University or his designees be authorized to execute contracts on the pending proposals as negotiations are completed. The contract budgets may differ from the proposed amounts depending upon these negotiations.

Approved on motion by Regent Braly.

V. Operations and Physical Plant

a. Joint Policy Advisory Board

The Affiliation Agreement between the Department of Institutions, Social and Rehabilitative Services and the University provides for a Joint Policy Advisory Board with five members appointed by DISRS and five members appointed by the University Regents.

Last year the following were appointed to one-year terms ending January 1, 1975:

Dr. Stanley Deutsch
Dr. G. Rainey Williams
Dr. Thomas H. Tucker
Dr. Robert M. Bird
Dr. Harold Zallen

Since Dean Bird has resigned and Dr. Zallen has been assigned to new duties, it is appropriate their successors be appointed as soon as possible.

President Sharp therefore recommended that Dr. Thomas N. Lynn and Mr. Gary Smith be appointed to the Joint Policy Advisory Board for the remainder of the terms of Dr. Bird and Dr. Zallen and for one-year terms beginning January 1, 1975.

President Sharp also recommended that Dr. Stanley Deutsch, Dr. G. Rainey Williams, and Dr. Philip E. Smith be appointed for one-year terms effective January 1, 1975.

Approved on motion by Regent Mitchell.

b. College of Nursing Building

Revised schematic plans for the proposed new College of Nursing Building have been prepared by Murray-Jones-Murray, the project architects, and are ready for formal presentation to the Department of Health, Education, and Welfare.

The staff of the Regional Office of the Department of Health, Education, and Welfare has indicated that the supplemental information provided by the University is acceptable and that a notice of grant award will be sent in the near future. The proposed new structure is to be located on a block of land situated north of 10th street, east of Stonewall Avenue, and south of Park Place near the site of the proposed Library and Learning Resources Center. The structure, designed to accommodate 438 students, will contain faculty and administrative offices, classrooms, seminar rooms, student and staff lounges, observation and work rooms, locker rooms, T-V facilities and other educational spaces. The total area of the building is approximately 90,000 square feet. Of this total, approximately 50,000 square feet of floor area is available for assignment.

The estimated total project cost is \$5,293,896. The requested federal grant is \$3,793,896 and the local share is \$1,500,000.

Regent Brett, Chairman of the Facilities Planning Committee, said the schematic plans for this building were presented to the Facilities Planning Committee yesterday and reviewed in detail. He said the University has received word from our Congressional Delegation that the Federal grant award in the amount of \$3,793,896 has been approved although we have not yet received the final letter of award from H.E.W.

Regent Brett said the Committee recommends approval of the schematic plans and that the architects be authorized to proceed with the design development plans contingent upon receipt of the letter of grant award from H.E.W.

Approved on motion by Regent Brett.

c. Library and Learning Resources Center

A letter has been received indicating that the Department of Health, Education, and Welfare will provide \$2,874,340 in federal funds to match a local share of \$2,991,660 to construct a building for the Health Sciences Library and Learning Resources Center. The new structure is to be located in the space between the Biomedical Sciences Building, the Dental Clinical Sciences Building, and the site of the proposed building for the College of Nursing. The building will contain approximately 60,600 net square feet of space for a greatly expanded library including main reading areas, stacks, study carrels, library administration, technical processing, index, reference, bibliography and other library functions. Space will also be provided for the history of medicine collection, audio-visual materials and other special collections.

The project also contains approximately 28,000 net square feet of space allocated to the Learning Resources Center. The following functions are included in the plans for the Library Learning Resources Center: administration unit, medical illustrations unit, photography, educational television and motion picture unit, print shop, educational equipment unit, and student materials area.

Regent Brett said the schematic plans for this building also were reviewed by the Facilities Planning Committee yesterday. He said the Committee recommends approval of the plans and that the architects be authorized to proceed with the design development plans.

Approved on motion by Regent Brett.

d. Expansion of Central Steam and Chilled Water Plant

Phase III expansion of the Central Steam and Chilled Water Plant at the Health Sciences Center has been under consideration for some time. These additions to the plant are required to provide steam and chilled water and a computerized control system to major buildings now under construction at the Health Sciences Center. Phase III will include the addition of a 100' by 100' building and the installation of one additional boiler, one additional steam turbine driven water chilling unit with appurtenances, one cooling tower cell, one deaerating heater with boiler feed pump and miscellaneous appurtenances, one 500 ton motor driven chiller with pumps, and tunnel extensions to new customers. The estimated cost is \$4,314,000.

Since a number of other major buildings are in the advanced planning stages, it has been determined by the consulting engineers, Carnahan-Thompson-Delano, and the University administration that considerable savings would result by proceeding with Phase IV at this time also so that financing for both phases can be included in one revenue bond issue.

Phase IV would include installation of one 60,000 pounds per hour boiler and one 3,000 ton steam turbine driven water chilling unit with appurtenances, and construction of a water well at an estimated cost of \$1,186,000.

Regent Brett said this entire project, including the final plans and the official statement for the \$6.5 million Regents of the University of Oklahoma Utility System Revenue Bonds, Series 1975 (attached hereto as Exhibit B), were considered by the Facilities Planning Committee yesterday.

Regent Brett said the Committee recommends as follows regarding this project:

- a. That Carnahan-Thompson-Delano be appointed engineers for Phase IV at a fee of 6%.
- b. That the final plans for Phase III and Phase IV be approved, subject to review comments by the University staff, and that the University administration be authorized to advertise for construction bids at the appropriate time.
- c. That the following resolution approving the official bond statement be approved and the President of the Board be authorized to approve any technical changes that might be necessary in the official statement:

A RESOLUTION APPROVING THE OFFICIAL STATEMENT DATED NOVEMBER 1, 1974, RELATING TO THE ISSUANCE OF THE REGENTS OF THE UNIVERSITY OF OKLAHOMA \$6,500,000 UTILITY SYSTEM REVENUE BONDS, SERIES 1975; DIRECTING THAT SAID OFFICIAL STATEMENT BE SUBMITTED TO THE OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION; APPROVING THE OFFICIAL NOTICE OF SALE OF SAID BONDS AND AUTHORIZING SAME TO BE PUBLISHED ACCORDING TO LAW; AUTHORIZING THE PRESIDENT OF THE BOARD OF REGENTS TO SET THE DATE OF SALE; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

NOW, THEREFORE, BE IT RESOLVED BY THE REGENTS OF THE UNIVERSITY OF OKLAHOMA:

SECTION 1. The Official Statement of the Regents of the University of Oklahoma relating to its \$6,500,000 Utility System Revenue Bonds, Series 1975, dated as of November 1, 1974, is hereby adopted and approved and the President of the Board of Regents is hereby authorized to execute same for and on behalf of the Regents and to further certify that there are no misrepresentations of fact or misstatements contained therein.

SECTION 2. The President of the Board of Regents is hereby directed to cause said Official Statement to be submitted to the Oklahoma State Regents for Higher Education for certification of economic feasibility.

SECTION 3. The Official Notice of Sale of said Series 1975 Bonds is hereby adopted and approved and the President of the Board of Regents is authorized to execute same for and on behalf of the Regents and further is hereby authorized and directed, upon consultation with the Regents' Financial Consultants and Bond Attorneys to set the date of sale of said bonds and cause the Notice of Sale of same to be published according to law.

Approved on motion by Regent Brett.

e. Report on Major Capital Improvements Program

As shown on the following page a report was presented to the Regents on the Health Sciences Center Campus Major Capital Improvements Program, including projects under construction and those in various stages of planning. No action was required.

f. Dental Clinical Sciences Building Change Orders

At the meeting on April 11, 1974, the Regents authorized McCune, McCune and Associates to prepare revised plans for the design of the casework planned for the Dental Clinics. Subsequently, the architects and engineers prepared new designs for the casework base upon experience with the operatories located in the Interim Building used by the faculty and students of the College of Dentistry. The new plans showing typical changes were submitted to Kitchen Interiors, Inc., the casework contractor, for pricing.

Through a misinterpretation of the new plans and the intent of the University and the project architects the casework contractor submitted a price for only a portion of the required revisions to the casework. This misinterpretation resulted in the development and approval of a change order (Laboratory Casework, LC-1) which resulted in a deduction in the contract amount of \$37,500.25.

To correct the error and to provide the required casework in all locations approved, change order LC-1 should be rescinded and change order LC-1 Revised which results in a cost reduction of \$2,755.04 should be substituted. The net reduction in the original contract amount is \$2,755.04. The original contract amount was \$474,000; the adjusted contract amount is \$471,244.96.

When the re-design of the casework was recommended, it was recognized that the changes in casework configuration would require changes in the supporting electrical, air, gas, hot and cold water, drain and dental vacuum systems.

Plans for the necessary revisions to the building systems have been completed. Plans also have been completed for the introduction of 63 additional hand washing sinks at different positions in five large student clinics and for the installation of 63 additional electrical outlets in the clinics.

The contractor has agreed to make the necessary changes to the electrical and mechanical systems for the sum of \$48,478.68. The project architects have reviewed the proposed change order and recommend its approval. Funds for this work are available in the project contingency allowance.

President Sharp recommended approval of Change Order 1 to the general contract for the Dental Clinical Sciences Building to add the amount of \$48,478.68. President Sharp recommends also that the previously approved Dental Clinical Sciences Building laboratory casework change order LC-1 be rescinded and a new change order LC-1 Revised be approved.

Approved on motion by Regent Brett.

g. Acceptance of Completed Projects Policy

In December, 1967, at the request of the administration at the Medical Center, the University Regents adopted a policy authorizing the President of the University to accept gifts to the Medical Center of completed remodeling or refurbishing projects under certain conditions and with the stipulation that all such gifts would be reported to the Regents promptly.

This policy seems to be in conflict with the Fiscal Management Policy of the Board which was adopted last year and which provides that financial decisions over \$10,000 must be approved by the Board of Regents. Other changes in the management systems at the Health Sciences Center make this policy no longer necessary.

President Sharp recommended that the action of the University Regents on December 14, 1967, pages 9191-92, authorizing the President of the University to accept Medical Center completed projects be rescinded and that projects of this type be handled in accordance with the present Fiscal Management Policy.

Approved on motion by Regent Brett.

h. Transfer of Property to DISRS

Last spring by Trustees Deed, a life estate in certain real property located in Noble County described as the East Half of Lots 23 and 24 in Block 41 in the Townsite of Original Perry, Noble County, Oklahoma was conveyed to Ann Harris. Upon her death, the property was to be vested in the Board of Regents of the University of Oklahoma for the use and benefit of the Crippled Children's Trust Fund at Crippled Children's Hospital in Oklahoma City.

In accordance with the intent of Senate Bill 316 of the 34th Legislature, University Legal Counsel and Legal Counsel for the Department of Institutions, Social and Rehabilitative Services have been reviewing all bequests that have been made to Crippled Children's Hospital or Children's Memorial Hospital over the years. It is appropriate, therefore, that this property in Noble County be transferred to the Public Welfare Commission for the Children's Memorial Hospital. Legal Counsel for DISRS has indicated that transfer of the property by Quit Claim Deed is completely acceptable to the Department.

President Sharp recommended that the Regents approve transfer of the property described as the East Half of Lots 23 and 24 in Block 41 in the Townsite of Original Perry, Noble County, Oklahoma, by Quit Claim deed to the Oklahoma Public Welfare Commission for the benefit of Children's Memorial Hospital in Oklahoma City, and that the President and Executive Secretary of the Board be authorized to execute the appropriate documents to effect this transfer.

Approved on motion by Regent Neustadt.

i. Animal Quarters Air Conditioning

Carnahan-Thompson-Delano, Engineers, serving as on-call consultants, have completed preliminary plans for a project which involves the installation of a new air conditioning system for the existing animal quarters on the 5th floor of the old College of Medicine Building. This new system has been designed as an extension of the main system placed in portions of the building during 1972. Steam and chilled water for the new system will be received from the campus system through existing risers in the building.

Dr. Donald D. Holmes has an N.I.H. Grant 1P06RR00732-01A1-AR in the amount of \$99,365 which will fund the necessary costs for this project which are estimated to be \$71,600.

Regent Brett reported the plans for this project in the College of Medicine Building were reviewed by the Facilities Planning Committee at the meeting yesterday. The Committee recommends approval of the preliminary plans and that authorization be given to proceed with final plans.

Approved on motion by Regent Brett.

B. Administration

III. Institutional Memberships

a. Ozarks Unlimited, Inc.

On April 14, 1966, the Regents of the University of Oklahoma approved participation of the University in Ozarks Unlimited, Inc., a corporation established to provide a vehicle for cooperative regional efforts among the major State Universities in the Ozarks Region primarily to bring research dollars into the various institutions.

The members of the Corporation are the Curators of the University of Missouri, the Board of Trustees of the University of Arkansas, the Regents of the University of Oklahoma, and the Board of Regents for the Agricultural and Mechanical Colleges acting for and on behalf of Oklahoma State University of Agriculture and Applied Science..

Since 1971 Dr. Raymond Daniels has served as Secretary-Treasurer and Board Member of Ozarks Unlimited representing the University of Oklahoma. At that time the Corporation had been dormant for at least two years and the Board considered the three alternative courses of action: (a) disband the organization, (b) keep the organization in existence on a standby basis, but inactive, or (c) push to revive activity and seek greater interaction with the Ozarks Regional Commission and the Economic Development Administration. The Board favored course of action (c) with the stipulation that if things did not improve measurably in a reasonable time that the organization be dissolved.

Nothing has been accomplished. The Federal programs which the Corporation was geared to serve, have declined or been terminated, and no other useful function for the Corporation has been proposed.

Dr. J. C. Evans of Oklahoma State University, Chairman of the Board of Ozarks Unlimited, has proposed that we now dissolve the Corporation. Dr. Daniels thinks this is the appropriate action and will vote for dissolution with the Regents' concurrence. Upon dissolution, the remaining assets of the Corporation will be distributed among the members, the University of Oklahoma receiving a one-sixth share which will amount to about \$2500.

President Sharp recommended approval of the dissolution of Ozarks Unlimited, Inc.

Approved on motion by Regent Braly.

C. Academic (Norman Campus)

I. Faculty Personnel

LEAVES OF ABSENCE:

Eugene Kuntz, Dean Emeritus and George Lynn Cross Research Professor of Law, sabbatical leave of absence with full pay, January 16, 1976 to June 1, 1976. Research in Environmental Law.

OFFICE OF ARCHITECTURE AND ENGINEERING SERVICES
THE UNIVERSITY OF OKLAHOMA

MAJOR CAPITAL IMPROVEMENTS PROGRAM

PROGRESS REPORT, NOVEMBER, 1974

PROJECTS UNDER CONSTRUCTION

Project	CMP Priority No.	Engineers and Architect	Contractor	Contract Award Date	Original Adjusted Completion Date	Original Current Contract Amount	Status (% complete)	Sources of Funds
HEALTH SCIENCES CENTER								
Steam & Chilled Water Plant Phase II, (Part 1, Northeast Tunnel)		Carnahan & Thompson	Kay Engr. Co.	03/08/73	09/08/73	<u>365,497</u> 366,749	99%	Revenue Bonds
Steam & Chilled Water Plant, Phase II, (Part 2 West Tunnel and Plant Expansion)		Carnahan & Thompson	Kay Engr. Co.	09/17/73	08/13/74	<u>2,458,197</u> 2,534,635	95%	Revenue Bonds
Biomedical Sciences Bldg.		Wright & Selby	Lippert Bros. Inc.	08/27/73	01/13/76	8,700,500	49%	Bond Funds Grants, DHEW
Dental Clinics (Dental Clinical Sciences Bldg.)		McCune & McCune	Rayco Construction Co.	12/13/73	12/17/75	6,786,271	32%	Bond Funds Grant, DHEW
Laboratory Casework Dental Clinics	(Partial)	McCune & McCune	Kitchen Interiors	12/13/73	12/17/75	474,000	1%	Bond Funds Grant, DHEW

OFFICE OF ARCHITECTURAL AND ENGINEERING SERVICES
THE UNIVERSITY OF OKLAHOMA

MAJOR CAPITAL IMPROVEMENTS PROGRAM

PROGRESS REPORT, NOVEMBER, 1974

PROJECTS IN VARIOUS STAGES OF PLANNING

Project	CMP Priority No.	Architect and Engineers	Contract or Letter	Estimated Cost	Status
HEALTH SCIENCES CENTER					
Student Housing	--	Murray, Jones, Murray	C 10/20/71	5,647,070	Inactive. James Jackson and Associates have indicated that they do not think the project is feasible at this time.
College of Health		Murray, Jones, Murray	C 07/23/70	10,000,000	Inactive. Funds for this project have been transferred to the Biomedical Sciences building project.
Health Sciences Library and Learning Resources Center	1	Sorey, Hill Binnicker	L 07/23/70	5,886,000	Schematic plans have been completed. A grant award of \$2,874,340 has been received. Design development plans for this project are to be completed by January 1, 1975.
College of Nursing Building	2	Murray, Jones, Murray	- - -	5,505,476	The construction grant application submitted to the U.S. Public Health Service on June 15, 1972 was approved. A notification of grant award is expected with 30 days.
Ambulatory Medical Clinics		Frankfurt, Short Emery, McKinley	- - -	2,400,000	Inactive. Schematic design plans for this project have been completed. Responsibility for this project has been transferred to the University Hospital.
Steam and Chilled Water Water Plant, Phase III	--	Carnahan-Thompson- Delano		3,729,000	Final plans are being prepared.
Corridor/Bridge Biomedical Sciences Building		Wright and Selby		325,000	

Robert F. Petry, Associate Professor of Physics and Astronomy, change in sabbatical leave of absence with full pay from January 16, 1975 to June 1, 1975 to September 1, 1975 to January 16, 1976.

William Lytle Powell, Professor of Music, sick leave of absence with full pay, October 26, 1974 to January 1, 1975.

APPOINTMENTS:

Diane Norvell Davis, Assistant to the Director, Law Center and Director of Law Center Publications, \$11,000 for 12 months, August 19, 1974. E&G Budget page 358, position #5.

Martha Winters Gilliland, Research Fellow, Science and Public Policy and Energy Systems Analysis, rate of \$16,000 for 12 months, November 1, 1974 to June 1, 1975. Paid from 158-364, Study of Consistent Analysis of Energy, and 156-170, Energy Systems Analysis.

CHANGES:

Stanley Jay Abel, Wrestling Coach, Athletic Department; given additional title of Adjunct Instructor in Health, Physical Education, and Recreation, without additional remuneration, September 1, 1974.

John David Martin, Track Coach, Athletic Department; given additional title of Adjunct Instructor in Health, Physical Education, and Recreation, without additional remuneration, September 1, 1974.

Joe Lee Ramsey, Head Basketball Coach, Athletic Department; given additional title of Adjunct Instructor in Health, Physical Education, and Recreation, without additional remuneration, September 1, 1974.

Enos T. Semore, Head Baseball Coach, Athletic Department; given additional title of Adjunct Instructor in Health, Physical Education, and Recreation, without additional remuneration, September 1, 1974.

Barry Layne Switzer, Head Football Coach, Athletic Department; given additional title of Adjunct Instructor in Health, Physical Education, and Recreation, without additional remuneration, September 1, 1974.

Leo Howard Whinery, Professor of Law on sabbatical leave with $\frac{1}{2}$ pay; also appointed Principal Investigator, Predictive Sentencing Project, Office of Research Administration, \$12,950 for 9 months; .50 time, September 1, 1974 to June 1, 1975.

Paul F. Ziert, Gymnastics Coach, Athletic Department; given additional title of Adjunct Instructor in Health, Physical Education, and Recreation, without additional remuneration, September 1, 1974.

RETIREMENT:

Max L. Moorhead, David Ross Boyd Professor of History, June 1, 1975. Named David Ross Boyd Professor Emeritus of History.

Approved on motion by Regent Braly.

President Sharp reported the death of Lawrence S. Poston, Jr., Professor Emeritus of Modern Languages, on October 14, 1974.

II. Changes in Programs

a. American Indian Law Review

President Sharp said he has been notified that in their meeting on October 28, 1974 the Oklahoma State Regents for Higher Education approved the University's request pertaining to the American Indian Law Review, effective with the 1974-75 fiscal year, as follows:

The University of Oklahoma Law Center is authorized to compile, print, and publish the American Indian Law Review, as a separately budgeted program under item #7 of the Statement of Functions for the Law Center as adopted by the State Regents on May 12, 1970. Specific operational criteria are set forth below.

1. The American Indian Law Review shall be published twice each year at an annual subscription rate of \$6, with approximately 1750 to 2000 copies being prepared for distribution each issue.
2. The American Indian Law Review shall be operated in the same manner as the Oklahoma Law Review, with the same type of supervisory structure, editorial policies, and the like.
3. The Indian Law Review shall contain articles on the historical origin of Indian law in America, together with articles and comments on current topics of interest to law scholars as well as members of the Bar and Bench.
4. Students involved in the compilation, editing or publication of the Indian Law Review shall be eligible to be awarded academic credit under the same standards observed in connection with the compilation and publication of the Oklahoma Law Review.

5. Anticipated income from subscriptions, sale of advertising, and other income to the Indian Law Review shall be placed into the legal publications account of the University of Oklahoma Law Center for use in defraying costs of the publication.

The State Regents' action provided that the University is authorized to transfer \$10,000 for the continuing legal education function of the Law Center to the legal publication function of the Law Center in order to implement the new program during the present academic year. The State Regents determined that all income from subscriptions, advertising, and the sale of back issues of the American Indian Law Review should be placed into the Continuing Legal Education Account of the Law Center to reimburse that function for educational and general operations during the remainder of the 1974-75 fiscal year.

This was reported for information. No action was required.

D. Finance and Management

I. Non-Academic Personnel

a. Educational and General and Agency Special Budgets

APPOINTMENTS:

Aubyn Newal Griffith, Project Director/Blowout Control Training Well Facility Engineer, Blowout Control School, \$21,600 for 12 months, October 1, 1974. Professional Staff. \$15,000 from Estimated Income, 118-599.

Garrett Frederick Miles, Architect/Planner, Staff Architect, Architectural and Engineering Services, \$15,500 for 12 months, October 1, 1974. Professional Staff. E&G Budget, page 330, position #3.

Jerry Anthony Milton, University Pilot, \$16,200 for 12 months, October 18, 1974. Professional Staff. E&G Budget, page 240, position #1.

Lawrence E. Mullen, Accountant II, Center for Economic and Management Research, \$12,500 for 12 months, September 1, 1974 to July 1, 1975. Professional Staff. E&G Budget, page 248, position #5-new.

Kurt Fredric Ockershauser, Legal Counsel, Office of the President, \$15,500 for 12 months, November 4, 1974. Professional Staff. E&G Budget, page 43, position #5.

CHANGES:

Carl T. Bush, title changed from Senior Systems Programmer to Supervisor, Systems Programmer, University Computing Service Administration, salary increased from \$12,000 to \$15,000 for 12 months, October 1, 1974. Professional Staff. Income in department available for increase.

November 14, 1974

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Verner R. Ekstrom, title changed from Assistant Provost for Academic Records and University Registrar to Project Director, Programs in Post-Secondary Data Management, Continuing Education and Public Service, November 1, 1974. Administrative Staff.

George M. Mabry, Systems Programmer, University Computing Service Administration, salary increased from \$9,600 to \$10,800 for 12 months, October 1, 1974. Professional Staff. Departmental income available for increase.

Milford Dean Messer, Director of Registration; appointed Interim University Registrar, salary increased from \$16,800 to \$18,000 for 12 months while serving as Interim University Registrar, November 1, 1974.

RESIGNATION:

James Coy Gobble, Development Coordinator, University Development, October 25, 1974.

Approved on motion by Regent Neustadt.

b. Grants and Contracts

(All of the following are subject to the availability of funds)

APPOINTMENTS:

Francis Jay Callaghan, Course Moderator, Rehabilitation Administration and Management Programs, rate of \$13,200 for 12 months, October 14, 1974 to July 1, 1975. Professional Staff. Paid from 153-560.

James Clayton Rutherford, reappointed Program Development Specialist, Center for Emergency Preparedness Studies, salary increased from \$13,500 to \$15,000 for 12 months, October 1, 1974 to October 1, 1975. Professional Staff. Paid from 157-761.

Ralph Isaac Williams, Course Moderator, FAA Management Training Center, rate of \$12,500 for 12 months, October 14, 1974 to July 1, 1975. Professional Staff. Paid from 157-210.

CHANGES:

Jerlene A. Bright, title changed from Project Coordinator to Project Director, Information Systems Programs, Office of Research Administration, salary increased from \$8,988 to \$13,000 for 12 months, October 1, 1974 to July 1, 1975. Professional Staff. Paid from 156-001.

Patricia Ann Tracy, Senior Systems Analyst, Information Systems Programs, Office of Research Administration, salary increased from \$12,075 to \$14,300 for 12 months, October 1, 1974 to July 1, 1975. Paid from 156-001.

November 14, 1974

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RESIGNATIONS:

Jack L. Morrison, Director, Information Systems Programs and Oil Information Center, Office of Research Administration, November 25, 1974.

Jack Taylor Shannon, Associate Project Director, Teacher Corps, and Visiting Assistant Professor of Education, October 9, 1974.

Glenn W. Solomon, Counselor, Educational Talent Search and Upward Bound, October 1, 1974.

Jack Leslie Waltz, Course Moderator, FAA Management Training School, September 11, 1974.

* * * * *

- 153-560 - Teacher Corp Training
- 157-761 - Center for Emergency Preparedness
- 157-210 - FAA Meeting, 1974
- 156-001 - Oilwell Log Library

Approved on motion by Regent Neustadt.

VI. Purchases

a. Roller

President Sharp said bids have been received through Central Purchasing for one self-propelled roller with sprinkling system for use by the Department of Physical Plant.

Payment will be made from Service Unit Account 147-201. Bids received are:

Bert Smith Road Machinery Company
Oklahoma City

Bidding Ferguson Model SP-912 \$12,299.00

Midwestern Engine and Equipment Company, Inc.
Oklahoma City

Bidding Bros Model SP-3000 \$12,428.00

Bucklin Equipment Company
Oklahoma City

Bidding Hyster Model C530A \$13,989.00

Clarence L. Boyd Company
Oklahoma City

Bidding Galion 9-Wheel Model \$14,400.00

President Sharp recommended awarding the bid to the low bidder, Bert Smith Road Machinery Company, Oklahoma City.

Approved on motion by Regent Braly.

b. Laboratory Equipment

President Sharp requested and received unanimous consent from the Board to consider the following item at this meeting:

President Sharp said the Purchasing Office has attempted to obtain bids for laboratory equipment, a basic torque rheometer plus attachments. This is highly specialized equipment, however, and apparently there is no other equipment on the market which is comparable and of equal quality to that offered by C. W. Brabender Instruments, Inc. A proposal has been received from C. W. Brabender Instruments, Inc. for this equipment and attachments in the amount of \$12,259.75.

Funds are available in grant account 152-914 for this purchase. The equipment will be used by the School of Chemical Engineering and Material Sciences.

President Sharp recommended that the equipment be purchased from C. W. Brabender Instruments, Inc. for a total delivery price of \$12,259.75.

Approved on motion by Regent Neustadt.

VII. Project Financing

a. Proposal, Contract, and Grant Report

A summary of proposals for contracts and grants for the Norman Campus for October, 1974, as well as a report of all contracts executed during the same period of time on proposals previously reported, was included in the agenda for this meeting.

President Sharp recommended that the President of the University or his designees be authorized to execute contracts on the pending proposals as negotiations are completed. The contract budgets may differ from the proposed amounts depending upon these negotiations.

Approved on motion by Regent Braly.

F. The University Community

X. Athletics

a. Football Games

The following list of 23 non-conference football games for 1978 to 1986 was presented:

<u>Date</u>	<u>School</u>	<u>Place</u>
<u>1978</u>		
September 9	Stanford	Palo Alto, California
<u>1979</u>		
September 22	Wichita State	Norman
October 13	Texas	Dallas, Texas
<u>1980</u>		
October 11	Texas	Dallas, Texas
<u>1981</u>		
September 12	Wyoming	Norman
October 10	Texas	Dallas, Texas
<u>1982</u>		
October 9	Texas	Dallas, Texas
<u>1983</u>		
September 10	Stanford	Palo Alto, California
September 17	Ohio State	Norman
September 24	Tulsa	Norman
October 8	Texas	Dallas, Texas
<u>1984</u>		
September 8	Stanford	Norman
September 15	Duke	Durham, North Carolina
September 22	Baylor	Norman
October 13	Texas	Dallas, Texas
<u>1985</u>		
September 21	Duke	Norman
September 28	Minnesota	Minneapolis, Minnesota
October 12	Texas	Dallas, Texas
October 19	Miami (Fla.)	Norman

1986

September 13	Washington State	Norman
September 20	Minnesota	Norman
September 27	Miami (Fla.)	Miami, Florida
October 11	Texas	Dallas, Texas

President Sharp recommended approval of scheduling the non-conference games listed.

Regent Neustadt moved approval of the recommendation.

Regent Brett moved an amendment to the motion to provide that action on the games proposed for 1979 be deferred for action at the next meeting pending further study.

On the vote on the amendment, all members voted AYE except Regent Neustadt who voted NO.

On the vote on the motion as amended, all members voted AYE except Regent Neustadt who voted NO. The motion as amended was approved.

G. Operations and Physical Plant

I. New Construction

a. Report on Major Capital Improvements Program

A report on major capital improvements projects under construction and in various stages of planning on the Norman Campus was presented to the Regents as shown on the attached three pages. No action was required.

V. University Property

a. Naming of Physics Lounge

President Sharp said the Department of Physics and Astronomy has requested that the Physics Lounge, Room 301, Nielson Hall, be named Keith Carroll Memorial Student-Faculty Lounge. The request bears the approval of Dean Mulhollan and Provost Hunsberger and bears the endorsement of the Administrative and Physical Resources Council.

Dr. Keith Carroll was a member of the Physics faculty from 1967 until 1973 when he fell victim to cancer. He was well liked by both students and fellow faculty members and after his death a memorial fund, including a substantial contribution from his widow, was established in the OU Foundation to refurbish this lounge. Now that the room has been completely refurbished it seems most appropriate to name the lounge in Dr. Carroll's honor.

OFFICE OF ARCHITECTURAL AND ENGINEERING SERVICES
THE UNIVERSITY OF OKLAHOMA

MAJOR CAPITAL IMPROVEMENTS PROGRAM

PROGRESS REPORT, NOVEMBER, 1974

PROJECTS UNDER CONSTRUCTION

Project	Engineers and Architect	Contractor	Contract Award Date	Original Adjusted Completion Date	Original Current Contract Amount	Status (% complete)	Sources of Funds
NORMAN CAMPUS							
University Tennis Courts	A&E Services	Stine Construction & Environmental Dev. Corp.	10/26/74	03/26/75	77,850	1%	Revenue Bond Fund (Encumbered in Stadium) Project
Richards Subbasement Renovation	A&E Services	Gordon's Specialty	10/26/74	02/26/75	44,777	-0-	Sec. 13 fund
Ten "T" Hangars	A&E Services	Don E. Hansen	09/5/74	04/13/75	140,000	-0-	Noble Flying Fund Other Aux. Res.
Gittinger/Kaufman	Turnbull & Mills Inc., Carnahan, Thompson, Delano	Jim Cooley Const.	9/12/74	01/01/76	715,682	-0-	HERO Bond Funds

PROJECTS UNDER CONSTRUCTION

Project	Engineers and Architect	Contractor	Contract Award Date	Original Adjusted Completion Date	Original Current Contract Amount	Status (% complete)	Sources of Funds
NORMAN CAMPUS							
Research & Manuf. Hangar	A&E Services	Satellite Constr.	07/21/70	01/15/70	<u>185,000</u> 187,000	99%	OU DA
Lloyd Noble Center	Binnicker-Graves	Rayco Constr. Co.	01/11/73	01/10/75 <u>05/15/75</u>	<u>4,929,000</u> 5,094,000	75%	Student Facilities System Bond of 1971
Outdoor Swimming Pool	Fritzler, Knoblock Furry	Constructors, Inc.	10/04/73	03/28/74 <u>01/01/75</u>	<u>299,265</u> 301,399	97%	Bureau of Outdoor Recreation, Murray Case Sells Bldg. Funds, E.A. Walker Estate Resources & Other Aux. Res.
Buchanan Hall Renovation	A&E Services	Physical Plant	06/15/73	02/01/74 <u>01/01/75</u>	<u>227,000</u> 292,000	99%	Section 13 & New College Funds
Law Center Phase I Bid Package #1	Stone & Assoc., Whiteside, Shultz & Associate	H.A. Lott, Inc. Construction Mgr.	07/26/74	11/06/74	<u>72,331</u> 73,131	99%	State Bond Fund, Private Funds, Private Services
Law Center Phase I Bid Package #2	Stone & Assoc., Whiteside, Shultz & Associates	H.A. Lott, Inc. Construction Mgr.	10/26/74	12/26/75	3,270,080	-0-	State Bond Fund, Private Funds, Private Services
Stadium Expansion	Lockwood, Andrews Newnam, Inc.	Harmon Constr. Co., Inc.	10/26/74	09/08/75	<u>5,862,900</u> 5,505,096	-0-	Revenue Bond Fund & Private Funds
General Purpose Hangar	A&E Services	McCracken Constr. Co.	10/26/74	03/26/75	139,081	-0-	Aux. Reserves

PROJECTS IN VARIOUS STAGES OF PLANNING

Project	CMP Priority No.	Architect & Engineers	Contract or Letter	Estimated Cost	Status
NORMAN CAMPUS					
Richards Hall Renovation	1	McCune & McCune	Regents Approval 1/10/74	\$562,000.00	A preliminary meeting has been set up to outline the project scope
Richards Hall Fixed Equipment	2	McCune & McCune	"	110,120.00	" "
Richards Hall Movable Equip.	3	McCune & McCune	"	167,015.00	Inactive
Old Science Hall Renovation	4	Shaw Associates/ Don Bass & Assoc.	"	278,000.00	Don Bass & Associates have been selected as engineers and a preliminary design is being prepared.
Old Science Hall Fixed Equipment	5	" "	"	68,202.00	" "
Gittinger Hall Movable Equipment	8	Turnbull & Mills, Inc.	C1/10/74	1,803.00	Inactive
Kaufman Hall Movable Equipment	11	" "	"	3,861.00	Inactive
Felgar Hall Renovation	12	--	--	805,000.00	Inactive
Felgar Hall Fixed Equipment (Includes TBT Equipment)	13	--	--	18,152.00	Inactive
Felgar Hall Movable Equipment	14	--	--	5,151.00	Inactive
Oklahoma Memorial Stadium College of Environmental Design	15	--	--	544,500.00	Inactive
College of Environmental Design Fixed Equipment	16	--	--	55,011.00	Inactive

MAJOR CAPITAL IMPROVEMENTS PROGRAM

PROGRESS REPORT, NOVEMBER, 1974

PROJECTS IN VARIOUS STAGES OF PLANNING

Project	CMP Priority No.	Architects & Engineers	Contract or Letter	Estimated Cost	Status
College of Environmental Design Movable Equipment	17	--	--	NORMAN CAMPUS \$41,406.00	Inactive
Nielson Hall Renovation	18	--	--	496,000.00	"
Nielson Hall Fixed Equipment	19	--	--	7,157.00	"
Nielson Hall Movable Equipment	20	--	--	210,000.00	"
DeBarr Hall Renovation	21	--	--	649,000.00	"
DeBarr Hall Fixed Equipment	22	--	--	498,089.00	"
DeBarr Hall Movable Equipment	23	--	--	177,737.00	"
Gould Hall Renovation	24	--	--	719,800.00	"
Burton Hall Renovation	25	--	--	368,000.00	"
Engineering Lab. Renovation	26	--	--	116,300.00	"
Engineering Lab. Fixed Equipment	27	--	--	3,132.00	"
Engineering Lab. Movable Equipt.	28	--	--	5,370.00	"
Pharmacy Building Renovation	29	--	--	225,000.00	"
Pharmacy Building Fixed Equipt.	30	--	--	17,260.00	"
Jacobson Hall Renovation	31	--	--	153,500.00	"
Carpenter Hall Renovation	32	--	--	261,500.00	"
Holmberg Hall Renovation	33	--	--	255,500.00	"
Carnegie Hall Renovation	34	--	--	136,000.00	"
Womens Building Renovation	35	--	--	140,400.00	"

PROJECTS IN VARIOUS STAGES OF PLANNING

Project	CMP Priority No.	Architects & Engineers	Contract or Letter	Estimated Cost	Status
NORMAN CAMPUS					
Adams Hall Modifications	36	--	--	\$ 30,200.00	Inactive
Adams Hall Fixed Equipment	37	--	--	30,348.00	"
Nuclear Engineering Lab. Modifications	38	--	--	32,000.00	"
Main Campus Water Well	39	--	--	25,000.00	"
Separation of O.U. water system from Norman System	40	--	--	50,000.00	"
South Oval Improvements	41	--	--	250,000.00	"
South Perimeter Improvements	42	--	--	135,000.00	"
North Perimeter Improvements	43	--	--	210,000.00	"
Student Union-Monnet Hall Area Improvements	44	--	--	36,000.00	"
Old Science Hall Area Improvement	45	--	--	32,000.00	"
Hester-Robertson-Kaufman Area Improvements	46	--	--	45,000.00	"
Oklahoma Memorial Stadium Tennis Courts	47	--	--	82,050.00	"
Armory Conversion	48	--	--	1,086,000.00	"
Armory Conversion Fixed Equipt.	49	--	--	194,000.00	"
Monnet Hall Conversion	50	--	--	101,500.00	"

PROJECTS IN VARIOUS STAGES OF PLANNING

Project	CMP Priority No.	Architect	Contract or Letter	Estimated Cost	Status
NORMAN CAMPUS					
Law Center - Phase II	52	Edward Durrell Stone & Assoc. Whiteside, Shultz, and Associates	C01/20/72	\$1,812,000	Design program and contract negotiations for this phase of the work are included with the Law Center, Phase I consideration.
Physical Education Recreation Center	--	Reid & Heep	L10/16/66	4,965,000	Implementation of this project is contingent on development of funding from private sources and/or inclusion in our next phase of capital improvements and state building bond issue program.
Student Activities Center	--	Noftzger & Lawrence	L07/22/68	Undetermined	Decision regarding implementation of this project rests with final decisions on the future of the Physical Education/Recreation Center. The Use Planning Committee was reconstituted, but programming is not proceeding at this time.
University Museum	--	Shaw & Shaw	C04/03/71	2,400,000	Design development drawings completed. Total funding arrangements have not been finalized.
Cross Center Dining Hall Air Conditioning	--	Don Bass & Assoc. Engineers	--	93,250	Project dormant.
Life Sciences Center	--	McCune, McCune	L02/08/66	2,171,000	Project is dormant in anticipation of funding decisions by the State Regents. A Use Planning Committee has been established, and the work which has been executed on this project will be reviewed prior to further development.
Library/Learning Resources	--	Shaw & Shaw	L02/08/66	3,080,000	Implementation of this project is contingent on allocation of funds from the current State Bldg. Bond issue, 1968. Previously developed design studies will be reviewed and (probably) re-done when the project is activated.
Westheimer Field Lighting Project		Carnahan, Thompson, Delano		127,850	
Cross Center Apts. (Phase 1)		A&E Services		180,000	Inactive

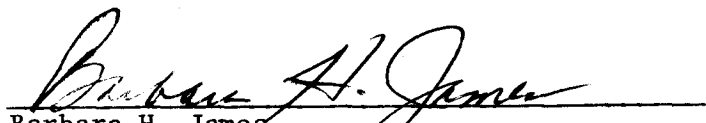
November 14, 1974

13258

President Sharp recommended that the Physics Lounge, Room 301, Nielson Hall, be named the Keith Carroll Memorial Student-Faculty Lounge.

Approved on motion by Regent Brett.

There being no further business the meeting adjourned at 11:15 a.m.


Barbara H. James
Executive Secretary of the Board of Regents

Others present at all or part of the meeting:

Dr. William G. Thurman, Provost-Elect, Health Sciences
Dr. Robert Shapiro, Associate Vice President for Administration and Finance
Dr. Beverly Ledbetter, Legal Counsel
Mr. Kurt Ockershauser, Legal Counsel
Dr. Oscar Parsons, Chairman, HSC Faculty Senate
Mr. Arthur Tuttle, University Architect
Mr. Gary Smith, Director of Financial Administration, HSC
Dean Philip E. Smith, College of Health
Mr. Harold Ray, Associate Vice President for University Community
Mr. Frank Teich, General Manager of University Housing
Mr. Robert Lewis, Leo Oppenheim & Co.
Mr. Scott Brown, Bond Counsel
Mr. Jack Cochran, Director of Public Relations
Ms. Judy Norlin, Administrative Intern, Office of the President
Dr. Steven Van Hauen, Associate Vice President for Administration and Finance
Ms. Cathy Kidd, Student President
Mr. John Johnson, student
Mr. Jim McGoodwin, Chairman, Student Congress
Dr. Donald F. Robinson, Director, Goddard Health Center
Mr. Mike Trepas, Director of Media Information
Mr. David Graham, Media Information Office
Mr. Dave Smeal, Media Information Office
Mr. Mike Sulzycki, Media Information Office
Ms. Donna Murphy, Media Information Office
Mr. Joe Flowers, Assistant Director, HSC Media Information Office
Ms. Judy Hargrove, Daily Oklahoman
Mr. Jim Bross, Norman Transcript
Mr. Irv Watson, Oklahoma City Times
Ms. Maurene Vitt, Tulsa World, UPI
Ms. Lynn Hamilton, Oklahoma Daily
Mr. Tom Collier, KWTV
Mr. Bob King, KOCO-TV
Mr. Gale Baldwin, KOCY Radio
Mr. Tim Granahan, KNOR
Mr. Jeff Scott, WKY Radio

EXHIBIT A

REPORT
OF
THE U.O.S.A. PRESIDENT'S
SPECIAL COMMITTEE
TO STUDY
GODDARD HEALTH CENTER

3 September, 1974

The Charles B. Goddard Health Center at the University of Oklahoma is a clean and sparkling facility. It runs efficiently and smoothly. Goddard, a member hospital of Blue Cross and Blue Shield, is also one of the thirteen student health centers in the nation which is fully accredited by the Joint Commission on Accreditation of Hospitals. (The other twelve are the University of California at Berkeley and Davis, the University of Georgia, Northwestern University, the University of Illinois, Purdue, Harvard, Smith College, Michigan State University, University of Texas, University of Kansas and Kansas State University.)

Goddard has waiting rooms, examining rooms and offices for ten full-time staff physicians. It has the special rooms and plumbing for two dentists, offices for six psychiatrists and physical facilities for administering vision and hearing tests. There is an excellent lab which handled 25,974 tests in 1973-1974. The X-ray facilities at Goddard are first-rate and are entirely adequate for the diagnostic needs of a community of 20,000. The Physical Therapy Department is considered one of the best in the Southwest region; many other universities send their physical therapy students to Goddard Health Center for training.

The hospital section of the Health Center contains fifty-four beds. It has been suggested that the hospital section of Goddard be closed to cut down overhead and save money (see Appendix A), but this is impractical and not really an economy because:

- 1) Goddard Health Center Physicians cannot get staff privileges at Norman Municipal,
- 2) Costs saved by closing Goddard hospital would amount to about \$50,000.00 per annum, while to rent five rooms at Norman Municipal on a year-round basis would cost \$60.00 per diem empty and \$72.00 per diem with a patient, for a total of \$109,500.00 per annum or net loss of approximately \$59,500.00.
- 3) Many cases currently admitted to Goddard for hospitalization could not be admitted to Norman Municipal (see Appendix B).
- 4) Goddard Health Center has an isolation cell for students who are grossly intoxicated or suffering from a "bad trip"; Norman Municipal, having no such facility, would have to contact the Norman Police Department in such cases.
- 5) In the relatively rare instance of an institutional epidemic (e.g. influenza), which occurs about once every five years, there would not be enough room at Norman Municipal to accommodate all the students requiring hospitalization. If the Goddard hospital section were re-opened for such an emergency, there is no assurance that the Director would be able to find sufficient staff in the time allotted.
- 6) Finally, there exists the fundamental objection that Goddard Health Center is paid for by the students and should be available for their needs--whatever those may be.

Goddard also has extraordinarily good dietetic services available not only to hospital patients and members of the staff,

but also to students at large. The dietician will either design a diet for the special needs of the student (diebetic, hypoglycemic, obese), or, in extreme cases, will prepare and serve meals for the student at the Health Center itself.

All things considered, the physical plant at Goddard Health Center is excellent, incomparably better than when the health center was located in Ellison Hall (see Appendix C). The Center's present difficulties arise almost solely from inadequate staffing as a result of low salaries. These low salaries are caused in turn by two factors: insufficient latitude granted the Director in determining the salaries of his professional staff and (primarily) a lack of necessary funds to provide these salaries.

The ratio of students enrolled to staff physicians at Goddard Health Center is currently 7,440:1. As shown by Appendix D, Table 1, the average at the Big Eight schools and Texas ranges from a low of 1569:1 at the University of Texas to a high of 2800:1 (Iowa State University), still far below O. U.'s figure. According to the American College Health Association, the optimum ratio is 2,000:1.

In the six month period October, 1973 through March, 1974, staff physicians at Goddard Health Center saw an average of 3544 patients per month. Currently, only two staff positions are filled. These two staff physicians and the Director (who

sees patients half-time) each treated, based on this average, 1181 patients per month (see Appendix D, Table 2).

During the winter of 1957-1958, when the campus was reeling under what was considered a major flu epidemic, six full-time staff physicians and one half-time physician each saw an average of 401 patients per month (see Appendix E). It should be emphasized that the staff then felt overworked and barely adequate to handle such a patient load. Yet there are more students now than in 1957-1958, and only one-third as many doctors.

Goddard Health Center is too grossly understaffed to be an adequate service to the students. The doctors do the best that they can, but it is essential that non-acute problems such as physicals and gynecological examinations be administered on a rigid weekly schedule. There is a grain of truth in the joke that Goddard is the only place on campus where you have to wait in line to take an exam; students do have to wait a long time to see a doctor and the less serious cases are often handled by a nurse. There is sometimes not enough time for the sort of full-scale diagnosis that might preclude the prescribing of superfluous drugs.

However, the addition of four or more full-time staff physicians would lower the student:doctor ratio to approximately 2860:1, which would cut in half the individual doctor's average monthly patient load from almost 1200 to about 600

(assuming utilization remains stable). Although still the highest ratio in the Big Eight, this would certainly be a more workable figure.

Goddard Health Center has been operating with a deficit since 1970-1971 (see Appendix F). The current deficit, as of June 30, 1974, is \$87,762.01. In 1971-1972 the deficit reached a high of \$146,998.49, requiring implementation of a student health fee of \$5.00. Since then, there has been a surplus of about \$20,000.00 per annum which has gone to retire the previous deficit. However, during the current year, without an increase in the student health fee, the deficit would increase by at least \$30,000.00 (see Appendix G).

Clearly, then, more money would solve most of the problems at Goddard. Students at the University of Oklahoma pay less in health fees than those at most of the Big Eight schools (see Appendix H). In 1971 a committee composed of Thomas Lynn, M. D., Charles Cameron, M.D. and Dan J. Macer, M. H. A. recommended that a health fee of \$20.00 per semester would be necessary to "provide the levels and amounts of health care to which the students are entitled, which will gain their confidence and will provide the University with sound fiscal planning." (see Appendix A). With more money, Goddard could not only raise the starting salaries of the staff physicians to \$30,000.00--certainly a more realistic and competitive base--but could also begin to alleviate the deficit.

Goddard Health Center derives its funds from three sources. It receives a portion of the Student Activity Fee (in 1973-74, this amounted to \$378,000 out of the total SAF of \$818,000.00). It also receives a student health fee of \$5.00 per student per regular semester and \$2.50 per student per summer semester (in 1973-1974, this netted \$191,000.00). The balance of the income derives from sales and services (physical therapy, prescriptions filled at the Goddard pharmacy, lab work, etc.), and in 1973-1974 these provided \$313,165.92, for a total 1973-1974 income of \$882,165.92. For this amount of money, Goddard provided more than 50,300 office medical visits, almost 26,000 laboratory tests and filled more than 48,400 prescriptions (see Appendix J). And for the last half of 1973-1974, Goddard had only two-and-a-half full-time physicians.

Dr. Robinson, Director of Goddard Health Center, has been unable to consistently recruit and retain staff physicians at the specified starting salary at Goddard of \$26,000. There are (understandably) few physicians in this country who are willing to start at that salary, even though the facility is one of the best and the hours are regular. Tinker Air Force Base sent around a letter in May of 1974 to doctors in Oklahoma offering a starting salary of \$30,000.00 plus all the benefits of being a military doctor. (see Appendix K) Goddard currently cannot compete with that, and that is probably the least of the competition in this area.

At this time, the only practical way to generate sufficient monies to eliminate the problems at Goddard Health Center is through an increase in the student health fee. The health fee must be raised enough to raise doctors' starting salaries to at least \$30,000.00. It needs to be sufficient to cut drastically into the deficit and alleviate it within a very few years. And it needs to be enough to furnish the students with a fully adequate health care facility. The committee, therefore, recommends an increase of \$10.00 per student per semester and \$5.00 per student per summer semester, bringing the total student health fee to \$15.00 per regular semester and \$7.50 per summer semester. With a projected enrollment for 1975-1976 of 18750 (7,000 in the summer session), that would be an income of \$615,000 purely from the student health fee. This new money, in addition to the \$392,585.00 projected allocation from the Student Activity Fee and a projection of \$250,000.00 from sales and services (operating income), would increase the total 1975-1976 income to \$1,257,585.00, as compared to the 1973-1974 income of \$882,165.92 (see Appendix L).

This new figure would easily enable the Director to raise the starting salaries of staff physicians to \$30,000.00, which would put Goddard's recruitment on a competitive basis with other area health services. It would help insure Goddard Health Center's fiscal security, and it would enable it to

keep the quality and quantity of staff that O. U. deserves. With an income in excess of one million dollars, the deficit could be eliminated in, at the most, two years.

But the most important reason to raise the student health fee is to provide a truly adequate health center for the students' needs. Increasing the student health fee would enable Goddard Health Center to provide some services without charge which have been heretofore paid for directly by the individual patient. This would have the advantage of making Goddard equally accessible to all students, in fact as well as in theory. Diagnosis would be less impeded by the expense to the student if lab work were free or available at reduced cost.

In addition, an increased and expanded schedule of free or nearly free services would encourage ready acceptance of the health fee increase on the part of students and their parents. It would inspire greater confidence in the student health center with the probable result that fewer students would feel compelled to seek treatment off campus. It is even conceivable that, under the new plan, the University of Oklahoma would be more attractive to prospective students. Many other schools, such as Texas, University of Colorado, and University of Missouri have free and/or reduced services (see Appendix M). Free or reduced-cost services would also enable a student to get health insurance at reduced premiums. Appendix N shows an example--the policy available at the University of Iowa due to

free and reduced-cost services, compared to Appendix P, the policy now offered at the University of Oklahoma.

The UOSA President's Special Committee to Study Goddard Health Center recommends that the following services be provided at no charge to a student being treated at Goddard Health Center on the recommendation of and under the care of a staff physician:

- 1) Hospitalization for acute illness and/or injury including:
 - a) Room and Board
 - b) Hospital medications
 - c) X-ray examinations
 - d) Laboratory examinations
 - e) Physical therapy treatments

- 2) Out-patient care for acute injury and/or illness including:
 - a) X-ray examinations
 - b) Laboratory examinations
 - c) Physical therapy treatments
 - d) Specialty consultation clinics

- 3) Preventitive medical care and health education:
 - a) Immunizations:
 - i. Tetanus
 - ii. Diptheria
 - iii. Typhoid
 - iv. Poliomyelitis
 - v. Small pox
 - vi. Influenza
 - vii. Others as indicated
 - b) Annual disease detection program:
 - i. Urinanalysis
 - ii. Hemoglobin determination
 - iii. Tuberculin skin testing
 - iv. Vision examination
 - v. Hearing examination
 - vi. Blood test (VDRL)
 - vii. Blood typing (one time)

In addition to these benefits, all students enrolled at the University would continue to be eligible for:

- 1) Routine office care and hospital care by staff physicians and nurses, and
- 2) Prescriptions and other medications at a discount.

The income lost from providing these services at no charge would be adequately replaced by increasing the student health fee to \$15.00 per semester and \$7.50 per summer session. For a current approved schedule of payment for services at Goddard Health Center, see Appendix Q. Much of the income from services will not be lost, however, because fees for the treatment of non-acute conditions would continue to be charged. For a breakdown of the continued income, see Appendix R.

The following is the estimated 1975-1976 budget with a \$15.00 per semester fee, and \$7.50 per summer semester.

This estimated budget was provided by Dr. Donald F. Robinson, Director of Goddard Health Center.

Earned Income	\$392,585.00
Health Fee (\$15.00/semester)	\$615,000.00
Operating Income	<u>\$250,000.00</u>
	\$1,257,585.00

Salaries and Wages	\$858,585.00
Fringe Benefits	85,000.00
Merchandise for Resale	150,000.00
Food	10,000.00
Travel	5,000.00
Postage	2,000.00
Telephone	5,000.00
Utilities	15,000.00
Freight	100.00
Rents	3,000.00
Repairs and Maintenance	8,000.00
Other Contractual Services	25,000.00
Office Supplies	4,000.00
Household Supplies	1,500.00
Medical and Lab Supplies	15,000.00
Medical and Lab Equipment	2,000.00
Books and Periodicals	600.00
Memberships	600.00
Fees and Licenses	300.00
Administrative Overhead	6,000.00
Sales Tax	2,000.00
Miscellaneous	<u>1,000.00</u>
	\$1,199,685.00

Excess Income	\$57,900.00
Estimated Total Deficit June 30, 1975	\$95,000.00
Estimated Total Deficit June 30, 1976	\$37,100.00

R E C O M M E N D A T I O N S

The Committee recommends that the Board of Regents adopt the following recommendations to eliminate the problems cited previously in this report.

- 1) The student health fee should be raised to \$15.00 per semester and \$7.50 per summer semester. This would bring O. U.'s student health assessment to a rate not out of line with other Big Eight schools, and, more importantly, would generate an estimated \$400,000.00 additional operating income for Goddard Health Center. This would permit implementation of the following recommendations and would also eliminate the accumulated deficit over time.
- 2) The starting salaries for the staff physicians at Goddard Health Center should be raised by \$4000.00 per annum, to a ^{minimum starting rate} rate of \$30,000.00 per year in order to attract a complete and competent staff of Medical Doctors. *Ed / 10.60*
- 3) The Director of the Goddard Health Center should be insured more latitude in determining the salaries of his professional staff. This should allow for merit increases and across-the-board raises to assure that the Health Center is completely and adequately staffed by competent professionals.
- 4) A position of Pharmacy Intern should be created with a starting salary of \$9,000.00 per year to allow the Pharmacy to more adequately handle the increased use of the health center Pharmacy.
- 5) Two general duty Registered Nurse positions should be created to adequately handle the increased usage of the Health Center due to a more sufficient staff of M. D.'s.

- 6) A salary of up to \$62,000.00 per year, or a \$32,000.00 increase in salary over that of a regular physician, should be budgeted to acquire a competent specialist in the field of obstetrics and gynecology.
- 7) The salary of the Director of Goddard Health Center should be raised by \$7,000.00 to a level of \$40,000.00 per year, of which \$3,000.00 per year would come from athletic department money for services rendered.
- 8) The Sanitarian, presently on the payroll of Goddard Health Center, should be retained and should continue to provide services for the University Community, but on a fee basis, with any department utilizing his services compensating the health center through an Inter-Departmental Transfer (IDT).
- 9) That full-time students residing in Norman during the summer semester, but not enrolled in summer classes, be allowed to use the Goddard Health Center upon payment of current non-student rates.
- 10) That Laboratory and other fees as detailed above be eliminated for acute conditions to compensate the student for his/her increased economic participation in the funding of the health center.

The committee has also recommended that the Board of Regents adopt the following long-term proposals to further eliminate problems which exist within the health center and the university community. When the deficit is further reduced and funds become available, the employment of a dentist and dental hygiene assistant should be considered. This would be quite feasible as facilities already exist for his/her employment.

Secondly, as funds become further available, another psychologist should be employed to relieve the load presently imposed upon the mental health sector of the health center.

Thirdly, that when Goddard becomes fully staffed spouses of students be allowed to pay the health fee and receive health care at Goddard Health Center.

And, finally, the committee recommends that the university administration, the Goddard Health Center administration and the administration of the Health Sciences Center conduct meaningful negotiations toward the goal of using medical center residents as staff physicians at the health center, both to alleviate the work load of the staff physicians, to provide more competent health care for the students and also to serve as a mechanism to further the education of the residents.

A P P E N D I C E S

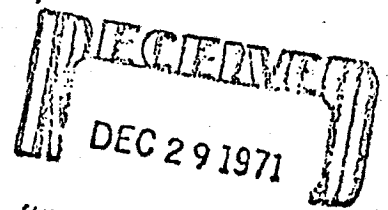


THE UNIVERSITY OF OKLAHOMA
MEDICAL CENTER

800 NORTHEAST THIRTEENTH STREET
OKLAHOMA CITY, OKLAHOMA 73104

December 20, 1971

Dr. John R. Morris
Vice President
University of Oklahoma
Norman, Oklahoma 73069



THE UNIVERSITY
COMMUNITY OFFICE

Dear Dr. Morris:

Please consider this letter a preliminary response to the charge of President Sharp to provide advice regarding the operations of the Student Health Service on the Norman Campus.

The ad hoc committee has experienced considerable difficulty responding directly to the actual charge given it regarding the fiscal deficit. We wish to respond to that charge; however, we also feel a responsibility to relate fiscal affairs to the quality of care offered to the students. Therefore, this report is divided into three parts --the first two dealing with the immediate future, and the third part dealing with a possible long-range alternative.

- A. The committee believes that immediate additional funding is necessary to provide the levels and amounts of health care to which the students are entitled, will gain their confidence, and provide the University with sound fiscal planning. We have accomplished a survey of other universities and as a result find that an expenditure of approximately \$20.00 per student per semester will be necessary to achieve these goals. The committee is aware of the problems attendant to this action but does feel that it would be remiss if it did not emphasize that expenditures short of this will result in less than adequate student health services. It is, therefore, our initial recommendation that increased monies equivalent to \$20.00 per student per semester be made available for the operation of the Health Services.

B. In the event that recommendation in Paragraph A cannot be accomplished, there are other (basically money saving) recommendations which are included in this section. These should be considered temporizing at best, and will, if continued over a long period of time, result in serious deterioration of the quality of health services offered. These recommendations are:

1) Exploration should be carried out on an administrative level with the Norman Municipal Hospital regarding University leasing on a yearly basis of five hospital beds to which the physicians employed by the Student Health Service can admit patients and be responsible for their care. If this could be accomplished, the hospital section of the Student Health Service operation, including dietary and other supportive services, could be closed or reduced with substantial savings. The negotiations with the Norman Municipal Hospital should include specific medical staff privileges for the Health Service physicians and modifications in the policies of the Norman Municipal Hospital toward receiving patients contrary to current admission policy; e.g., alcoholism, drug induced intoxication, uncomplicated infectious disease, and athletic injuries. The Norman Municipal Hospital has a real concern about admitting these types of patients into their hospital. They are faced on the one hand with disturbance of their other patients, and secondly their utilization review procedures in which they must certify (in order to receive reimbursement from third party payors and continue accreditation) that the hospital is being appropriately used for patients who "need to be in the hospital."

Closing the hospital section also creates another problem. The University Health Service could not expect to put a large number of students in Norman Municipal Hospital in those rare instances (once every 2 - 5 years) of an institutional epidemic such as influenza or gastroenteritis. This is not, however, seen as an impossible situation. In the event of such an epidemic, the rooms in the Student Health Service could be reopened and temporary staff acquired or brought in on a double-shift basis so as to meet the relatively short-lived but high level need for service. Meals for the in-house residents during an epidemic could be brought in from the outside (other dietary services operated by the University).

2) Currently, the Student Health Service is employing resident physicians at a cost of approximately \$27,000 per year who are on-call at the Student Health Service during the evening and night hours. There is a physician in the Norman Municipal Hospital emergency room seeing patients on a fee-for-service basis, and the committee is informed that many of the patients whom he sees are students of the University of Oklahoma. It would, therefore, appear appropriate to see if an advantageous contract could be developed with the Norman Municipal Hospital and the physician.

3) The committee concurred with the revised fee schedule as proposed by Dr. Robinson.

4) The committee understands that there are several University operated psychological counseling services available to students on the Norman campus which have no connection with the Student Health Service. The committee believes it would be appropriate to explore the possibility of removing these services physically to the Student Health Service and seeking some fiscal reimbursement for these services.

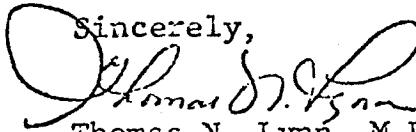
- C. The final recommendation from the ad hoc committee concerns the long-range development of a University health care system. The long-range goals of the University will be best served by the development of a health care system which would respond to the comprehensive health care needs of its students, faculty, employees and their dependents on both the Norman and Oklahoma City campuses.

This is a necessary and positive factor for recruiting and retaining quality faculty and staff. It would provide the students a good health care experience and at the same time educate them as to what they should expect in the provision of good health care. This obviously would mean the involvement of not only the facilities and physicians of the Student Health Service, but would also relate to the Cleveland County Medical Society, the Norman Municipal Hospital, the physicians of the University of Oklahoma Health Sciences Center, and the hospitals and clinics of the Health Sciences Center.

The committee recommends that immediate exploratory talks be begun with the potentially involved parties, and that preliminary feasibility studies for such a health care program be initiated as soon as practical.

We look forward to your response to these preliminary findings and are prepared to explore these recommendations in greater depth.

Sincerely,



Thomas N. Lynn, M.D.

Chairman for the Committee
composed of:

Charles Cameron, M.D.

Dan J. Macer, M.H.A.

Thomas N. Lynn, M.D.

TNL/lw

Enclosure: Appendices

cc: Charles M. Cameron, M.D.
Mr. Dan J. Macer
L. P. Eliel, M.D.

NURSES' REPORT

7 a.m. 1-26-73 to 7 a.m. 1-27-73

Census 19 Admissions 9 Dismissals 3

Name	Room	Date Adm.	T.P.R.	Diagnosis	Doctor	Cond.
1. MS	1	1-25-73 10:15P	98.6	Enfluenza	Peter	Good night
2. MS	2	1-26-73 2L30P	99.6	Bronchitis	Robinson	Fair night
3. MS	*	3	1-26-73 9:30A	Rupt. Spi ?	Moore	A good night
4. MS		7	1-25-73 12Nn	CVA	Moore	A good night
5. MS		8	1-26-73 7P	Influenza	Moore	A good night
6. MS		9	1-26-73 8PM	Viral Inf	Christian sen	A good night
7. MS	*	11	1-26-73 1:15A	Viral Inf	Christian sen	A good night
8.	1	13	1-26-73 2:30P	Diarrhea, se	Mughes	A fair night
9.		14	1-26-73 3:45P	Diverti-osi	Moore	A fair night
10.		21	1-24-73 9:40A	Influenza	Mughes	A fair night
11. FS		22	1-25-73 8:40AM	Flu	Robinson	A fair night
12. FS		23	1-26-73 9:30A	URI-Bronch	Peter	A good night
13. FS	*	24	1-23-73 5:15P	URI	Moore	A good night
14. FS		25B	1-25-73 2PM	Flu	Robinson	A good night
15. FS		25C	1-22-73 5PM	URI-Bronch	Peter	A good night
16. FS	*	26	1-26-73 9:30A	Pneumonia	Robinson	A good night
17. FS		27	1-24-73 10:55AM	Bronchitis	Robinson	A good night
18. FS		28	1-23-73 10P	Flu	Moore	A good night
19. FS		37	1-26-73 8:15A	Pneumonitis	Moore	A good night
				Obs. fever,	Clinken	A good night
				cough	beard	A good night
				PID Vaginitis	Peter	A good night
				Viral Inf	Christian sen	Slept after
		8	6:10:50AM			
		6	6:12:05PM			
		9	6:5 PM			

*Indicates cases which might be admitted to Norman Municipal

STUDENT HEALTH SERVICE PROPOSAL

December 19, 1966

When I was appointed Director of the Student Health Service in 1961, I was advised that the University of Oklahoma desired a Health Service that would be the best in the country. This is only as it should be. I would feel that my efforts were useless without this type of support. Therefore I will attempt to outline the present situation with the minimum recommendations necessary to achieve the desired goal.

I. Problems

A. Finance

By referring to Appendix A, it immediately becomes evident that we are now accomplishing the impossible. We provided more medical service and care to 13,000 students in 1963-64 for about \$6.80 per student per semester, than we did for 3000 students in 1943-44 for \$6.50 per student per trimester. This would be unbelievable - even if the 20 year change in the value of the dollar were not taken into account. Then consider for example, that we actually spent less for food and laundry in 1963-64 than we did in 1943-44. This decreasing support has resulted in the following:

1. Inability to engage in long range planning and development.
2. Inability to provide many needed services and facilities for the student. (e.g. Specialty consulting clinics and 24 hour physician coverage in building.)
3. The need to increase charges to the student for almost every medical and hospital service, to the extent that in some instances the student pays as much or more than he would elsewhere.

The cause of this problem is clear. As shown in Appendix B, the average per capita expenditure by Universities for health care is \$40 per student per year. This figure would be higher if only those 11 schools were considered that operate a Health Service that receives accreditation from the Joint Commission on Accreditation of Hospitals. The University of Oklahoma is attempting to maintain this Health Service on an expenditure of about \$21 per student. The average for the Big Eight is \$26.50. However, Appendix C shows that in all of the other Big Eight schools, the Health Services do not pay for all of the utilities, remodeling, major equipment, and the buildings as we do here.

B. Physical Plant

The present building has been inadequate for many years and does not approach fulfillment of our needs today. Due to the method and amount of financial support, plans for future expansion of new facilities are impossible.

The present inadequacies are:

1. Space and Space Arrangement.

- a. Emergency treatment facilities on the ground floor, adjacent to X-ray and laboratory facilities, not on the 2nd floor as they are now.
- b. Hospital bed space in below present needs. As indicated in Appendix D we will need at least 70 beds in 5 years and the capability of expanding to 100.
- c. Rooms and spaces unusable or wasted at present because of location or size.
- d. Various departments presently spread over large areas or sections of a department located on different floors.
- e. Storage facilities are lacking in most departments.
- f. Patient reception and waiting areas which are non-existent or too small for present needs. The only waiting area for X-ray and laboratory is the heavily traveled hall on 1st floor. The Out-Patient Clinic waiting and reception area is usually crowded and discourages newly-arriving patients from seeking medical care.
- g. Physicians offices and examining rooms are all occupied now. Office space for additional staff physicians and consulting specialists is not available. Each staff physician now has one room as an examination, treatment, and consultation area. Additional space for those functions is urgently needed at the present time.
- h. Living space, suitable for the needs of a physician on duty 24 hours, is impossible in the present building.
- i. The Medical Library, dining room, and staff meeting room must now all be located in the same room.
- j. The present open stair well is in violation of the State Hospital Fire Regulations.

2. Plumbing

- a. There is only one shower and 2 tubs for 25 beds in the hospital. The shower is in the women's restroom so a reversible sign on the door reads either "Women" or "Man in Shower".
- b. The hospital floor (3rd floor) has 4 bathroom stools in 3 restrooms for use by patients, staff, and visitors.
- c. The Out Patient Clinic (2nd floor) has 2 restrooms for patients and staff.

- d. There is only one small restroom, that must be used for collecting urine specimens by both male and female patients, adjacent to the Laboratory.

3. Electrical

The electrical circuits are over-loaded. The room air conditioners are supplied by temporary 220 Volt lines extending from the transformer room in the basement, up the elevator shaft, out the pent-house over the roof, and down the outside of the building to the individual units. This "temporary system" was installed in 1956 and is annually condemned by the State Safety Inspector.

4. Environment

- a. Cooling is accomplished on a piecemeal basis by means of window air-conditioning units, chilled water fan-coil units, and open windows. Not all areas of the building are, or can be, cooled.
- b. Heating is especially critical during certain periods in the Spring and Fall when some heating is needed at night. This requires the nurse on the 11 p.m. to 7 a.m. shift to operate the main steam valves in the basement so that patients are comfortable at night and the building isn't too warm the next day.
- c. Humidity and air flow are major factors in infection control. We have no method of influencing either.
- d. Noise level is a major factor in proper hospital and clinic practice. Now the physicians must turn off the window air-conditioner during the Summer when listening to heart and lungs. During the Winter, they wait patiently for the steam pipes to quiet down. And at all times of the year, plumbing and elevator noise is tolerated. Testing hearing with the Audiometer is impossible, and we have tried it in almost every area of the building.
- e. Isolation of patients with contagious diseases is essential in any hospital. It is even more important in our situation, since we must also admit and isolate patients with chickenpox, measles, mumps, etc. Each patient in isolation removes one bathroom from general use. We have no specific area that can be used solely for isolation.
- f. Security and Traffic Control present many difficulties. The building must remain open 24 hours a day. Over two-thirds of this time the 1st floor, and often the 2nd floor is unattended - inviting theft and vandalism. Traffic control is inadequate in that injured and ill students must often climb unassisted to the 2nd or 3rd floors to seek assistance. Or a patient may see a physician in the clinic on 2nd floor, be X-rayed on the 1st floor, and then proceed to Physical Therapy on 3rd floor.

Table 1: Student:Doctor Ratios for Big Eight Schools and Univ. of Texas
 (Figures for 1971, based on survey by Dr. Robinson)

University	Staff Physicians	Fall '71 enrol.	Stu:Dr. ratio
Texas	25½	40,000	1569:1
Colorado	10	21,400	2140:1
Missouri	10	22,000	2200:1
Iowa State	7	19,600	2800:1
Kansas State	6	14,000	2333:1
Kansas	11	19,000	1727:1
Nebraska	8*	21,000	2625:1

*Ratio does not include 25 part-time specialists.

Table 2: Physician Patient Load at Goddard Health Center, 1973-1974
 (Figures from Goddard Health Center)

Month, Year	Total patients seen	# of Doctors	Pts:Dr.
October, 1973	4536	5	907:1
November, 1973	2470	5	494:1
December, 1973	4940	4	1235:1
January, 1974	2979	4	670:1
February, 1974	3659	3	1220:1
March, 1974	2680	3	893:1

Average number of patients seen per month-----3544
 Average number of patients per Doctor-----886:1

PHYSICIAN PATIENT LOAD

	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>JAN.</u>	<u>FEB.</u>	<u>MARCH</u>
73-74	1,101	936	716	388	908	660
	688	619	493	641	1,551	1,265
	979	566	983	1,062	1,200	755
	1,272	1,003	278	588		
	496	343				
72-73	742	966	633	600	1,025	820
	470	374	405	181	283	535
	555	592	493	646	818	590
	855	932	704	925	1,092	900
	784	*195	*206	*196	*302	*281
	*308	358	164	432	381	309
	348					
	*0.5 time					
71-72	502	540	411	481	231	464
	680	626	521	390	507	452
	765	711	540	508	654	384
	657	506	458	584	684	519
	466	350	290	314	628	411
					389	384
57-58	324	504	234	244	435	365
(1)	330	353	260	270	352	337
	368	535	300	254	394	372
	470	623	305	269	360	340
	424	538	341	276	475	390
	*127	*162	*72	*86	*135	*122
	545	873	442	446	570	535

*0.5 time

(1) Does not include Director - Major Influenza Epidemic

APPENDIX C

CHARLES B. GODDARD HEALTH CENTER

BUDGET ESTIMATE

1974 - 1975

Allocation	\$382,000		\$382,000
Health Fees (\$5/sem)	200,000	(\$10/sem)	400,000
Operating Income	<u>280,000</u>		<u>280,000</u>
	<u>862,000</u>		<u>1,062,000</u>
Salaries & Wages	643,366		671,366
Fringe Benefits	63,402		66,000
Merchandise for Resale	100,000		100,000
Food	8,500		8,500
Travel	2,000		3,000
Postage	8,000		8,000
Telephone	4,000		4,000
Utilities	12,000		12,000
Freight	100		100
Rents	3,600		3,600
Repairs & Maintenance	8,000		8,000
Other contractual Services	20,000		20,000
Office Supplies	5,000		5,000
Household Supplies	1,500		1,500
Medical & Laboratory Supplies	15,000		15,000
Medical & Laboratory Equipment	2,000		1,000
Books & Periodicals	600		600
Memberships	600		600
Fees & Licenses	300		300
Administrative Overhead	6,000		6,000
Sales Tax	1,800		1,800
Miscellaneous	<u>1,000</u>		<u>1,000</u>
	<u>\$898,768</u>		<u>\$927,768</u>
Deficit	\$36,768		

APPENDIX F

INCOME:	<u>June, 1969</u>	<u>June, 1970</u>	<u>June, 1971</u>	<u>June, 1972</u>	<u>June, 1973</u>	<u>June, 1974</u>
Earned income	\$312,540.00	\$317,235.00	\$362,000.00	\$364,300.00	\$364,000.00	\$313,165.92
<u>Operating income</u>	<u>172,377.85</u>	<u>149,435.44</u>	<u>136,909.76</u>	<u>220,153.28</u>	<u>454,270.40*</u>	<u>569,000.00**</u>
Gross income	484,917.85	466,670.44	\$498,909.76	584,453.28	818,270.40	882,165.92
Less: Refunds and Returned checks	2,203.29	2,810.29	1,704.69	-----	-----	-----
Add: Refund	<u>3.37</u>	-----	-----	-----	-----	-----
 NET INCOME	 <u>\$482,717.93</u>	 <u>\$463,860.15</u>	 <u>\$497,205.07</u>	 <u>\$584,453.28</u>	 <u>818,270.40</u>	 <u>882,165.92</u>
 EXPENDITURES:						
Salaries	287,194.10	297,993.66	\$252,273.33	\$295,581.45	\$317,999.33	\$661,907.35
Wages	92,022.73	109,845.26	193,812.88	235,979.93	263,502.37	-----
Travel	1,792.57	1,131.35	1,296.70	1,491.30	1,415.30	1,884.58
Freight and Express	20.42	8.35	25.00	128.76	54.77	31.60
Postage	1,411.51	1,299.02	1,247.36	2,162.78	2,286.40	2,616.62
Telephone & Telegraph	3,090.11	5,924.39	7,303.33	3,400.37	4,071.05	4,147.90
Utilities	4,418.29	5,953.67	8,934.32	10,175.21	11,239.98	12,980.43
Machine Rental	650.70	691.50	915.50	1,515.00	1,964.00	3,234.87
Repair & Maintenance	2,231.91	1,255.90	1,623.48	4,578.19	6,180.61	8,476.84
Contractual Service	12,133.32	11,419.47	12,380.30	15,527.40	19,861.00	20,728.65
Foods	6,013.38	5,524.63	6,576.28	5,229.78	6,213.97	8,844.38
Wearing Apparel	-----	-----	-----	-----	-----	-----
Office Supplies	3,961.34	3,132.27	3,422.21	4,517.33	5,148.19	3,872.40
Household Supplies	2,648.92	2,363.61	2,493.88	2,997.60	1,485.09	1,378.18
Med. & Lab Supplies	9,029.60	8,580.23	7,796.53	13,135.38	13,225.25	15,818.41
Supplies for Repairs	-----	-----	-----	-----	-----	-----
Office Equipment	40.00	148.38	-----	-----	-----	-----
Books and Periodicals	211.51	152.25	262.25	284.45	434.15	370.46
Insurance	5,904.83	5,298.07	10,870.27	6,052.48	21,120.33	-----
Organization Memberships	812.82	474.21	799.21	512.00	564.00	647.47
Fees for Licenses	251.00	48.00	90.00	70.00	120.00	215.00
Merchandise for Resale	49,952.62	38,655.96	47,656.13	69,850.34	93,052.09	108,103.99
Med. & Lab. Equipment	96.28	-----	-----	-----	111.12	-----
Administrative Overhead	<u>5,399.00</u>	<u>5,968.00</u>	<u>5,092.00</u>	<u>2,542.00</u>	3,257.34	<u>5,897.28</u>
	-----	-----	-----	-----	FICA 24,051.50	-----
TOTAL EXPENDITURES	\$489,306.76	\$505,868.18	\$564,870.96	\$675,731.75	\$797,357.84	\$862,721.55
EXCESS EXPENSES/INCOME	6,588.83	42,008.03	67,665.89	91,278.47	20,912.56	19,444.37
 RESERVE	 57,410.00	 17,920.00	 (58,710.00)	 (146,998.49)	 (107,206.38)	 (87,762.01)

*includes \$180,000 student health fee

**includes \$191,000 student health fee

TO: Student Affairs Committee
FROM: J. R. Morris
SUBJECT: Special Student Fees
DATE: January 3, 1974

These are fees added to basic tuition costs:

Kansas State University

Student Health Fee		
6 hours or less -----	\$25.00	(optional)
7 hours or more -----	25.00	(involuntary)
Campus Privilege Fee		
6 hours or less -----	13.00	
7 hours or more -----	33.00	
Student Activities Fee		
6 hours or less -----	4.50	
7 hours or more -----	15.25	
Total per full time student	\$73.25	

Iowa State University

Student Activity Fee -----	\$27.00	(Annual)
Memorial Union Fee -----	18.00	(Annual)
Memorial Union Building Fee -----	6.00	(Annual)
Special Building Fund -----	21.00	(Annual)
Total	\$72.00	per year
	36.00	per semester

Kansas University

Student Health Fee -----	\$30.00
Hospital Addition -----	7.00
Student Activity Fee -----	12.00
Union Building Fee -----	11.50
Union Addition Fee -----	3.00
Union Annex Fee -----	3.50
Wescol Hall Fee (classrooms) -----	4.50
Student Bus Service -----	1.50
Total	\$72.00 per semester

Missouri University

Memorial Union Bond Retirement -----	\$ 6.00
Multi-purpose Auditorium -----	4.00
Missouri Student Association -----	5.00
Student Council -----	1.00
Student Activities Capital Improvements -----	4.00
Total	<u>\$20.00</u>

Nebraska University

Student Health Fee -----	\$21.00
Union Fee -----	6.00
Student Newspaper -----	1.25
Debt Retirement (Buildings) -----	14.50
Recreation Facilities -----	2.00
Building and Equipment Fund -----	2.50
Student Recreation -----	2.00
Student Government -----	.30
Other un-allocated -----	1.95 *
Total	<u>\$51.50 per</u>

*Student Government receives an additional 50¢ from this amount for their programs.

University of Colorado

Recreation Center -----	\$12.00
Minority School -----	5.00
Appropriations to Student Govt, Library, etc. -----	18.50
Student Health Fee -----	33.00
Health Insurance -----	11.05 (opti
Total	<u>\$79.55</u>

CHARLES B. GODDARD HEALTH CENTER

APPENDIX C

UTILIZATION RATES, INCOME & EXPENDITURES

	<u>69-70</u>	<u>70-71</u>	<u>71-72</u>	<u>72-73</u>	<u>73-74</u>
Office Medical Visits	43,556	37,723	45,742	51,325	50,360
Immunizations	5,251	4,723	6,898	5,365	4,684
Hospital Admissions	375	225	365	441	430
Hospital Days	831	584	846	932	916
Dietary Consults	1,336	889	1,633	1,305	1,210
Laboratory Tests	16,964	14,711	17,943	21,677	25,974
X-Ray Studies	7,678	6,502	7,799	7,990	8,907
Prescriptions	20,581	19,935	31,216	43,192	48,416
Physical Therapy Treatments	4,328	3,984	5,989	6,644	7,665
Total Services Rendered	122,487	108,901	139,104	158,811	169,220
Individual Students Served	9,415	9,331	10,223	11,396	11,462
Individual Non-Students Served	1,358	1,495	1,275	1,317	2,021
Total Income	\$463,860	\$497,205	\$584,453	\$818,270	
Total Expenditures	\$505,868	\$564,870	\$675,732	\$797,358	

AIR FORCE

GOLD IN THEM THAR UNI-
FORMS - The armed services
 short 1,800 M.D.s are of-
 fering retired military
 M.D.s up to \$44,000 a year
 to return as civil service
 doctors. A waiver allows
 returnees to collect full
 retirement pay plus civil
 service paychecks.

MEDICAL SERVICE
 214/174

Dr. Donald F. Robinson
 620 Elm St
 Norman, Oklahoma 73069

Dear Dr. Robinson:

New legislation provides an increase of up to \$13,500.00 in income for Air Force physicians. For example, with this increase the starting annual salary for a physician who has completed internship and 3 years of residency training could be \$32,000.00, including allowances. Increased seniority and pay are provided for individuals with additional civilian or military experience. Also, another pay raise is scheduled for 1 October 1974.

The professional setting in the Air Force Medical Service provides modern, well-equipped and well-managed facilities. A group practice environment encompassing total community health services can provide you challenging opportunities in clinical practice, academic medicine, public health, research or executive medicine. The Air Force has implemented and is increasing a physician extender program with Physician Assistants, Pediatric Nurse Practitioners, OB/GYN Practitioners, Midwives, and Primary Care Nurse Practitioners enabling physicians to devote more of their time to patients of greater clinical interest.

Fringe benefits of a military medical career including an uninterrupted salary, an excellent retirement plan (if eligible), 30-day paid vacation, continuing medical education, and medical care for your family are further reasons for your giving serious consideration to becoming an Air Force physician.

We will be happy to contact you if you will complete the attached card.

Sincerely,

Arthur S. Ragen

Arthur S. Ragen
 Colonel, U. S. Air Force



APPENDIX L

INCOME:	<u>June, 1974</u>
Earned income	\$313,165.92
<u>Operating income</u>	<u>569,000.00**</u>
Gross income	882,165.92
Less: Refunds and Returned checks	-----
Add: Refund	_____
NET INCOME	882,165.92

EXPENDITURES:

Salaries } Wages }	\$661,907.35
Travel	1,884.58
Freight and Express	31.60
Postage	2,616.62
Telephone & Telegraph	4,147.90
Utilities	12,980.43
Machine Rental	3,234.87
Repair & Maintenance	8,476.84
Contractual Service	20,728.65
Foods	8,844.38
Wearing Apparel	
Office Supplies	3,872.40
Household Supplies	1,378.18
Med. & Lab Supplies	15,818.41
Supplies for Repairs	
Office Equipment	
Books and Periodicals	370.46
Insurance	-----
Organization Memberships	647.47
Fees for Licenses	215.00
Merchandise for Resale	108,103.99
Med. & Lab. Equipment	
Administrative Overhead	<u>5,897.28</u>
TOTAL EXPENDITURES	\$862,721.55
EXCESS EXPENSES/INCOME	19,444.37
RESERVE	(87,762.01)

APPENDIX M

SURVEY CONDUCTED 11/71

	Fall 71 Enrollment	71-72 Fee or Allocation	70-71 Expenditures	Income from Sales	X-Ray Tech	Radio-ologist	Charges 14 x 17 Chest	Med Tech	Patho-ologist	FBS	RPH	Charges	P.T.	Charges	Environ. & Sanita.	Dieti-tian	Aster-hour: char:
<i>C.H.</i>	18,000	Less than \$10/student semester \$364,000	\$564,871.00	\$136,910.00	3	\$6,900/year	\$7.50 (9.00 rec.)	3	Medical Arts \$600./yr.	\$3.75 (\$6.00 rec.)	1 1/2	Cost + 50%	2	\$1 + .50 (\$2 + \$1 rec.)	1	1	\$2-\$5 (\$3 - rec)
<i>W.M.S.</i>	40,000	\$14/sem. \$1,300,000	\$1,650,000	\$350,000	3	\$13,500.	None	11 1/2	ASCP	None	5 1/2	Cost + 10%	1 1 RN 1LPN 1CLK	None	PKN	1	0
<i>C.U.</i>	21,400	\$30/sem.	\$1,140,000	\$20,000	2	\$25,000	None	4	Medical Center	None	Sch. Pharm	Cost + 12%	1 1/2	None	1 by Univ.	1 P.T.	0
<i>P.H.</i>	22,000	\$888,000	\$846,000	0	2	\$6,400	None	3	ASCP	None	1	None	2	None	1	1	0
<i>J.</i>	19,600	\$560,000	\$514,880	0	2	\$6,930	\$5.00	2	Local Hosp.	\$1.00	1	Cost + \$.25/Rx	0	-	1	1	\$5.00
<i>S.</i>	14,000	\$25/sem.	\$650,000	\$125,000	2	\$6,000	\$10.00	3	ASCP	\$3.00	2	Cost + 20%	1	None	1	1/2	\$2.00
<i>K.</i>	19,000	\$20/sem.	\$1,000,250	\$150,000	3	\$3,000	Cost + 25%	7	ASCP	None	2	Cost + 25%	3	None	1	1/2	0
<i>M.</i>	21,000	\$21/sem.	\$1,000,000	\$250,000	2	\$12,000	\$10.00 7.50	6	Local Hospital \$5,200	\$5.00	2	Cost + 20%	2	50% of Local	See Remarks	1/2	\$5.00

CONTINUED - II

School	Mental Health	Hospital Charges	Medical Staff	Athletic Medicine	DDS	Chgs.	Utilities	Repairs & Maint.	Maj. Equip.	Remarks
S. O.U.	1 Psychiatrist	\$12/day	4 2 vacant	SHS Full	0	-	SHS	SHS	SHS	Residents \$75/shift on call Try to limit mental health visits to 4-6 times
Texas TEXAS	3 Psychiatrists 3 Clinic Psychol. 2 Psych. Social Wkr.	0 1st 14 days then \$12/day	20 GP's 5 1/2 Spec	Ath. Dept. LMD	0	-	Univ.	SHS	SHS	MD on call - off day before and after call Major Surgery
O.U. C.U.	3 Psychiatrists 3 Clin. Psych. 2 3/4 Soc. Wkr.	None	10	Ath. Dept. LMD	0	-	SHS	SHS	SHS	Lab charges for special tests @ Medical Center and Preg. test, Premarital, etc. Residents \$70/shift 6:30 P.M. - 7:00 A.M.
O.U. M.U.	1 Psychiatrist	None	10	SHS pays LMD	0	-	SHS	SHS	Univ.	No B. C. Pills - Pharmacy stocks only frequently used inexpensive drugs - other students get an Rx elsewhere
S.S.U.	None	\$20/day	7	Ath. Dept. LMD	0	-	SHS	SHS	Univ.	All income from sales to General Fund.
K.S.U.	1/2 Psychiatrist 2 Clin. Psychologist 1 Soc. Worker	\$15/day 2 bed	6 2 vac.	SHS \$5,000/yr.	0	-	Univ.	SHS	SHS	Mental Health visits only one semester or part of - then elsewhere
O.U. K.U.	1 Psychiatrist 3 Clin. Psychol. 2 Soc. Workers	\$15/day	11	Ath. Dept pays LMD	0	-	Gas and Tele. only	SHS & Univ.	SHS	4 free visits to mental health - then graduated scale on ability to pay
O.U. M.U.	2 1/2 Psychiatrists 1 Clin. Psychologist 1 Psych. Nurse	\$20/day	8 - 2 vac. 25 P.T. Specialists	Ath. Dept	1/2	50% Local	SHS	SHS	SHS	2 Health Engineers, 1 sanitarian, 1 Radiological Health Tech., 1 Health Physicist - cover all of state schools

commencing nine months after the effective date of insured's insurance, but continuing for a period of nine months after the termination date of policy. (This benefit is in lieu of all other benefits.)

C. Eligibility and Cost.

(1) All students attending the University of Iowa, considered registered by the Registrar's Office and eligible for Student Health Clinic Care are eligible for participation in this program.

(2) The cost for the entire twelve months is:

Student only	\$ 39.00
Student & spouse	87.00
Student, spouse and all children	153.00
Student & all children	110.00
Optional maternity benefits	55.00

D. Claim handling

All claims should be forwarded to the Caldwell Insurance Agency, Paul-Helen Building, Box 46, Iowa City, Iowa 52240. When practical, the Student Health Clinic should be consulted prior to receiving medical attention.

E. Exclusions or conditions for which the insurance will not be applicable.

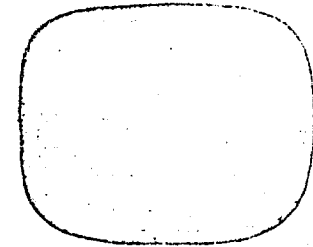
- (1) Services rendered to the insured student while he is in residence at the University of Iowa until facilities of the Student Health Clinic have been utilized.
- (2) Dental treatment.
- (3) Cost of eyeglasses, examination or fitting of glasses and repair or replacement thereof.
- (4) Preventive medicines or vaccines, except use of antivenoms in emergencies due to accident.
- (5) Any loss resulting from accidental bodily injury or sickness arising out of any employment or occupation for which benefits are paid or payable under any Workmen's

Compensation, Occupational Disease Law or similar law.

- (6) Pregnancy, childbirth, abortion or miscarriage except as provided in the policy.
 - (7) Injury or illness sustained as a result of air travel in any unlicensed aircraft.
 - (8) Care provided by a governmental agency without cost to the insured person.
 - (9) Injury sustained or sickness contracted while participating in any type of armed services training not directly administered by the University of Iowa.
 - (10) Injury sustained from declared or undeclared war.
 - (11) Injury sustained in consequence of participating in the play or practice of intercollegiate sport.
 - (12) Cosmetic surgery, except when made necessary from injury or accident occurring while this policy is in force.
 - (13) Intentional self-inflicted injury.
 - (14) Treatment incurred more than 52 weeks after the date of an accident or after the first treatment in the event of sickness.
 - (15) In excess of 30 days of treatment for mental or nervous disorder.
 - (16) That portion of medical expense for which benefits are payable under any other Group Insurance Policy, Group Blue Cross, Blue Shield or other Group Insurance prepayment plan.
 - (17) After discharge from Student Health Clinic or hospital the insurance will not cover follow-up outpatient charges. It does not cover medication that is given or prescribed with or after discharge.
- F. The Company—The plan is underwritten by the Puritan Life Insurance Company of Providence, R. I. and is administered by its agent: the Caldwell Insurance Agency, Paul-Helen Building, Box 46, Iowa City, Iowa 52240.

STUDENT HEALTH PROGRAM 1973-1974

ESPECIALLY DESIGNED FOR
STUDENTS OF



UNIVERSITY OF IOWA

YOUR STUDENT MEDICAL PROGRAM

The University of Iowa student medical program consists of two separate parts:

Part I — Student Health Clinic

Part II — Supplementary Insurance Coverage.

PART I

STUDENT HEALTH CLINIC CARE

Every student currently registered at the University of Iowa is entitled to receive attention at the Student Health Clinic. Each student should become acquainted with the location of the service and the benefits available. Please refer to the Student Catalogue for a description of the benefits.

STUDENT HEALTH CLINIC CARE
BENEFITS ARE NOT AVAILABLE
TO DEPENDENTS OF STUDENTS

PART II

SUPPLEMENTARY INSURANCE COVERAGE

Students currently registered at the University of Iowa are given the opportunity to purchase insurance coverage to supplement the Student Health Clinic Care provided under Part I above. This plan is offered to students on a voluntary basis and is designed to provide coverage 24 hours a day for 12 months while at home, at school or traveling. The plan also provides the option of family coverage for dependents of students who are hospitalized or who need emergency care.

DETAILS OF THE SUPPLEMENTARY INSURANCE COVERAGE

A. Policy period and limitations.

- (1) This insurance becomes effective at 12:01 A.M. on August 27th, 1973 and continues until 12:01 A.M. on August 27th, 1974; however, up to an additional 3 days prior to this effective date will be allowed for accidents occurring while traveling to campus if your enrollment card has been received in advance.

- (2) Protection is in effect during all vacation periods.
- (3) All school sponsored activities are covered, including the sports played in the Intramural program of the school, but no Inter-scholastic sports.
- (4) Except for active military service, the policy is non-cancellable to the student as long as the premium is paid and the Master Policy remains in force.
- (5) It is the student's responsibility to verify participation and coverage by checking for appropriate premium on the first University bill.

B. Benefits:

- (1) \$10,000.00 Major Hospital Expense Benefits: For each sickness, or injury as a result of an accident that requires hospitalization, the program will pay 100% of the first \$750.00 of covered expenses for any one admission. The program will then pay 80% of covered expenses incurred in excess of \$750.00 up to a maximum of \$10,000.00 for any one sickness or injury. Room and board will be limited to the cost of a semi-private room not to exceed \$63.00 per day.
- (2) Outpatient Benefits: When treatment is required due to an accident or illness and the insured student is unable to utilize the Student Health Clinic, the insurance Company will pay the actual expenses incurred for laboratory and x-ray examination and medical treatment, for which benefits are not otherwise provided, to a maximum of \$100.00 per accident or sickness with a limit of \$10.00 for a physician's fee. All such treatment must be rendered within 48 hours after the time of accident or beginning of sickness.
- (3) Hospital Confined Medical Care Benefits: Medical attention for the non-surgical cases at two-thirds of the actual, usual and customary maximum of \$75.00 for

the first day of confinement and up to \$10.00 for each subsequent day to a maximum of \$250.00.

- (4) Surgical Expenses: Where a sickness or injury requires surgery, there shall be an allowance made for the surgeon's fee. Up to \$350.00 will be available in accordance with the surgical schedule in the policy of file with the school.
- (5) Anesthetist's Fee: In the event the services of a private anesthetist are required, the Company shall pay the expense actually incurred not to exceed 25% of the maximum amount applicable to the operation performed as provided in the schedule of operations.
- (6) Consultant Services: Services of a consultant up to \$25.00.
- (7) Nursing Expense Benefits: When the full time services of a special nurse, other than a relative of the insured, is recommended by a student's attending physician, the policy will provide a daily benefit up to \$25.00 per day up to a maximum of \$250.00 while hospitalized.
- (8) Student Abortion Expense Benefit: Up to \$200.00 will be payable for medical services made necessary when insured female student requires a legalized medical abortion during the policy period. Payment will be made only when conception occurs during the policy period. Benefits are in lieu of all other policy benefits.
- (9) Maternity Coverage: Optional. Will be made available on a purely optional basis. If such coverage is desired, the insured student must purchase the maternity coverage at the same time as when application is made for the basic plan. The schedule of coverage is up to \$50.00 for miscarriage, up to \$150.00 for normal delivery and up to \$150.00 for Caesarean delivery. Maternity coverage is not applicable

THE UNIVERSITY OF OKLAHOMA

STUDENT ASSOCIATION
ANNOUNCES . . .

1974-75

O. U. STUDENTS

STUDENT MEDICAL BENEFIT PLAN

DESIGNED AND OFFERED BY



STUDENT ASSOCIATION

COVERAGE

Covers accidental bodily injuries sustained, and sickness or disease first manifested while the policy is in force.

POLICY TERM

The plan protects students and their dependents 24 hours a day, whether on campus or away. Coverage commences on August 24, 1974 or the date application and premium are received by the Company, whichever is later. Coverage terminates on August 31, 1975. A pro-rata refund will be made to any student who elects to terminate his/her coverage prior to August 31, 1975.

ELIGIBILITY

Any person who has registered for attendance as a student, been accepted for admission by the university, and has paid their required tuition and health fee, shall be considered eligible to enroll in the Student Medical Insurance Program.

DESCRIPTION OF BENEFITS

ACCIDENT EXPENSE BENEFIT

Benefits are provided up to \$2,500 for accidental injuries for which medical treatment by a physician, surgeon, dentist, or registered nurse, hospital services, ambulance services, or X-rays are rendered. The initial treatment must be rendered within 30 days of the accident and benefits are limited to treatment rendered within 52 weeks of the date of accident. The Company will pay for such reasonable and necessary services in accordance with the Usual and Customary Charge normally made for such services, provided further that the Company will limit payment for:

Hospital Room and Board: up to normal daily semi-private rate.

Hospital Miscellaneous Expense: up to \$500.00 maximum.

Dental Allowance: for injury to sound and natural teeth up to a \$500 maximum. In addition, the Company will pay for the extraction of abscessed teeth by a licensed dentist or oral surgeon, but not to exceed the amount of \$50 per policy year.

Surgical Allowance: up to the usual and customary charge not to exceed \$24 times the unit value shown in the surgery section of the 1969 Relative Value Studies, 5th Edition, California Medical Association.*

ACCIDENTAL DEATH

\$1,000 payable when injury results in the loss of life within 90 days of the accident.

ACCIDENTAL DEATH BENEFIT

SICKNESS BENEFITS

APPENDIX P

Sickness benefits will be paid up to \$2,500 subject to the following:

Hospital Room and Board: up to \$60.00 per day.

Hospital Miscellaneous Expenses: up to \$500 for X-rays, tests, anesthesia, operating room, medication, and dressings when rendered during hospital confinement.

When an insured student is confined to the GODDARD HEALTH CENTER, the Company will pay for room and board for up to 30 days, and for X-ray examinations, laboratory tests, drugs and medicines for each sickness.

Surgical Allowance: up to the usual and customary charge not to exceed \$24 times the unit value shown in the surgery section of the 1969 Relative Value Studies, 5th Edition, California Medical Association, providing further that the total amount paid for all surgical operations performed for any one sickness shall not exceed \$600.00.*

Physician's Visits on non-surgical cases will be paid up to a maximum of \$200. Payment will begin with the first call when such calls are made while the insured is confined to a hospital as a bed patient or beginning with the second call when hospital confinement is not required. Allowance will be \$10.00 for the first qualifying call and \$8.00 for each subsequent call.

Ambulance Charges will be paid up to \$50.00.

Hospital Rendered Out-Patient Miscellaneous Medical Expenses: up to \$50 for each sickness.

Graduate Registered Nurse Benefits: up to \$24 per day while hospital confined as a bed patient, to a maximum of \$100.

* Sample Surgical Schedules are available at the Goddard Health Center.

MAJOR MEDICAL EXPENSES

This policy will pay 80% of expenses incurred in excess of \$2,500, up to but not exceeding \$30,000 for physician's services, hospital confinement, nursing services, X-rays, operating room, emergency room, anesthesia, laboratory service, dressings, prescription medicines, casts, use of wheel chairs, crutches, or ambulance for any one accident or sickness. Expenses must be incurred within two years from the date of accident or sickness.

11 00 00 1

EXCLUSIONS

not practical under a student insurance plan which has been designed to provide maximum protection at minimum cost, to provide coverage for certain conditions. This plan does not cover, nor is any premium charged for loss due to:

- (1) Health services which are furnished at no charge by the Policyholder.
- (2) Health treatment or examinations where no injury or sickness is involved.
- (3) Injury or sickness for which the Insured Person is entitled to benefits under any Workmen's Compensation Act or Law or similar legislation.
- (4) Pregnancy, childbirth, miscarriage or complications.
- (5) Injuries resulting from air travel, except as a fare paying passenger on a scheduled airline.
- (6) Eyeglasses, eye examinations or fitting of glasses.
- (7) Dental treatment, except for injury to sound, natural teeth and extraction of abscessed teeth.
- (8) Elective surgery, treatment or preventive medicines; except cosmetic surgery due to accident while the Policy is in force.
- (9) Tackle football in any form.
- (10) Participating in the practice or play of any inter-collegiate sport (all other sports are covered including intramural sports).
- (11) Intentional self inflicted injuries, suicide, or attempt thereat whether sane or insane.
- (12) Loss sustained or contracted as a direct result of being under the influence of any narcotic, hallucinogenic agent or drug, unless administered on the advice of a physician.
- (13) Any disease, injury or condition which had its cause, beginning, inception or symptoms, or for which there was consultation or treatment, in any of the 6 consecutive calendar months prior to the effective date of coverage.
- (14) Injuries received while committing or attempting to commit a felony.
- (15) Loss caused by war or any act of war (declared or undeclared).
- (16) Injuries received while participating in a riot or civil disturbance.
- (17) Medical expense incurred while in the military, naval or air service of any country.
- (18) Treatment in any Veterans' Administration or United States Governmental hospital.
- (19) Prescriptions except those received while at the Goddard Health Center, and prescribed afterward by the physician.
- (20) Medical expenses resulting from any accident involving a motor vehicle which are covered by any other insurance.

* This exclusion does not apply to an Insured Student is confined in the Goddard Health Center for this pre-existing condition, except if the student is confined on or prior to the effective date of his/her coverage. Insurance coverage for that student shall not become effective until he/she has been discharged by the physician in charge and is able to resume attendance at classes. If a student is confined to the Goddard Health Center after the effective date of his/her coverage but has been receiving medical care or treatment for a pre-existing condition in any of the 6 consecutive calendar months prior to the effective date of his/her coverage, the company will only be responsible for the payment of covered medical expenses which are not covered by any other insurance, if any. If there is no other insurance coverage, then the company shall become liable as primary carrier to the limits of the policy.

RATE SCHEDULE 1974-1975 ACADEMIC YEAR

STUDENT ONLY	\$40.00
STUDENT AND SPOUSE	\$68.50
STUDENT, SPOUSE, AND CHILDREN	\$98.50
STUDENT AND CHILD (without spouse)	\$68.50
STUDENT AND CHILDREN (without spouse) ...	\$98.50
MATERNITY BENEFITS (Additional)	\$60.00

Coverage on all Plans will cease on August 31, 1975

CLAIM PROCEDURE

1. In the event of an emergency, secure treatment at the nearest hospital or physician's office.
2. Bills for which benefit is to be paid should be submitted within 90 days of treatment.
3. For further claim information see How To File A Claim Section.

Instructions on claim procedure and the proper claim forms are available at the GODDARD HEALTH CENTER.

COVERAGE FOR FAMILY / BENEFITS

The student's spouse (residing with the student) and any unmarried children over the age of 14 days and under the age of 19 years (who are not self-supporting and reside with the covered student) are eligible for coverage hereunder. If the spouse or any child is eligible for coverage as a Student, they will not be eligible as a dependent, and unless they are insured as a Student they will not be eligible for those benefits otherwise payable for treatment at or confinement in GODDARD HEALTH CENTER.

Optional Maternity Benefits

The following Maternity Benefit will be paid for hospital expenses for pregnancy or resulting childbirth while policy is in force or within 9 months after termination, provided pregnancy commences while both Student and wife are covered under the policy:

Normal Childbirth	\$200.00
Caesarean Delivery	\$300.00
Miscarriage	\$100.00

Benefits under this policy are payable in addition to any other insurance except that no payment will be made for expenses not incurred within 52 weeks from the date of an accident or within 52 weeks from the date of the first medical treatment for sickness, or motor vehicle accidents. (See Exclusion #20)

HOW TO FILE A CLAIM

1. Secure claim form from Goddard Health Center or the Student Association office, HOLLOMON CENTER, ELLISON BLDG., 633 Elm St.
2. Complete the front of claim form and have your attending physician or hospital complete the back side.
3. Attach all hospital bills and other bills to claim form.
4. Policy number F-550 N must be shown on each claim form.
5. Mail completed claim form and all bills to the National Plan and Claim Administrator:

C. W. BOLLINGER CO.
499 BLOOMFIELD AVENUE
MONTCLAIR, NEW JERSEY 07042
TELEPHONE — 201 — 783-9300
6. Bill for which benefits are to be paid should be submitted within 90 DAYS of treatment.

THE COMPANY

THIS PLAN IS UNDERWRITTEN BY:

FOUNDATION LIFE

Insurance Company of America

Chatham, New Jersey

CHARGE SCHEDULE FOR
CHARLES B. GODDARD HEALTH CENTER

EFFECTIVE 1/1/72

	Student	Non-Student
Emergency Room		
A. Care by physician		
Monday thru Friday		
8AM - 11AM / 1PM - 4PM	\$ 0	\$ 5.00
11AM - 1PM & 4PM - 9PM	\$ 5.00	\$ 8.00
9PM - 8AM	\$ 6.00	\$ 10.00
Saturday		
8AM - Noon	\$ 5.00	\$ 8.00
Noon - 9PM	\$ 5.00	\$ 8.00
Sundays & Holidays		
8AM - 9PM	\$ 5.00	\$ 8.00
9PM - 8AM	\$ 6.00	\$ 10.00
B. Care by nurse		
Monday thru Friday		
8AM - 11AM / 1PM - 4PM	\$ 0	\$ 3.00
11AM - 1PM / 5PM - 9PM	\$ 3.00	\$ 4.00
	\$ 4.00	\$ 5.00
Saturday		
8AM - 9PM	\$3.00	\$ 4.00
9PM - 8AM	\$4.00	\$ 5.00
Sundays & Holidays		
8AM - 9PM	\$ 3.00	\$ 4.00
9PM - 8AM	\$ 4.00	\$ 5.00
Sterile Set-ups	\$ 5.00	\$ 10.00
C. Physical Examinations		
OU Entrance (UA)	\$10.00	-
Athletic Physicals	\$15.00	-
D. Miscellaneous		
Cast Room		
Forearm &/or hand	\$10.00	-
Forearm & upper arm	\$15.00	-
Short Boot	\$15.00	-
with walking heel	\$25.00	-
Long leg	\$25.00	-
Vaginal Treatment	\$ 3.00	

	Student	Non-Student
Immunizations		
Tetanus Toxoid	\$ 2.00	\$ 5.00
Typhoid	\$ 2.00	\$ 5.00
Smallpox	\$ 2.00	\$ 5.00
Tuberculin Testing	\$ 2.00	\$ 5.00
Rocky Mt. Spotted Fever	\$ 2.00	\$ 5.00
Influenza	\$ 2.00	\$ 5.00
Cholera	\$ 2.00	\$ 5.00
Typhus	\$ 2.00	\$ 5.00
Yellow Fever	\$ 3.00	\$ 5.00

THESE YELLOW FEVER RATES APPLY WHEN GIVEN ON THE REGULAR YELLOW FEVER CLINIC DAY. THE MINIMUM CHARGE OUTSIDE THE REGULAR CLINIC IS \$15.00.

Tetanus Diphtheria	\$ 2.00	\$ 5.00
Polio - Oral	\$ 2.00	\$ 5.00
Diphtheria	\$ 2.00	\$ 5.00
Mumps	\$ 7.00	\$10.00
Measles (Rubeola)	\$ 7.00	\$10.00
Measles (Rubella)	\$ 7.00	\$10.00
F. Intravenous Set-ups (This does not include the cost of medication).	\$ 5.00	\$ 8.00
G. Physical Therapy		
First Modality	\$ 2.00	\$ 6.00
Each add'l. modality	\$ 1.00	\$ 3.00
H. X-ray		
Head	\$ 9.00	\$12.00
Chest	\$ 9.00	\$12.00
Vertebral Column	\$ 9.00	\$12.00
Coccyx	\$ 9.00	\$12.00
Clavicle	\$ 9.00	\$12.00
Scapula	\$ 9.00	\$12.00
Shoulder	\$ 9.00	\$12.00
Arm	\$ 9.00	\$12.00
Hand	\$ 9.00	\$12.00
Fingers	\$ 9.00	\$12.00
Leg	\$ 9.00	\$12.00
Ankle	\$ 9.00	\$12.00
Foot	\$ 9.00	\$12.00
Toes	\$ 9.00	\$12.00
Abdomen	\$ 9.00	\$12.00

\$6.00 for each additional view

Fluoroscopy		
Esophagus	\$13.50	\$18.00
Upper G.I.	\$22.50	\$30.00
Lower G.I.	\$22.50	\$30.00
Gall Bladder Series	\$18.00	\$24.00
IVP	\$27.00	\$36.00
EKG	\$10.00	(NO STUDENT DISCOUNT)

LABORATORY SCHEDULE OF CHARGES

	STUDENT	NON-STUDENT
HEMATOLOGY:		
Complete blood count (hct, hgb, WBC, Diff.)	\$ 3.75	\$ 5.00
Routine blood count (Hgb, WBC, Diff.)	\$ 3.00	\$ 4.00
White Cell count	\$ 1.50	\$ 2.00
Differential Count	\$ 2.25	\$ 3.00
Hemoglobin	\$ 1.50	\$ 2.00
Hematocrit	\$ 1.50	\$ 2.00
WBC & differential	\$ 2.25	\$ 3.00
Red cell count	\$ 1.50	\$ 2.00

WHEN THE ABOVE TESTS ARE ORDERED IN GROUPS, A \$2.00 CHARGE IS MADE FOR THE FIRST TEST AND \$1.00 FOR EACH ADDITIONAL TEST.

HEMORRHAGIC DISEASE TESTS:

Coagulation time (Lee-White)	\$ 3.75	\$ 5.00
Clot retraction	\$ 1.50	\$ 2.00
Prothrombin concentration	\$ 3.00	\$ 4.00
Platelet count	\$ 6.00	\$ 8.00
Malaria smear	\$ 6.00	\$ 8.00
Reticulocyte count	\$ 3.00	\$ 4.00
Sedimentation rate	\$ 3.00	\$ 4.00
Occult blood	\$ 1.50	\$ 2.00

SEROLOGY:

Routine VDRL	\$ 3.75	\$ 5.00
Pre-marital VDRL (with blood group & Rh ₀ (D))	\$ 6.00	\$ 8.00
Monospot	\$ 3.00	\$ 4.00
Blood group & Rh ₀ (D)	\$ 3.75	\$ 5.00

URINALYSIS:

Complete urinalysis (chemical & Microscopic)	\$ 4.50	\$ 6.00
Microscopic only	\$ 1.50	\$ 2.00
Chemical only	\$ 1.50	\$ 2.00
Stained smear of sediment	\$ 6.00	\$ 8.00
Bile	\$ 1.50	\$ 2.00
Urobilinogen	\$ 1.50	\$ 2.00
Anti UCG Test (Pregnancy Test)	\$ 3.75	\$ 5.00

	STUDENT	NON-STUDENT
BACTERIOLOGY:		
Smears (Gram Stain - GC, Vincent's	\$ 6.00	\$ 8.00
Throat Culture	\$ 4.50	\$ 6.00
Add \$1.00 charge for Sensitivity	No discount	\$ 1.00
UA Culture	\$ 5.25	\$ 7.00
Add on \$1.00 charge for Sensitivity	No discount	\$ 1.00
CHEMISTRY:		
Glucose (Blood sugar)	\$ 6.00	\$ 8.00
Glucose 2 Hr. P.C.	\$ 6.00	\$ 8.00
Glucose Tolerance Test		
3 Hour	\$ 20.00	\$ 25.00
4 Hour	\$ 21.00	\$ 28.00
5 Hour	\$ 25.00	\$ 30.00
Dextrostix - Blood	\$ 1.50	\$ 2.00
Bilirubin	\$ 7.50	\$ 10.00

All tests sent to the State Health Department are done Free of Charge.

All tests sent to Medical Arts have a \$2.00 service charge added on to their charge. This also includes all other laboratories that we use. There is no student discount on these charges.

HOSPITAL SCHEDULE OF CHARGES

	STUDENT	NON-STUDENT
Private	\$12.00	\$20.00
Semi-Private	\$ 9.00	\$15.00

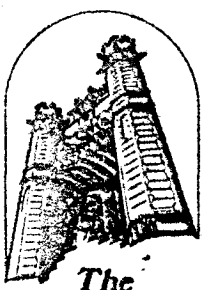
Miscellaneous

Blood Donor Set	\$ 8.00	\$10.00
Blood Transfusion Set	\$8.00	\$10.00
Spinal Puncture	\$ 3.75	\$ 5.00
Intravenous Fluids Set up	\$ 2.75	\$ 5.00

~~(Does not include cost of medication, plasma, plasma substitute, etc.)~~

Continued Income from Ancillary Services

Service	Income from Students 73-74	Income from Non-students 73-74	Retain 75-76
Professional Service } Emergency Exams } Physical Exams }	\$20,518.00	\$2,886.00	\$23,404.00
Hospital Care	\$ 8,656.64	\$ 137.00	\$ 1,000.00
Student (non-acute and non-student hospital visits			\$ 400.00
Laboratory	\$45,441.69	\$2,614.29	\$ 2,700.00
Student Premaritals	-----	-----	\$ 1,000.00
Medical Arts	-----	-----	\$15,000.00
Athletic P.E.'s (500)	-----	-----	\$ 3,000.00
S.I.L.	-----	-----	\$ 1,000.00
Internat'l Stud. PEs (150)	-----	-----	\$ 300.00
Non-acute	-----	-----	\$ 1,000.00
X-ray	\$23,428.77	\$1,820.00	\$ 2,000.00
Student Athletic PEs(500)	-----	-----	\$ 4,000.00
S.I.L.	-----	-----	\$ 1,000.00
Internat'l Stud. PEs	-----	-----	\$ 1,200.00
Non-acute	-----	-----	\$ 1,000.00
Physical Therapy	\$ 8,486.21	\$ 843.65	\$ 1,000.00
Student Non-acute	-----	-----	\$ 1,000.00
S.I.L.			\$ 200.00
Clinic	\$ 1,930.80	\$ 91.15	\$ 100.00
Immunizations	\$ 3,902.55	\$6,431.75	\$ 7,000.00
Students			\$ 3,000.00
Rent			\$ 1,500.00
			<u>\$71,804.00</u>
Pharmacy	\$160,083.06	\$13,406.77	<u>\$190,000.00</u>
			\$261,804.00



The
University of Oklahoma

633 Elm Norman, Oklahoma 73069

Office of the
Student President

**SPECIFIC RECOMMENDATIONS FOR THE IMPLEMENTATION OF THE GODDARD
HEALTH CENTER FEE INCREASE**

When students, administrators and Regents discussed the proposed Goddard Health Center fee increase at the October 17 meeting of the Student Affairs Committee, the view was expressed that certain of the recommendations put forth in the Report lacked specificity. The following therefore, is an attempt by the UOSA President's Special Committee to Study Goddard Health Center to arrive at more precise mechanisms for implementing the recommendations:

Re: Recommendation #3

The Director of Goddard Health Center should be assured more latitude in determining the salaries of his professional staff. This should allow for merit increases and across-the-board raises to assure that the Health Center is completely and adequately staffed by competent professionals.

More specifically, The Director should be allowed leeway in the determination of salaries of professional employees. The Director of Goddard Health Center (or representative) and the Director of Personnel Services (or representative) should meet

with the VP for Univ Com to

to jointly draw up separate payroll guidelines for professional staff at Goddard Health Center. These guidelines should allow Goddard Health Center to successfully meet the competition from other significant medical employers in this area. The guidelines so developed should take into account the special economics applying to the medical profession and the situation in the central Oklahoma area. They must include provisions and criteria for merit increases and across-the-board raises within agreed-upon margins.

The general range of these salary increases and adjustments needs to be determined near the first of the year so as to allow the Director the dollars and cents to retain staff he might otherwise lose.

Re: Recommendation #6

A salary of up to \$62,000.00 per year, or a \$32,000.00 increase in salary over that of a regular physician, should be budgeted to acquire a competent specialist in the field of obstetrics and gynecology.

In the Spring of 1974, Student Congress passed An Act to Establish Service Priorities for Goddard Health Center (Session XI, #177, External), which attempted to make the hiring of a gynecologist or competent equivalent the first personnel priority at Goddard. You will be familiar with the subsequent career of

that Act, but the idea expressed in the Act remains, in the opinion of the Committee and of a substantial segment of the student body, an issue of the highest priority (see Appendix A). With about 7600 female students on this campus, their contribution to the total generated by the increased fee would be over \$76,000.00 per semester. This is more than adequate to finance a full-time gynecology service in addition to better all-around health care.

There are several possible ways to provide a full-time gynecologist. The first option is that Goddard employ a full-time gynecological specialist. This option is preferred by the Committee; they feel that the Director of the Health Center should explore its feasibility.

A second possibility exists--that of having two nurse practitioners and a part-time gynecologist. Two nurse practitioners could be trained at the Family Planning Clinic at the Health Sciences Center in how to handle routine cancer checks and other gynecological procedures. The Committee recommends that the tuition of these two nurse-practitioners (should this option be chosen) for this six week program be paid by Goddard Health Center. The services of these nurse-practitioners would be supplemented

by the services of a part-time gynecologist who would handle non-routine cases. Since half-time physicians do not have staff privileges at Norman Municipal Hospital, it would be necessary that arrangements be made either with the Health Sciences Center or with the city of Moore (which presently has no gynecologist) for a half-time gynecologist.

A third possible alternative is that a full-time gynecological resident be employed. This would necessitate, of course, that an Ob/Gyn instructor be at Goddard, probably no more than ten to fifteen hours per week to aid and instruct the resident.

The above list is suggestive and not exhaustive. The interest of the Committee is to offer a full-time Gynecology Service at Goddard Health Center, whatever mode proves most feasible; this is a high-priority item. Of the \$62,000.00 allotted for a gynecologist in the recommendation, as much as necessary should be used to acquire a gynecology service.

Re: Recommendation #7

The salary of the Director of Goddard Health Center should be raised by \$7000.00 to a level of \$40,000.00 per year, of which \$3000.00 would come from the Athletic Department for services rendered.

The Committee recommend that the portion of the Director's salary paid by the Athletic Department should be a flat 10%.

Re: Recommendation #8

The Sanitarian, presently on the payroll of Goddard Health Center, should be retained and should continue to provide services for the University committee, but on a fee basis, with any department utilizing his services compensating the Health Center through an Inter-Departmental Transfer (IDT).

As of January, 1974, the Sanitarian devotes the following percentages of his time to the following areas:

<u>Services for:</u>	<u>% of time</u>
Physical Plant	35
Food Service/Housing	35
Ellison Hall	1
Oklahoma Memorial Union	4
Vending Operations	2
Sooner City Nursery	1
(Extracted from Appendices "B" and "C")	

Re: Recommendation #9

That full-time students residing in Norman during the summer semester, but not enrolled in summer classes, be allowed to use the Goddard Health Center upon payment of current non-student rates.

It is necessary to add that the student should be a full-time enrollee in the preceding Spring semester, planning to be a full-time student during the Fall semester, and that he/she be eligible for such care until the first day of classes in a regular session.

Re: Recommendation #10

That laboratory and other fees, as detailed above, be eliminated for acute conditions to compensate the student for his/her increased economic participation in the funding of the Health Center.

The Committee feel it necessary to define "acute illnesses and injuries," and that some guidelines be set for the implementation of the reduced-fee schedule.

"Acute injury or illness" shall include non-chronic conditions, although severe episodes of recurring complaints will probably be covered. Physical therapy, lab work, X-rays and hospitalization will be provided free for these "acute" conditions, but only at the order of the attending GHC physician and not on demand.

The following criteria should be employed to determine eligibility for free services:

- 1) Onset of symptoms must have occurred after enrollment and/or the first day of class, or on campus one week prior to the beginning of classes.

- 2) Illness must be episodes or attacks of a recurrent but not a continuous nature.

- 3) Free services should be provided only on the direct order of a Goddard staff physician.

- 4) Preventive treatment for such diseases as asthma, diabetes, epilepsy and migraine are not included, although acute episodes of these maladies would be covered.

5) These services to be provided only during regular office hours.

The above guidelines should be administered by the Director of Goddard Health Center with the assistance and review of the Goddard Health Center Advisory Committee.

It is a further recommendation of the Committee that those students enrolled only in evening classes have access to the foregoing free services between the hours of 5:00 and 7:00 p.m.

It is the opinion of the Committee that there is presently, and especially after implementation of the increase, no need for the use of physician's assistants at Goddard Health Center.

For continued and sustained quality health care at Goddard, it is essential that some kind of effective program be worked out with the Health Sciences Center. Goddard Health Center is an excellent facility in which to establish training in a number of areas--gynecology, orthopedics, dermatology, inter alia. Residents at Goddard Health Center would be exposed to cases more akin to those they would likely encounter in private practice than the cases they now see at University Hospital. Employing residents at Goddard would insure continued quality health care and a unique learning experience for the residents.

APPENDIX A

AN OPEN LETTER TO THE UOSA STUDENT CONGRESS AND KATHY KIDD, UOSA PRESIDENT:

Last year the OU Board of Regents voted against a move by student Congress to hire a gynecologist for Goddard Health Center. In doing this, the Regents effectively denied women at OU the right to adequate health care on the grounds that it would be prohibitively expensive. The Regents are now in a position to rectify this situation because of student approval of a \$10 per semester health fee increase in last ~~week's~~ week's election.

Currently, more than 7,600 women are enrolled at OU. This means as soon as the fee increase is collected, 76,000 dollars will be paid by women students alone in addition to the fee we ~~are~~ are presently paying. This amount (152,000 dollars per year), is more than adequate to provide an experienced, full-time gynecologist at Goddard, as well as ^{PROVIDING} ~~improving~~ women students with generally better health care services.

Therefore, we, the OU chapter of the National Organization for Women, request that the Student Congress pass a resolution allocating that sum which women students will be paying solely to ~~improving~~ health care services for women students, with specific ~~priority~~ priority given to the hiring of at least one full-time gynecologist at Goddard. We further ~~urge~~ urge Kathy Kidd to meet with the Board of Regents on this matter, and to urge them to approve and implement this proposal. Not to do so would be a blatant ~~rip~~ rip-off of the ~~money~~ women students' money, since they will continue to have to pay an off-campus gynecologist for care which they will have already paid the University to provide.

Karen Higgins
Rita Maupin

Susan Beiffer
Howard [unclear]

Sherris Turner
Dorinda [unclear]
Lou Allen

Mr. Glen Justice, Controller _____ Date January 14, 1974

D.F. Robinson, M.D. *JFR* _____ Subject Allocation of Dan Guyer
Goddard Health Center _____ Sanitarian's Time

As we discussed previously Mr. Guyer spends most of his time in working in areas other than the Goddard Health Center. The following is a breakdown of the percentage of time as estimated over the past several months by Mr. Guyer indicating the percentages in each area:

- | | |
|-------------------------------|---------------------------|
| 1. Physical Plant 35% | 4. Memorial Union 4% |
| 2. Food Service & Housing 35% | 5. Vending Operations 2% |
| 3. Ellison Hall 1% | 6. Sooner City Nursery 1% |

The remainder of Mr. Guyer's time of course is spent in operations involving the Goddard Health Center. The allocation of time does not include travel costs involved in the various areas or in inspection tours to food processing plants necessary prior to submitting bid proposals to the University Regents.

On the basis of these figures I would recommend that the various areas be notified so that necessary funds can be allocated in their budgets for '74-'75 in order that the Goddard Health Service may be reimbursed for Mr. Guyer's time.

DR:sy

THE UNIVERSITY OF OKLAHOMA INTEROFFICE COMMUNICATION

To Dr. Gene Nordby, Vice President _____ Date January 15, 1974 _____

From Glen Justice, Controller _____ Subject Dan Guyer _____
Sanitarian's Time

I recommend some reimbursement be effected for Dan Guyer's efforts at least in these major areas which require sanitation control efforts. Please indicate if you concur, and I will contact Bob Shapiro and the other major areas concerning their costs.

RGJ:rr

APPENDIX B

To Glen Justice

Date January 15, 1973

From Gene M. Nordby

Subject Student Health Center

(signed in his absence)

To Harold

This is a reply to your memo of January 11, 1973 relative to the credits against the Auxiliary overhead charge for Goddard Student Health Center.

No credits will be allowed this year for the Student Health Center because we are not charging up to the overhead rate which we have coming. As you will recall a 2% charge was that which was agreed upon for the General Administration function of the University. We are only charging 1%. If they wish to be exact we will completely review the overhead charges which accrue to the Goddard Student Health Center and deduct all credits from that figure. We will have to do this next year anyhow, and I hope we are making progress on deducing the overhead charges which are due from each Auxiliary service.

Specifically, I have the following comments about these credits. Dan Guyer should probably be paid from a general University account and charged back to the various auxiliaries which use his services. For example, I am sure he has spent considerable time in Housing inspecting the kitchens and other sanitary conditions. This should be a cost to them, but there are other things which he does for the E&G budget and I expect this work for the E&G Budget is the lesser part of his duties. The Nursing Program which is centered in Oklahoma City is not a part of our budget although I understand there is some pre-Nursing at this end. This is a counseling program on the Norman Campus. I am not sure how this should be charged but probably it should be paid for by the Health Sciences Center. If the Counseling Center is moved into the Goddard Student Health Center it should pay rent for the space used. J. R. Morris should remember this since this will amount to a transaction within his vice-presidential area. The Physical Exam Fee of \$10, or whatever rate is set to be adequate for such an exam, should be charged back to the hiring unit. The E&G Budget can carry a "block" budget for this purpose, however, the auxiliaries and other non-E&G Budget accounts should pay their own fees.

By copy of this letter I am asking Bill Jordan to review the Goddard Student Health Center and the services they receive and put this all down in understandable form for the future. When all the overhead charges are known, then we can give credits for those matters which are mentioned.

GMN/klp

cc: Dud Geizentanner
Leonard Harper
Robert Shapiro
J. R. Morris

JAN 16 1973

COMMUNITY OFFICE

that only one single rate shall be specified for all Bonds of the same maturity. The spread between the highest and the lowest coupon rate shall not exceed two percent (2%). Supplemental coupons shall not be acceptable. The maximum rate allowed by the laws of the State of Oklahoma is eight percent (8%).

AWARD OF BONDS, COMPUTATION OF INTEREST COST, AND RIGHT OF REJECTION

The Bonds shall be sold in one block, all or none, at a price of not less than the principal amount thereof and accrued interest to the date of delivery and payment therefor. The award, if any, will be made to the bidder complying with this Official Notice of Sale and offering to purchase the Bonds at the lowest net interest cost to the Board of Regents and who agrees to pay accrued interest from January 1, 1975 to the date of delivery computed on a 360-day year basis. The lowest net interest cost is the smallest dollar amount of interest payable on the Bonds from January 1, 1975 to the respective maturity dates at the rate or rates specified by the bidder, and deducting therefrom the premium, if any, specified by such bidder. The Board of Regents reserves the right, to the extent not prohibited by law, to reject any or all proposals, and to waive any irregularity or informality in any bid.

OFFICIAL BID FORM AND GOOD FAITH CHECK

Each bid must be submitted without deviation on the Official Bid Form furnished by the Board of Regents and shall be enclosed in a sealed envelope addressed to the Board of Regents of the University of Oklahoma and marked "Bid for \$6,500,000 Regents of the University of Oklahoma Utility System Revenue Bonds, Series 1975", and shall be accompanied by a Certified or Cashier's Check in the sum of \$130,000 (2%) payable to the Treasurer of the State of Oklahoma. No interest shall be allowed on such check. Upon the awarding of the Bonds, all checks submitted by unsuccessful bidders shall be promptly returned. The good faith check submitted by the successful bidder shall be retained as fully liquidated damages in the event the bidder does not comply with the terms of his bid. At the time the Bonds are ready for delivery, the successful bidder shall have the option of either applying the good faith deposit toward the purchase of the Bonds or of having the good faith deposit returned. Sealed bids plainly marked "Bid for \$6,500,000 Regents of the University of Oklahoma Utility System Revenue Bonds, Series 1975", may be mailed to "The Board of Regents of the University of Oklahoma, c/o Mrs. Barbara James, Executive Secretary of the Board of Regents, University of Oklahoma, 660 Parrington Oval, Room 112, Norman, Oklahoma 73069."

CORPORATE TRUSTEE

The Corporate Trustee shall be an eligible Oklahoma bank designated by the purchaser of the Bonds.

DELIVERY OF AND PAYMENT FOR THE BONDS

Delivery of the Bonds shall be made on or about February 18, 1975 at the office of the Treasurer of the State of Oklahoma, State Capitol Building, Oklahoma City,

Oklahoma. The Bonds shall be paid for with Federal funds. If the Bonds are not delivered within seventy-five (75) days from the date of sale, the successful-bidder may withdraw his bid and receive the return of his good faith deposit.

LEGAL OPINION AND TAX EXEMPTION

The unqualified approving opinion of Fagin, Brown, Bush, Selvidge & Tinney, Oklahoma City, Oklahoma, Bond Counsel shall be furnished by the Board of Regents without expense to the purchaser. The opinion of such counsel shall state that the interest earned on the Bonds is exempt from existing Federal and State of Oklahoma Income Taxes. A transcript of the legal proceedings approved by the Attorney General of the State of Oklahoma, including a certificate that there is no litigation pending affecting the Bonds, and other closing papers shall be furnished to the purchaser without charge by the Board of Regents.

MISCELLANEOUS

Further information with respect to this issue of Bonds may be obtained from the Financial Consultant to the University, Leo Oppenheim & Co., Inc., 1810 First National Center, Oklahoma City, Oklahoma 73102 (Robert B. Lewis, 405 235-5538).

/s/ Mrs. Barbara James
Executive Secretary of the Board of Regents
University of Oklahoma

OFFICIAL STATEMENT

\$6,500,000

REGENTS OF THE UNIVERSITY OF OKLAHOMA

UTILITY SYSTEM REVENUE BONDS, SERIES 1975

The purpose of this Official Statement is to give certain essential facts as of November 1, 1974, relating to the Board of Regents of the University of Oklahoma, hereinafter called the "Board of Regents", the governing board of the University of Oklahoma, hereinafter called the "University", and the Utility System Revenue Bonds, Series 1975, hereinafter called the "Bonds", for the information of all those who may be interested in bidding on this Bond issue. These Bonds are being issued under the provisions of Title 70, Oklahoma Statutes, 1971, Sections 4001 to 4014, inclusive, as amended.

THE UNIVERSITY OF OKLAHOMA AND THE BOARD OF REGENTS

The University is a member of the Oklahoma State System of Higher Education that includes all collegiate institutions in Oklahoma supported wholly, or in part, by State appropriations. The government of the University is vested in the Board of Regents, a constitutional board of seven members appointed by the Governor of the State of Oklahoma for staggered seven year terms, subject to confirmation by the State Senate. Members of the Board of Regents are listed on Page 3 of this Official Statement.

PURPOSE OF THE BOND ISSUE

These Bonds, including fees and expenses, are being issued to provide funds for the following purposes:

- A. To make Phase III additions to the Steam and Chilled Water Plant and its appurtenances, hereinafter called the "Plant", at the Oklahoma Health Center, hereinafter called the "Center", in Oklahoma City, Oklahoma, which include the addition of a 100' x 100' building and the installation of one additional boiler, one additional steam turbine driven water chilling unit with appurtenances, one cooling tower cell, one deaerating heater with boiler feed pump and miscellaneous appurtenances, one 500 ton motor driven chiller with pumps, and tunnel extensions to new customers; and
- B. To make Phase IV additions to the Plant which include the installation of one additional boiler, one additional steam turbine driven water chilling unit with appurtenances, and one additional water well.

These Phase III and IV additions will be hereinafter called the "Project".

SECURITY FOR THE BONDS

This issue of Bonds will be a special obligation of the Board of Regents of the University of Oklahoma and shall be secured by a first lien and pledge of revenues of the Plant payable pari passu with the Series 1973 Bonds hereinafter described. The Plant is built upon land, rights-of-way and easements owned by the University of Oklahoma. The Board of Regents will covenant in the Bond Resolution to impose and collect utility service charges for steam and chilled water produced by the Plant and per point charges for the computerized control system which shall be sufficient to permit the prompt payment of the Debt Service Requirements specified under the Bond Resolution.

As additional security, the Trustee Bank or the holder or holders of the Bonds shall have the right to enter into possession of the Plant and to operate it until a default is remedied or until all bonded indebtedness related to the Plant is retired, which-ever shall first occur.

These Bonds are not an indebtedness of the State of Oklahoma, nor the University, nor the Board of Regents, but are a special obligation payable solely from the aforesaid revenues.

THE PLANT

PHASE I

Phase I of the Plant was financed through the issuance of \$6,000,000 Oklahoma University Development Authority Utility Revenue Bonds in 1970. This resulted in the development of the entire Plant site, the construction of a two-story building and related facilities, the purchase and installation of two water chillers (1,000 ton and 2,000 ton capacities) and two steam boilers (120,000 pounds per hour steam capacity), the installation of two 3,000 ton cooler tower cells, the construction of 3,000 feet of concrete tunnels (distribution system) to service initial customers, and service facilities. This construction was completed and put into active service on April 30, 1972.

PHASE II

Prior to proceeding with Phase II additions to the Plant, the Board of Regents determined that it was in the best interest of the University of Oklahoma and the State of Oklahoma that they acquire the then present facilities before proceeding with the Phase II program. Accordingly, the Plant was purchased from the Oklahoma University Development Authority from a portion of the proceeds of the \$10,125,000 Board of Regents of the University of Oklahoma Utility System Revenue Bonds, Series 1973, which were sold on July 26, 1973 and were delivered on September 12, 1973. Title to the Plant passed from the Oklahoma University Development Authority to the Board of Regents on September 12, 1973. The remaining portion of the Series 1973 Bonds, less fees and expenses, funded Phase II additions to the Plant which provided steam and chilled water and a computerized control system to Presbyterian

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SUMMARY STATEMENT

Purpose — These Bonds, including fees and expenses, are being issued to provide funds for the following purposes:

- A. To make Phase III additions to the Steam and Chilled Water Plant and its appurtenances, hereinafter called the "Plant", at the Oklahoma Health Center, hereinafter called the "Center", in Oklahoma City, Oklahoma, which include the addition of a 100' x 100' building and the installation of one additional boiler, one additional steam turbine driven water chilling unit with appurtenances, one cooling tower cell, one deaerating heater with boiler feed pump and miscellaneous appurtenances, one 500 ton motor driven chiller with pumps, and tunnel extensions to new customers; and
- B. To make Phase IV additions to the Plant which include the installation of one additional boiler, one additional steam turbine driven water chilling unit with appurtenances, and one additional water well.

Security — This issue of Bonds will be a special obligation of the Board of Regents of the University of Oklahoma and shall be secured by a first lien and pledge of revenues of the Plant payable pari passu with the Series 1973 Bonds hereinafter described. The Plant is built upon land, rights-of-way and easements owned by the University of Oklahoma. The Board of Regents will covenant in the Bond Resolution to impose and collect utility service charges for steam and chilled water produced by the Plant and per point charges for the computerized control system which shall be sufficient to permit the prompt payment of the Debt Service Requirements specified under the Bond Resolution. As additional security, the Trustee Bank or the holder or holders of the Bonds shall have the right to enter into possession of the Plant and to operate it until a default is remedied or until all bonded indebtedness related to the Plant is retired, whichever shall first occur. These Bonds are not an indebtedness of the State of Oklahoma, nor the University, nor the Board of Regents, but are a special obligation payable solely from the aforesaid revenues.

The Oklahoma Health Center — The Oklahoma Health Center, located on a 222-acre tract in Oklahoma City, is the central health education and health care unit in the State. It consists of several colleges relating to health care education of the University of Oklahoma, together with several public and non-public units concerned with health. Presbyterian Hospital will contain 410 beds and is scheduled for opening in December of this year. Other major buildings under construction or planned are the Dental Clinical Sciences Building, the Bio-Medical Sciences Building, two major additions to Childrens Hospital, the College of Nursing Building, and the Library Learning Resources Center Building.

Utility Service Agreements — Utility Service Agreements have been entered into with each of the customers of the heating and cooling system, providing that rates shall be adjusted monthly if necessary to assure that the revenues are at least adequate to provide for payment of debt service, operation and maintenance costs, and deposits to the funds and reserves as provided in the Bond Resolution and to meet the

other requirements of the Bond Resolution. The Utility Service Agreements are for a term of one year (due to certain provisions of the Oklahoma Constitution) and are automatically renewed unless one-year's notice is given of intention not to renew. Each customer under contract agrees to not purchase heating and cooling services for its buildings at the Center from any other source, and to not build a heating and cooling system to provide services to its buildings at the Center, as long as their Utility Service Agreement is in effect, except for such services that are beyond the capacity of the Plant. The University retains the right, upon three years written notice, to demand and receive all or part of the services of the Plant sold or disposed of to the other parties. All legal entities located at the Center have agreed to utilize the services of the Plant including the State Department of Health, the State Department of Institutions, Social and Rehabilitative Services, the Oklahoma Medical Research Foundation, Presbyterian Hospital, and the possibility of future use by the Veterans Administration Hospital, all in addition to the services required by the University of Oklahoma buildings.

Control Service Agreements — Included in the first phase of construction was a computerized central control system. This system provides a monitoring system for all buildings and areas and will protect the quality of operation, while at the same time reducing maintenance and operating costs. This facility began its' initial operation in June of 1973 and is producing additional revenue for the Board of Regents.

Capitalized Bond Fund Reserve Account — Bond proceeds in an amount equal to the maximum annual Debt Service Requirement will be deposited in the Bond Fund Reserve Account.

Capitalized Debt Service Requirements — Bond proceeds in an amount equal to the first year's Debt Service Requirement for the Phase III and Phase IV Project Bonds and an amount equal to the second year's principal and interest requirement on the Phase IV Project portion of the Bond issue, which portion is in the amount of \$1,400,000, will be deposited in the Bond Fund Interest Account and the Bond Fund Principal Account.

Total Outstanding Bonds of the University — Upon delivery of and payment for the Bonds, the total outstanding bonds of the University of Oklahoma will be \$52,733,000 less payment of bonds maturing January 1, 1975 in the principal amount of \$40,000 and less total restricted funds.

THE UNIVERSITY OF OKLAHOMA

BOARD OF REGENTS

MR. JACK H. SANTEE, Tulsa
President

MR. THOMAS R. BRETT, Tulsa

MR. WALTER NEUSTADT, JR., Ardmore,
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MR. RICHARD A. BELL, Norman

UNIVERSITY OFFICIALS INCLUDE

DR. PAUL F. SHARP, President

DR. GENE M. NORDBY, Vice President for Administration & Finance

UNIVERSITY COUNSEL

MR. THOMAS H. TUCKER, Chief Counsel

ENGINEERS

CARNAHAN-THOMPSON-DELANO, INC., Oklahoma City, Oklahoma

BOND COUNSEL

FAGIN, BROWN, BUSH, SELVIDGE & TINNEY, Oklahoma City, Oklahoma

FINANCIAL CONSULTANT

LEO OPPENHEIM & CO., INC., Oklahoma City, Oklahoma

The information contained in this Official Statement has been compiled from sources believed to be reliable. The Official Statement contains estimates and matters of opinion which are not intended as representative of fact. This Official Statement is not to be construed as a contract with the Purchasers of the Bonds.

THE DATE OF THIS OFFICIAL STATEMENT IS NOVEMBER 1, 1974

OFFICIAL NOTICE OF SALE

\$6,500,000

REGENTS OF THE UNIVERSITY OF OKLAHOMA

UTILITY SYSTEM REVENUE BONDS, SERIES 1975

The Board of Regents of the University of Oklahoma, hereinafter called the "Board of Regents", will receive sealed bids on the 9th day of January 1975, at 10:30 o'clock A.M. Central Standard Time, in the Office of the President of the University of Oklahoma at Norman, Oklahoma, in the Administration Building (Evans Hall) of the University of Oklahoma at Norman, Oklahoma, for the purchase of the \$6,500,000 Regents of the University of Oklahoma Utility System Revenue Bonds, Series 1975, hereinafter called the "Bonds", in accordance with the terms of this Official Notice of Sale.

The Bonds are to be dated January 1, 1975, and shall be due on January 1, in each of the years and in the principal amounts as follows:

\$2,335,000 Serial Bonds

<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>
\$ 65,000	1976	\$130,000	1985
75,000	1977	135,000	1986
80,000	1978	145,000	1987
85,000	1979	155,000	1988
90,000	1980	165,000	1989
95,000	1981	175,000	1990
105,000	1982	190,000	1991
110,000	1983	205,000	1992
115,000	1984	215,000	1993

\$4,165,000 Term Bonds due January 1, 2005

PAYMENT OF INTEREST

Interest shall be payable July 1, 1975, and semi-annually each January 1 and July 1 thereafter.

PLACE OF PAYMENT

Principal and semi-annual interest on this issue of Bonds shall be payable at a bank to be designated by the purchaser of the Bonds; or, at the option of the holder, at the Fiscal Agency of the State of Oklahoma in the City of New York, New York; or, in the

event of the discontinuance of that Agency, then at The Chase Manhattan Bank (National Association), New York, New York.

DENOMINATION AND FORM OF BONDS

The Bonds shall be issuable in bearer form with coupons attached and registrable as to principal in \$5,000 denominations and in fully registered form in \$5,000 denominations, or, with respect to principal maturing on the same date, in multiples thereof.

TERMS OF REDEMPTION

The Bonds maturing in the years 1976 to 1985, inclusive, shall not be subject to redemption prior to maturity. The Bonds maturing in the years 1986 and thereafter shall be subject to redemption at the option of the Board of Regents, in whole at any time, or in part in inverse order of maturity and by lot within a maturity on any interest payment date, on and after January 1, 1985, at the respective redemption prices (expressed as percentages of principal amount) set forth below, plus, in each case, accrued interest to the date fixed for redemption.

<u>Redemption Dates</u> <u>(Dates Inclusive)</u>	<u>Redemption</u> <u>Price</u>
January 1, 1985 to December 31, 1987	104%
January 1, 1988 to December 31, 1990	103%
January 1, 1991 to December 31, 1993	102%
January 1, 1994 to December 31, 1996	101%
Thereafter prior to maturity	100%

The Term Bonds are subject to mandatory redemption, in part by lot, on each January 1, beginning January 1, 1994, at the principal amount thereof and accrued interest, as shown below:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1994	\$235,000	2000	\$350,000
1995	250,000	2001	375,000
1996	265,000	2002	400,000
1997	285,000	2003	425,000
1998	305,000	2004	460,000
1999	325,000	2005	490,000

INTEREST RATES AND LIMITATIONS

Bidders must specify the rate or rates of interest the Bonds shall bear in multiples of one-eighth (1/8th) or one-twentieth (1/20th) of one percent (1%) per annum. Bidders are not restricted as to the number of rates that may be named; provided

Hospital and other major buildings at the Center with the following additions and modifications to the Plant:

- A. Approximately 3,400 feet of tunnels were constructed; and
- B. One 3,000 ton steam turbine driven water chilling unit and one 60,000 pounds per hour boiler were added.

PHASE III

Phase III additions to the Plant are required to provide steam and chilled water and a computerized control system to major buildings now under construction at the Center with the following additions and modifications to the Plant:

- A. Addition of a 100' x 100' building;
- B. Installation of one 60,000 pounds per hour boiler, one 3,000 ton steam turbine driven water chilling unit with appurtences, one deaerating heater with boiler feed pump and miscellaneous appurtences, and one 500 ton motor driven chiller with pumps; and
- C. Tunnel extensions to new customers.

PHASE IV

Phase IV additions to the Plant are required to provide steam and chilled water and a computerized control system to major buildings in the advanced planning stage at the Center with the following additions and modifications to the Plant:

- A. Installation of one 60,000 pounds per hour boiler and one 3,000 ton steam turbine driven water chilling unit with appurtences; and
- B. Construction of a water well.

Installing Phase IV equipment during Phase III construction will result in a savings of approximately \$185,000.

ENGINEERING REPORT

Carnahan-Thompson-Delano, Inc., hereinafter called the "Engineers", have prepared an engineering report of the Phase III and Phase IV expansion programs, a copy of which is attached as Exhibit III.

PROJECT COSTS AND SOURCES OF FUNDING

Construction bids have not been taken, so precise costs are not known at this time. However, the total cost of all construction and equipment, including the Contingency Fund, is estimated to be \$5,500,000. These estimates have been thoroughly

refined by the Engineers and the Contingency Fund will be used to provide the fu if necessary, in excess of the cost estimates. A breakdown of costs and source funding is as follows:

PHASE III

Central Plant Addition	\$ 781,000
Tunnel Construction	503,500
Mechanical Equipment	1,980,000
Electrical Equipment	181,500
Contingency Fund	524,000
Architects & Engineering Fees	227,400
Other Project Costs	<u>116,600</u>

Subtotal \$4,314,000

PHASE IV

Mechanical Equipment	\$ 930,000
Electrical Equipment	30,000
Water Well	57,154
Contingency Fund	101,716
Architects & Engineering Fees	<u>67,130</u>

Subtotal 1,186,000

Capitalized Bond Fund Reserve Account	523,9
Capitalized Debt Service (1 year, Phases III and IV)	523,9
Capitalized Debt Service (1 additional year, Phase IV only)	113,0
Capitalized Repair and Replacement Fund	100,0
Legal, Financial, and Expenses	<u>42,000</u>

TOTAL PROJECT COSTS \$6,802,890

Less Interest Earned During Construction 302,890

AMOUNT OF BOND ISSUE \$6,500,000

UTILITY SERVICE AGREEMENTS

Utility Service Agreements have been entered into with each of the customers of the heating and cooling system, providing that rates shall be adjusted monthly if necessary to assure that the revenues are at least adequate to provide for the payment of debt service, operation and maintenance costs, and deposits to the funds and reserves as provided in the Bond Resolution and to meet the other requirements of the Bond Resolution. These customers include the State of Oklahoma Department of Health, the State of Oklahoma Department of Institutions, Social and Rehabilitative Services, the Oklahoma Medical Research Foundation, University Hospital, the University of Oklahoma, and Presbyterian Hospital.

Each customer under contract agrees to not purchase heating and cooling service for its buildings at the Center from any other sources, and to not build a heating

and cooling system to provide services to its buildings at the Center, as long as their Utility Service Agreement is in effect, except for such services that are beyond the capacity of the Plant.

The Board of Regents covenants and agrees not to terminate service to a customer except for non-payment of charges or other breaches of the Utility Service Agreement which the Board of Regents deems are material. Notwithstanding such covenant, the University retains the right, upon three years written notice, to demand and receive all or part of the services of the Plant sold or disposed of to other parties.

The Utility Service Agreement provides for semi-annual apportionment and determination of the "Cost-of-Service" rates on the basis of the amounts, types and conditions of service, and monthly "Base Rate Adjustments" are to be made to provide for increases or decreases in costs or for any other contingencies. All customers agree to pay their respective rates and charges from any legally available revenues (which include budgeted and unrestricted or undesignated revenues). The Oklahoma Medical Research Foundation's obligation to pay is not subject to such restriction.

The loss of any customer will require the Board of Regents to raise the "Cost-of-Service" rates for the remaining customers in order to reapportion the factors for debt service and reserves, plus any non-variable operating costs. Since the University takes over 80% of the Plant's output, the Utility Service Agreements with the other customers contain a provision that their rates may not be increased by more than 100% over the previous year as a result of the loss of any customer(s) which have purchased 50% or more of the services; the agreement with the University does not contain such a limitation.

The Utility Service Agreements contain provisions governing the manner in which heating and cooling service shall be provided and received and factors that govern the billing procedures. The Utility Service Agreements may not be amended without the consent of the Trustee Bank.

In summary, all legal entities located at the Center have agreed to utilize the services of the Plant including the State of Oklahoma Department of Health, the State of Oklahoma Department of Institutions, Social and Rehabilitative Services, the Oklahoma Medical Research Foundation, Presbyterian Hospital, the possibility of future use by the Veterans Administration Hospital, all in addition to the services required by the University of Oklahoma buildings.

A copy of one of the Utility Service Agreements is attached as Exhibit IV. All of the other Agreements follow this same format.

CONTROL SERVICE AGREEMENTS

The initial project included the installation in the Plant of a Johnson T-6500 computerized central control panel and cable in the tunnels extending to the initial group of buildings being served. This facility began its' initial operation in June

of 1973 and is of great benefit in improving the quality of operation in the University buildings and in reducing maintenance and operating costs for the University in operating the heating and cooling systems throughout the Center. It will record and control in specific buildings and areas temperature, humidity, security, report malfunctions, measure quantity of service, and such other things, all from one central point.

A copy of one of the Control Service Agreements is attached as Exhibit V. All of the other Agreements follow this same format.

INITIAL CUSTOMERS

Oklahoma Health Center — The University of Oklahoma Health Sciences Center, located at the Oklahoma Health Center, is a part of the University and is governed by the University's Board of Regents, but under Oklahoma law it also is a constituent of the State System of Higher Education separate from the University's main campus at Norman, Oklahoma. As such, it receives a separate budgetary apportionment from the State Regents for Higher Education, which under the Oklahoma Constitution apportions the Legislature's consolidated appropriation for higher education.

Since 1929, all of the University's medical departments, hospitals, outpatient clinics and medical libraries have been consolidated at the Center, which now includes the College of Medicine, College of Nursing, College of Dentistry, College of Health and Allied Health Professions and the Graduate College of Medical and Dental Sciences. Principal facilities include two hospitals totaling 411 beds, two major academic buildings, a medical research building and various smaller structures, with an aggregate floor space of 810,000 square feet. The 200 bed, \$14,000,000 University Hospital completed in 1973 added another 295,000 square feet of space.

The 488 bed Veterans Administration Hospital and the Oklahoma Medical Research Foundation's 20 bed research hospital, both located in the Center, also are used by the students for practical and clinical training.

The State of Oklahoma Department of Health — The State of Oklahoma Department of Health is responsible for the administration of various health programs, both preventive and regulatory, of the State of Oklahoma and, to some extent, of the Federal Government. Its functions include such diverse tasks as testing toxicity of household products, hospital planning and development, testing milk and water quality, statistical vital record services, and child and mental health services. Its new, 160,000 square foot, \$4,500,000 building contains nine stories of offices and three floors of laboratories and brings together the Department's main facilities, which for several years have been located in a number of scattered buildings in the Oklahoma City area. The Department is a part of the State Government and also derives a substantial part of its budget from the Federal Government.

PHASE II CUSTOMERS

Phase II additions to the Plant provided steam and chilled water and a monitoring system to Presbyterian Hospital and other major buildings on which construction began after completion of the initial Plant.

Presbyterian Group — A Utility Service Agreement has been entered into with Presbyterian Hospital, and they have requested initial steam service for the winter of 1974. The Hospital will contain 410 beds. Other members of the Group are the Oklahoma City Clinic, McGee Eye Institute, Heart and Lung Institute, and the Doctor's Building.

University Group — Utility Service Agreements have been entered into with new members of the University Group. Members of this Group are Basic Science II, School of Medicine, Nursing-Dental Building, Bio-Medical Sciences, and Dental Clinical Sciences.

These Phase II customers will also be afforded the opportunity of entering into Control Service Agreements with the Board of Regents which will provide a monitoring system for their buildings and areas. It is anticipated that Presbyterian Hospital will take approximately 1,200 points, University Hospital approximately 1,020 points, and the other buildings and areas will take varying numbers of points.

PHASE III CUSTOMERS

The addition of equipment for Phase III will provide capacity to serve two new buildings being constructed by the Department of Institutions, Social and Rehabilitative Services to supplement the Children's Hospital which they are now operating. The Bio-Medical Sciences Building and the Dental Sciences Building now under construction will also be served by this expansion, and each of these facilities will include Control Service as well as Steam and Chilled Water.

FUTURE PHASES

With completion of the Plant building under Phase III, future expansion will consist primarily of mechanical equipment, tunnel extensions, and service connection. The time intervals will depend upon the progress rate of expansion in the Center, the objective being to delay investment until revenue for debt retirement is assured.

SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION

BOND PROCEEDS

The proceeds of the Bonds, excluding accrued interest, if any, shall be deposited with the Treasurer of the State of Oklahoma to the credit of a special account entitled the "University of Oklahoma Utility System Revenue Bonds, Series 1975 Project Fund", hereinafter called the "Series 1975 Project Fund". Monies contained

in the Series 1975 Project Fund shall be drawn upon, with proper authorization, for the following purposes:

- A. To pay the professional and miscellaneous expenses incidental and necessary to the issuance of the Bonds;
- B. To transfer to the Trustee Bank an amount equal to the first year's principal and interest requirements, less accrued interest received, on the Bonds and an amount equal to the second year's principal and interest requirement on the Phase IV Project portion of this Bond issue, which portion is in the amount of \$1,400,000, for deposit in the Principal and Interest Accounts of the "University of Oklahoma Utility System Revenue Bonds, Series 1973, Bond Fund", hereinafter called the "Bond Fund" (described in detail below);
- C. To transfer to the Trustee Bank an amount equal to the maximum annual Debt Service Requirement on the Bonds for deposit into the Bond Fund Reserve Account, hereinafter called the "Bond Fund Reserve", of the Bond Fund (described in detail below);
- D. To transfer to the Treasurer of the State of Oklahoma the amount of \$100,000 for deposit into the "University of Oklahoma Utility System Revenue Bonds, Series 1973, Repair and Replacement Fund", hereinafter called the "Repair and Replacement Fund" (described in detail below);
- E. To pay the Project construction and acquisition costs; and
- F. When all costs pertaining to the Project construction have been paid, any monies remaining in the Series 1975 Project Fund shall be transferred to a special account entitled the "University of Oklahoma Utility System Revenue Bonds, Series 1973, Special Reserve Fund", hereinafter called the "Special Reserve Fund", which shall be maintained with the Trustee Bank.

Accrued interest shall be paid to the Trustee Bank at the time the Bond proceeds are received. The Trustee Bank shall deposit such accrued interest in the Interest Account of the Bond Fund.

USE OF FUNDS

The Funds and Accounts, with the exception of the Series 1975 Project Fund, have been established pursuant to the Series 1973 Bond Resolution. All amounts required to be set aside or accrued for the payment of the Series 1975 Bonds, with the exception of the Series 1975 Project Fund, shall be deposited in the Funds and Accounts previously established for the Series 1973 Bonds and commingled therein as follows:

- A. The Series 1975 Project Fund shall be used to receive the proceeds of the Bonds, excluding accrued interest; to receive the proceeds of any other sources of funds, including receiving interest earned during construction; and to complete the development of the Project. The Series 1975 Project Fund shall be maintained with the Treasurer of the State of Oklahoma.

- B. The University of Oklahoma Utility System Revenue Bonds, Series 1973, Revenue Fund, hereinafter called the "Revenue Fund", shall be used to receive the proceeds of the monthly Utility Service Agreements and Control Service Agreements. The Revenue Fund shall be maintained as a trust fund with the Treasurer of the State of Oklahoma.
- C. The Bond Fund and its corresponding Interest Account, Principal Account, and Reserve Account shall be used for the following purposes:
- (1) The Interest Account shall be used to receive transfers from the Series 1975 Project Fund, the Revenue Fund, the Bond Fund Reserve, and the Special Reserve Fund in amounts sufficient to pay, when due and payable, the interest on the Bonds.
 - (2) The Principal Account shall be used to receive transfers from the Series 1975 Project Fund, the Revenue Fund, the Bond Fund Reserve and the Special Reserve Fund in amounts sufficient to pay, when due and payable, the principal of the Bonds and, if funds are available for such purpose, to effect the purchase or redemption of the Bonds prior to stated maturity.
 - (3) The Bond Fund Reserve Account shall maintain a minimum balance equal to the maximum annual Debt Service Requirement on the Bonds and shall be used to prevent any default in paying the principal of and interest on the Bonds, and to pay the last remaining outstanding Bonds and interest thereon. Amounts in excess of the minimum balance required may, at the discretion of the Board of Regents, be transferred to the Principal Account of the Bond Fund to effect the purchase or redemption of Bonds prior to stated maturity.

The Bond Fund and related Accounts and Reserve shall be maintained with the Trustee Bank.

- D. The Repair and Replacement Fund shall be used to receive from the Series 1975 Project Fund the amount of \$100,000 to pay the expense of repairs and replacements for the Project. This Fund will be expended only upon recommendation of the Consulting Engineer and approval of the Board of Regents. If a portion or if all of this Fund is expended, it will be replenished by transfers from the Revenue Fund, or any other available source of funds, within a period of twenty-four months of the creation of such deficiency. The Repair and Replacement Fund shall be maintained with the Treasurer of the State of Oklahoma.
- E. The Special Reserve Fund shall be used to receive surplus monies contained in the Series 1975 Project Fund, the Revenue Fund and all other Accounts and Funds. Upon proper authorization of an official of the University designated by the Board of Regents, the Special Reserve Fund may be used as follows:

- (1) To pay the principal and/or interest requirements on the Bonds due and payable on the next ensuing January 1 or July 1, in whole or part, through transfers to the Principal Account and/or Interest Account of the Bond Fund;
- (2) To purchase Bonds on the open market through transfers to the Principal Account of the Bond Fund;
- (3) To redeem Bonds prior to stated maturity through transfers to the Principal Account of the Bond Fund;
- (4) Upon issuance of additional Bonds, if it is desired to expand this Project at a later date, to adjust the minimum balance required in the Bond Fund Reserve and the Repair and Replacement Fund as a result of the issuance of such additional bonds;
- (5) To pay the costs of improving the Project; or
- (6) To be used for any lawful purpose of the University.

PURCHASE OF BONDS ON THE OPEN MARKET

Whenever, after completion of the Project, there is in the Bond Fund a surplus in excess of the amount of interest and principal becoming due within the next twelve months, and the Bond Fund Reserve and the Repair and Replacement Fund are full replenished if any payments have been made therefrom, such excess may be used by the Board of Regents to retire Bonds prior to maturity, through the purchase thereof on the open market at a price not in excess of the next applicable call price of a redeemable Bonds, exclusive of accrued interest; provided, however, that no Bonds shall be purchased on the open market within a period of sixty (60) days prior to the date when such Bonds may be called for redemption from the Bond Fund.

FLOW OF FUNDS

As the funds coming in from the monthly Utility Service Agreements and Control Service Agreements are collected, the Board of Regents shall cause these funds to be deposited as soon as possible in the Revenue Fund in the possession of the Treasurer of the State of Oklahoma.

- A. On or before the tenth (10th) day following the close of the calendar month in which such monies shall have been received, the Board of Regents shall make transfers from the Revenue Fund as follows:
 - (1) To the Bond Fund an amount equal to one-twelfth of the annual principal and one-sixth of the semi-annual interest requirements on the Bonds; and
 - (2) To the Site Support Service Unit Fund in the possession of the Treasurer of the State of Oklahoma, one-twelfth of the estimated annual operating and maintenance expense of the Plant.

- B. If the monies contained in the Bond Fund on or before each June 15 or December 15 are not sufficient to make the required payments, the Trustee Bank shall utilize monies contained in the following Reserves, in the following order, to complete such transfers:
- (1) The Special Reserve Fund
 - (2) The Repair and Replacement Fund
 - (3) The Bond Fund Reserve Account
- C. If the Bond Fund Reserve or the Repair and Replacement Fund have been depleted through withdrawals, the Board of Regents shall cause the amount remaining in the Revenue Fund, after the required transfers to the Principal and Interest Accounts of the Bond Fund and transfers to Site Support Service Unit Fund on or before each June 15 or December 15, to be transferred to the Bond Fund Reserve and the Repair and Replacement Fund, so that the required minimum balance of said Funds are re-established within no more than twenty-four months of the date of the original depletion.
- D. After the required transfers have been made to the Bond Fund and the Site Support Service Unit Fund from the Revenue Fund, including transfers to the Bond Fund Reserve and the Repair and Replacement Fund, the Board of Regents may, at the time such required transfers are made, transfer any monies remaining in said Revenue Fund to the Special Reserve Fund.

ADDITIONAL BONDS

After the issuance, sale and delivery of the Bonds, and for so long as any Bonds remain outstanding, the Board of Regents shall not issue any additional parity bonds, except as hereafter set forth. The Board of Regents may issue additional bonds payable from the revenues derived from the Trust Estate *pari passu* with the Bonds provided:

- A. The Board of Regents are not in default in meeting any of the agreements, covenants and obligations to be performed by the Board of Regents under the Bond Resolution;
- B. The bonds to be issued are required to provide satisfactory service to the contracting institutions receiving heating and/or cooling service and/or computer control service prior to the issuance of additional bonds, or if additional Utility Service Agreements or Control Service Agreements are signed or the existing Utility Service Agreements or Control Service Agreements are amended to allow for the issuance of said bonds, to provide for additional contracting institutions;
- C. A Certified Public or Municipal Accountant shall certify to the Trustee Bank with the approval of the Board of Regents, that the net revenues derived from the heating and cooling system owned and operated by the Board of Regents for the fiscal year next preceding the fiscal year in which such additional bonds are issued shall have been at least equal to the annual amount required to be paid or accrued into the Bond Fund for the payment of debt service requirements on all bonds then outstanding. In

addition, a Consulting Engineer shall certify to the Trustee Bank, with the approval of the Board of Regents, that the estimated net revenues to be derived from the then existing heating and cooling system and the additional heating and cooling facilities to be constructed, shall, in the fiscal year following the date of the initial use of such additional heating and cooling facilities, be at least equal to the annual amount required for the payment of debt service requirements on all Bonds then outstanding and the additional bonds to be issued. The term "net revenues" shall mean the gross revenues derived from the operation of the heating and cooling system by the Board of Regents minus the deduction of operation and maintenance expenses; and

- D. The existing Utility Service Agreements and Control Service Agreements are amended to reflect the additional bonds.

Nothing herein contained shall be construed as preventing the Board of Regents from issuing refunding bonds, nor as preventing the Board of Regents from issuing obligations payable from and constituting a lien or charge on the revenues junior and inferior to the Bonds.

In the event additional bonds are issued, the supplemental bond resolution authorizing such additional bonds shall, among other things, provide that all amounts derived from the operation of the additional facilities shall be deposited in the Revenue Fund. In addition, there shall be deposited in the Bond Fund Reserve, in full at the time of delivery of such additional bonds, the amount required to provide a minimum balance in said reserve equal to the maximum annual debt service requirement on the Bonds and additional bonds to be outstanding. An amount recommended by the Consulting Engineer for the additional bonds issued shall, at the time of the delivery of the additional bonds, be deposited in the Repair and Replacement Fund.

ARBITRAGE

Notwithstanding all the provisions hereof, monies in the various funds, accounts and reserves created in the Bond Resolution shall not be allowed to accumulate or be invested in a manner which would result in the loss of exemption from Federal Income Taxation of interest on the Bonds or in such a manner which would result in the Bonds constituting taxable "arbitrage bonds" within the meaning of Section 103(d) of the Internal Revenue Code.

INVESTMENTS

Monies contained in the Series 1975 Project Fund, the Revenue Fund, and the Repair and Replacement Fund shall be continuously invested and reinvested by the Treasurer of the State of Oklahoma in direct obligations of the United States of America or in obligations the principal and interest of which are unconditionally guaranteed by the United States of America that shall mature not later than the respective dates, as estimated when the monies in said Fund shall be required for the purposes intended.

Monies contained in the Principal Account, the Interest Account, the Bond Fund Reserve and the Special Reserve Fund shall be continuously invested and reinvested by the Trustee Bank in securities that shall mature in a manner consistent with the use of the monies contained in such Account, Reserve or Fund but within no more than five years. These monies may be invested in direct general obligations or in obligations the principal of and interest on which are unconditionally guaranteed by the United States of America; bonds, debentures or notes issued by any of the following agencies: Bank for Cooperatives, Federal Land Banks or Federal National Mortgage Association, including Participation Certificates; Public Housing Bonds, Temporary Notes or Preliminary Loan Notes, fully secured by contracts with the United States of America; full faith and credit, direct and general obligations of any State, or unlimited tax direct and general obligations of any political subdivision thereof, to the payment of which the full faith and credit of such political subdivision is pledged, provided at the time of purchase such obligations are rated in either of the three highest rating categories by one nationally recognized bond rating service and are legal investments for fiduciaries in New York and Oklahoma; and bank savings accounts, or time certificates of deposit or certificates of deposit, provided that such accounts or certificates are collaterally secured by securities which themselves are previously described as being eligible and have a market value at least equal to the amount held in such bank savings account or held under such certificates of deposit and are issued by a bank having a capital and surplus of not less than \$15,000,000.

Interest earned on the investment of the Series 1975 Project Fund; the Principal Account, the Interest Account and the Bond Fund Reserve of the Bond Fund; and the Special Reserve Fund shall be deposited in the Account, Reserve or Fund from which it was derived. When not required to meet requirements as set out in the Bond Resolution, the investment income and other monies contained in the Bond Fund Reserve in excess of the minimum balance required in said Reserve, may at the discretion of the Board of Regents, be transferred to the Principal Account of the Bond Fund to be used to purchase or redeem Bonds prior to stated maturity.

The Revenue Fund and the Repair and Replacement Fund shall be maintained with the Treasurer of the State of Oklahoma and investment income derived from said Funds when not required to meet requirements as set out in the Bond Resolution shall not be deposited in said Funds, but shall be forwarded to the Trustee Bank to be deposited in the Special Reserve Fund.

DEPOSITORY OF FUNDS AND SECURITY FOR DEPOSITS

The Series 1975 Project Fund, the Revenue Fund, and the Repair and Replacement Fund shall be maintained by the Treasurer of the State of Oklahoma. The Bond Fund, including the Interest Account, the Principal Account, the Bond Fund Reserve and the Special Reserve Fund shall be maintained with the Bank as special trust accounts for the benefit of the holders of the Bonds and shall not be subject to lien or attachment by any creditors of the Board of Regents. The money in said Funds shall be continuously secured as are deposits of the State of Oklahoma or in the manner prescribed by Federal Law for securing trust funds, which qualified securities shall have a market value of not less than the total amounts on deposit in said Fund.

The Trustee Bank shall, in due season prior to the dates on which principal and interest fall due, make proper arrangements with any bank or agency which is serving as additional paying agent of the Bonds, pursuant to which all Bonds and coupons shall be promptly paid upon presentation at either place of payment.

PARTICULAR COVENANTS

The Board of Regents covenants and agrees in the Bond Resolution as follows:

- A. The Board of Regents shall punctually pay all interest and principal requirements on the Bonds and will faithfully observe and perform all agreements, covenants and obligations to be performed under the Bond Resolution.
- B. The Board of Regents shall not create any pledge, lien, charge or other encumbrance upon the pledged income, other than the lien and pledge created by the Bond Resolution and any supplemental bond resolution hereto which would authorize and secure additional bonds.
- C. The Board of Regents will pay or cause to be paid any governmental charges lawfully imposed upon the trust estate and will keep the trust estate free from all judgments, mechanics and material liens and all other encumbrances.
- D. The Board of Regents shall proceed with all reasonable dispatch to complete the Project; shall at all times operate or cause to be operated the heating and cooling system in an efficient manner and at a reasonable cost shall keep the facilities in good repair, working order, and condition; and shall make all necessary repairs, renewals, replacements, additions, extensions and betterments thereto, so that at all times the business of the Board of Regents shall be properly and advantageously conducted.
- E. The Board of Regents agrees that the heating and cooling service and computerized control system service produced by the Board of Regents shall be disposed of solely for the benefit of the Board of Regents and that the revenues derived from the operation and ownership of the facilities shall be sufficient to meet all requirements of the Bond Resolution and shall be disposed of in the manner specified therein.
- F. The Board of Regents shall fix, maintain, and collect rates and charges for all services furnished and supplied by the Board of Regents, which shall be adequate to provide sufficient revenues for all purposes required by the Bond Resolution; and shall not furnish or supply any service or commodity free of charge to any person, firm or corporation, public or private; and shall promptly enforce the payment of any and all accounts owed to the Board of Regents by reason of its ownership and operation of the facilities by discontinuing service and/or filing suit therefor within sixty days after any such account are due.
- G. The Board of Regents may sell, lease, or otherwise dispose of all or substantially all of the facilities, provided that simultaneously therewith,

provision is made for the redemption of all of the Bonds then outstanding; and the Board of Regents may dispose of any portion of the facilities or properties thereof, which have been declared by the Board of Regents and certified by the Consulting Engineer as being unserviceable, inadequate, obsolete, or unfit to be used, or no longer required for the operation of the Board of Regents' business.

- H. The Board of Regents shall keep the facilities insured to the extent available, at reasonable cost with responsible insurers with policies payable to the Board of Regents and the Trustee Bank as their respective interests may appear against risks of direct physical loss, damage, or destruction of the properties, at least to the extent that similar insurance is usually carried by private corporations operating like properties, and shall at all times keep the facilities insured against loss of use and occupancy from any of the aforesaid hazards, in such an amount as shall provide for not less than 400 days after a 100-day exclusionary period, a coverage equal to the net earnings which are prevented by such loss, plus such fixed charges and expenses as must necessarily continue during the period of such loss, to the extent that such fixed charges and expenses would have been earned had not such loss occurred.
- I. The Board of Regents shall keep proper books of account and within ninety days after the close of each fiscal year of the Board of Regents, it shall cause its accounts to be audited by independent Certified Public or Municipal Accountants and a copy of such audit shall be filed promptly with the Trustee Bank and sent to any holder of the Bonds who requests the same in writing.
- J. The Board of Regents shall retain a firm of independent engineers on a continuous basis for the purpose of providing the University with engineering counsel in the operation of the facilities as requested. In addition to other prescribed duties, the Consulting Engineers shall, not later than 120 days after the closing of each fiscal year make a physical inspection of the facilities and prepare a report based upon such examination and a survey of the management of the business of the facilities and the operation and maintenance of its properties and state if the Board of Regents has complied with the Bond Resolution; a copy of such report shall be filed with the Trustee Bank and a copy shall be mailed to any Bondholder requesting same in writing.
- K. The Board of Regents shall not expend any of the income, revenues, receipts, profits, and other monies of the facilities for any extensions, betterments, and improvements thereto which are not economically sound or which shall not properly and advantageously contribute to the conduct of the business in an efficient and economical manner.
- L. The Board of Regents will not consent to the rescission, alteration, amendment or modification of the Utility Service Agreements and the Control

Service Agreements except: (i) with the written consent of the Trustee Bank, which consent may be given only if, in the opinion of the Trustee Bank, such action would not impair the effectiveness of said document as part of the security for the payment of the Bonds or reduce the income or increase the expenses of the Board of Regents, and would not materially adversely affect the rights of the holders of the Bonds; (ii) as may be necessary in connection with the issuance of additional bonds; or (iii) with the written consent of the holders of two-thirds in aggregate principal amount of the Bonds then outstanding.

- M. The Board of Regents will not consent to the assignment or transfer of the Utility Service Agreements or the Control Service Agreements without consent of the Trustee Bank.
- N. The Board of Regents will vest in the Trustee Bank or the holder or holders of the Bonds in any specified amount or percentage the right to enter into possession of the Plant and to operate it until a default is remedied or until all bonded indebtedness related to the Plant is retired, whichever shall first occur.

REDEMPTION OF BONDS

The Bonds shall be subject to redemption prior to maturity as set forth under "Terms of Redemption" in the Official Notice of Sale, provided, however, that all Bonds of whatever maturity shall be subject to redemption in whole or in part at any time, in inverse order of maturities or by lot within a maturity, if such redemption is made: (i) from insurance proceeds; (ii) from expropriation awards; and (iii) from the proceeds of the sale of the properties to be acquired and constructed from the proceeds of the Bonds. In the event that such redemption is made in accordance with this provision, such redemption shall be made at the principal amount redeemed, the interest accrued thereon to the redemption date, and (i) if such redemption is made prior to January 1, 1985, a premium on each Bond so redeemed equal to one year's interest thereon; and (ii) if such redemption is made on or after the first date upon which such Bond would otherwise be subject to redemption, the same premiums as set forth for redemption in the Official Notice of Sale.

CONCERNING THE TRUSTEE BANK

The exculpatory clauses will be limited to the following:

- A. The Trustee Bank shall be entitled to rely upon the advice of attorneys, professional architects, and accountants, and any act or omission to act done or omitted by the Trustee Bank in reliance upon such advice and counsel shall not constitute negligence.
- B. The Trustee Bank shall not be required to take notice or be deemed to have notice of any state of default hereunder unless such notice be given in writing by a Bondholder.

- C. The Trustee Bank may execute any trusts or powers hereunder and perform any duties hereunder through employees, attorneys, agents or servants, and it shall be entitled to advice of counsel in regard thereto, and may receive or recover any reasonable costs or expenses in connection therewith.
- D. The Trustee Bank shall not be responsible for doing or performing any thing or act which the Board of Regents shall have covenanted to do or perform, or for any other compliance with any covenant by the Board of Regents, or for the sufficiency of the security for the Bonds issued, or otherwise as to maintenance of such security; nor shall the Trustee Bank be bound to ascertain or inquire as to the performance of any covenant, condition or agreement by the Board of Regents, but it may require full information and advice in regard to any of the foregoing.
- E. The Trustee Bank shall not be accountable for the use of any Bonds authenticated or delivered, or for any of the proceeds of such Bonds after the same shall have been paid out by it; and the holders of the Bonds shall not be entitled to any interest from the Trustee Bank on funds in its hands for payment of the same.
- F. The Trustee Bank shall not be accountable for acting upon any notice, requisition, request, consent, certificate, order, affidavit or other information believed by it to be genuine and correct and to have been signed or sent by the person or persons proper to have done so.
- G. The Trustee Bank shall not be bound to recognize any person or persons as a Bondholder or Bondholders or to take action at his or their request, unless such Bond or Bonds be deposited with the Trustee Bank or submitted to it for inspection; and any action taken by the Trustee Bank pursuant to the Bond Resolution upon request or authority of the Bondholders shall be conclusive and binding upon all future owners of the same Bond or any Bonds issued in exchange therefor or in place thereof.

MISCELLANEOUS

If at any future date, it is determined by the Attorney General of the State of Oklahoma that under existing statutes any funds or accounts created by the Bond Resolution should appropriately be maintained by the Treasurer of the State of Oklahoma, then such funds or accounts shall be transferred from the Trustee Bank accordingly.

PRESENT OUTSTANDING BONDS

The statement of the University's outstanding bonds as of the month of October, 1974 is shown in Exhibit IX. All bonds have been issued as revenue bonds. Most bonds have been issued for student housing projects or for student facilities.

As is shown in Exhibit IX, as of the month of October, 1974, the University has outstanding bonds of \$46,233,000. Of this amount, \$40,000 will mature on January 1, 1975, so that upon delivery of and payment for the Bonds, total outstanding bonds of the University will be \$52,693,000 less total restricted funds.

LEGAL OPINION AND TAX EXEMPTION

The unqualified approving opinion of Fagin, Brown, Bush, Selvidge & Tinney, Oklahoma City, Oklahoma, Bond Counsel shall be furnished by the Board of Regents without expense to the purchaser. The opinion of such counsel shall state that the interest earned on the Bonds is exempt from existing Federal and State of Oklahoma Income Taxes. A transcript of the legal proceedings approved by the Attorney General of the State of Oklahoma, including a certificate that there is no litigation pending affecting the Bonds, and other closing papers shall be furnished to the purchaser without charge by the Board of Regents.

This Official Statement has been approved by the Board of Regents.

BOARD OF REGENTS OF THE
UNIVERSITY OF OKLAHOMA

By: Jack H. Santee, President

\$6,500,000

ESTIMATED DEBT SERVICE REQUIREMENTS

REGENTS OF THE UNIVERSITY OF OKLAHOMA
UTILITY SYSTEM REVENUE BONDS, SERIES 1975

<u>Date</u> <u>Jan. 1</u>	<u>Debt</u> <u>Service</u> <u>Requirement</u>	<u>Reserve</u> ^{1/}	<u>Interest</u> <u>Payments</u> ^{5/}	<u>Principal</u> <u>Payments</u>	<u>Remainder</u>	<u>Principa</u> <u>Balance</u>
1975		<u>\$523,945</u>				\$6,500,000
1976	\$ 523,945 ^{2/}		\$ 455,000	\$ 65,000	\$3,945	6,435,000
1977	523,945 ^{3/}		450,450	75,000	2,440	6,360,000
1978			445,200	80,000	1,185	6,280,000
1979			439,600	85,000	530	6,195,000
1980			433,650	90,000	825	6,105,000
1981			427,350	95,000	2,420	6,010,000
1982			420,700	105,000	665	5,905,000
1983			413,350	110,000	1,260	5,795,000
1984			405,650	115,000	4,555	5,680,000
1985			397,600	130,000	900	5,550,000
1986			388,500	135,000	1,345	5,415,000
1987			379,050	145,000	1,240	5,270,000
1988			368,900	155,000	1,285	5,115,000
1989			358,050	165,000	2,180	4,950,000
1990			346,500	175,000	4,625	4,775,000
1991			334,250	190,000	4,320	4,585,000
1992			320,950	205,000	2,315	4,380,000
1993			306,600	215,000	4,660	4,165,000
1994			291,550	235,000 ^{4/}	2,055	3,930,000
1995			275,100	250,000 ^{4/}	900	3,680,000
1996			257,600	265,000 ^{4/}	2,245	3,415,000
1997			239,050	285,000 ^{4/}	2,140	3,130,000
1998			219,100	305,000 ^{4/}	1,985	2,825,000
1999			197,750	325,000 ^{4/}	3,180	2,500,000
2000			175,000	350,000 ^{4/}	2,125	2,150,000
2001			150,500	375,000 ^{4/}	570	1,775,000
2002			124,250	400,000 ^{4/}	265	1,375,000
2003			96,250	425,000 ^{4/}	2,960	950,000
2004			66,500	460,000 ^{4/}	405	490,000
2005	<u>523,895</u>		<u>34,300</u>	<u>490,000^{4/}</u>	-0-	-0-
	<u>\$15,718,300</u>		<u>\$9,218,300</u>	<u>\$6,500,000</u>		

1/ A Capitalized Reserve of \$523,945 is equivalent to one times the maximum annual Debt Service Requirement and may be used to pay the final maturing Bonds and interest thereon.

2/ The first year's Debt Service Requirement of \$523,945 is capitalized.

3/ \$113,000 of the second year's Debt Service Requirement is capitalized. This is the Debt Service Requirement for Phase IV of the Project.

4/ Annual mandatory Bond Fund calls.

5/ Interest rate assumed at 7%.

Exhibit II

REGENTS OF THE UNIVERSITY OF OKLAHOMA
STATEMENT OF DEBT SERVICE REQUIREMENTS ON SERIES 1973 AND
SERIES 1975 UTILITY SYSTEM REVENUE BONDS

<u>Fiscal Year</u> <u>Ending</u> <u>June 30</u>	<u>Series 1973</u> <u>Debt Service</u> <u>Requirement</u>	<u>Series 1975</u> <u>Est. Debt Service</u> <u>Requirement</u>	<u>Est. Debt Service</u> <u>Requirement</u> <u>All Bonds</u>
1975	\$755,875	\$261,972.50 ^{1/}	\$1,017,847.50
1976	756,125	523,945.00 ^{2/}	1,280,070.00
1977	750,625	523,945.00 ^{3/}	1,274,570.00
1978	749,750		1,273,695.00
1979	753,125		1,277,070.00
1980	745,375		1,269,320.00
1981	742,250		1,266,195.00
1982	743,375		1,267,320.00
1983	738,375		1,262,320.00
1984	737,625		1,261,570.00
1985	735,750		1,259,695.00
1986	732,750		1,256,695.00
1987	733,725		1,257,670.00
1988	733,875		1,257,820.00
1989	738,200		1,262,145.00
1990	734,900		1,258,845.00
1991	740,700		1,264,645.00
1992	740,000		1,263,945.00
1993	743,100		1,267,045.00
1994	739,700		1,263,645.00
1995	745,100		1,269,045.00
1996	743,700		1,267,645.00
1997	740,800		1,264,745.00
1998	746,400		1,270,345.00
1999	749,900		1,273,845.00
2000	751,300		1,275,245.00
2001	750,600		1,274,545.00
2002	747,800		1,271,745.00
2003	757,900		1,281,845.00
2004			523,945.00
2005		261,972.50	261,972.50

^{1/} Capitalized.

^{2/} \$318,472.50 is capitalized.

^{3/} \$56,500 is capitalized.

Exhibit III

HEALTH SCIENCES CENTER
UNIVERSITY OF OKLAHOMA
Oklahoma City, Oklahoma

GENERAL DESCRIPTION

of

CENTRAL STEAM & CHILLED
WATER PLANT

prepared by

CARNAHAN-THOMPSON-DELANO, INC.
Oklahoma City, Oklahoma

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- G. MAINTENANCE COSTS
- H. PRODUCTION REPORTS
- I. PRESENT EXPANSION NEEDS
- J. THE NEW LOADS TO BE ADDED

A. HISTORY:

The University of Oklahoma Medical Center originated with the establishment of University Hospital in 1918. Ten years later, the School of Medicine was moved from Norman to Oklahoma City into new facilities constructed in the Medical Center for this purpose. At that time, a central heating plant was constructed and connected through a tunnel system carrying steam piping to all of the buildings. Children's Hospital was added in 1934, and this and all subsequent buildings were connected to the central heating plant.

In 1965 all State departments and other agencies involved in the expansion and development of the Health Sciences Center formed an organization, the Oklahoma Health Sciences Foundation, Inc., whose function was to coordinate the planning and development of the Center. One of the early significant recommendations was that the old existing power plant was totally inadequate and would have to be replaced.

At this point Carnahan and Thompson, an engineering firm in Oklahoma City, was employed to review all existing data and to make an independent feasibility study of power plant requirements. Their report was issued June 17, 1969 recommending that the University build its own steam and chilled water plant and that the construction be in incremental stages in order to provide only the services needed with additions to the plant being constructed only as new major buildings at the Center were under construction and in need of service.

The initial Phase I construction was put into operation in April 1972. Phase II doubled the original plant capacity and was put into operation in October 1974. Considerable savings were realized by not having the total plant constructed initially thereby creating surplus capacity pending construction of new hospitals and other facilities.

B. SUMMARY OF OVERALL DESIGN:

The central steam and chilled water plant and the associated underground distribution system will provide all requirements for these utility services within the Oklahoma Health Center site, some 4000' east and west by 3000' north and south, involving some 40 individual buildings.

The Plant is located in the center of the south side of the site, with a looped distribution system strategically located to provide chilled water and steam service to the various buildings, with the minimum of investment cost consistent with continuity of service.

The ultimate Plant load is estimated to be 18,000 tons of chilled water refrigeration and 300,000# of steam per hour. Chilled water will leave the plant at 40°F, and under heavy loading conditions, will be returned at 52°F. Steam will be provided at all the Customer service points at a minimum pressure of 130# per sq. in. The chilled water temperatures are appropriate for all types and designs of air conditioning systems and the steam pressure is adequate for all types of heating apparatus, including the operation of steam laundry equipment, sterilizers in hospitals, cooking and other building uses.

The Plant building consists of a basement floor and a main operating floor, each having approximately 20' head room. In the West end of this space, a 4-story section of rooms exists which houses the management, operation, and control offices for the entire project, along with water treating laboratory, drawings and records room, meter maintenance shop, locker rooms, shower rooms, and similar facilities.

The water chillers are of the steam turbine driven centrifugal type, discharging the exhaust steam into steam condensers, the ultimate heat dissipating apparatus being induced draft water cooling towers. Steam is generated in water tube boilers at 250# per sq. in. dry and saturated, the basic fuel being natural gas with oil standby.

The initial Plant contains one 1000 ton and one 2000 ton water chilling unit, two 60,000 lb/hr steam boilers, two 3000 ton capacity cooling tower cells, and appropriate auxiliary equipment. Phase II added a 3000 ton chiller and a 60,000 lb/hr boiler, and this will be the pattern for future additions as they are needed. All piping within and close to the Plant is designed for ultimate plant capacity.

With reference to the distribution system, the chilled water supply and return mains, the steam supply main, and the steam condensate return main are in underground tunnels provided with proper drainage and adequate ventilation. Valved service connections are placed at strategic locations for connection to future buildings without interruption of services to the original customers along the line.

C. CENTRAL CONTROL SYSTEM:

A computerized central control system (Johnson T-6500) provides a monitoring system for all buildings and areas and will protect the quality of operation while at the same time reducing maintenance and operating costs. It can record and control in specific buildings and areas temperature, humidity, security, report malfunctions, measure quality of service, etc. all from one central point.

Customers may contract for services including any part of the following:

Commands: Start-Stop, Re-set of controller set points, damper setting, valve positioning, lighting on-off.

Monitoring: Alarms, (off-normal temperature, pressure, humidity, flow, dirty filter, fire, security, doors, etc.) data recording.

Programmed Control: Time, or sequential, or dynamic or any combination thereof.

D. CONTINUITY OF SERVICE:

Features have been incorporated in the design in order that the Plant may operate for 10 days isolated from utility systems fuel, electrical energy, and water supply producing 1000 tons of refrigeration and 60,000# steam per hour continuously.

Reliability of the Plant is a very important requirement in consideration of the hospital loads being served and their own requirements for continuous service. It is also necessary to maintain reliability so that ordinary mechanical difficulties will not interrupt service to customers and thereby reduce revenue to the Plant. With these requirements in mind, the engineering design has built reliability into the combining of components into the system. This has been done in a manner not only to assure reliability in operation, but to provide the means for most economical operation under conditions when the loads on the Plant are less than the maximum installed capacity. The following tabulation illustrates this redundancy:

1. Plant Auxiliaries:

<u>Item</u>	<u>Number Installed</u>	<u>Minimum Required</u>
Fuel Oil Tanks	3	1
Fuel Oil Pumps	2	1
Air Compressors	2	1
Air Receivers	2	1
Compressed Air Dryers	2	1
Steam Condensate Transfer Pumps	2	1
Boiler Feed Pumps	4	1
Hot Well Pumps (Each Unit)	2	1
Oil Pumps (Each Turbine & Compressor)	2	1
Combustion Air & Building Ventilating Supply Fans	4	1
Chilled Water Distribution Pumps (1-Turbine Drive, 1-Motor Drive)	2	1
Water Softeners	2	1

Plant Auxiliaries (continued)

<u>Item</u>	<u>Number Installed</u>	<u>Minimum Required</u>
Expansion Tanks	2	1
Tunnel Exhaust Fans	3	1
Boiler Chemical Feeders	2	1
City Water Supply Meters	2	1
Deaerating Feed Water Heater	Bypass piping	
Boiler Fuel - Natural Gas & Oil	Natural Gas & Oil	
Electrical Power Service	Diesel Engine-Gen. Stan	
Emergency Water Supply	2 days in tower basins	

2. Pipe Line System

Each of the 4 pipe circuits in the tunnel, that is - chilled water supply, chilled water return, steam supply, steam condensate return - have isolating valves in each pipe at approximately 300 foot intervals, with large size air inlet valves on the top of the run at the uphill end of the pipe, and large size bleeder valves at the bottom of the run on the downhill end of the section. In the event of leakage repairs can thus be made very quickly in a matter only of a few hours. Eventually, the distribution system will consist of a looped installation which will allow flow from either direction in the event of a pipe line interruption wherein work must be accomplished on one of the 300 ft. isolation sections.

E. PLANT BUILDING & LANDSCAPING:

The building and the associated cooling tower enclosure have been designed in an Architectural mode under the guidance of the master planning group and consulting architectural personnel, and in keeping with the other new construction in this Medical Center. The Plant site and the existing terrain have been developed in such a manner as to present a most pleasing landscape effect including shrubs, trees, fountains, and decorative illumination. The external appearance of the site will be such that the project will appear more as a conventional building rather than as a power plant, since no mechanical features, such as smokestacks and cooling towers, are visible from the ground level.

F. BUILDING HEATING & COOLING COSTS:

The initial construction was completed and began operating in April, 1972. The old existing plant was removed from service, terminating all costs associated with it, there having been no existing debts against it.

The services purchased from the new facility provide building heating and cooling at a substantially lower cost than can be obtained in any other manner. Diversity of the peak heating and cooling loads between grouped buildings allows serving a load larger than the total of the individual building loads. Planning for future buildings can continue, as in the past, without allocating expensive space for boiler rooms, chiller rooms, smoke stacks, cooling towers, and the associated mechanical apparatus and operating personnel. The fact that this will provide the lowest cost for building heating and cooling is substantiated by records of actual installations such as the University of Notre Dame, Northwestern University, Yale University, University of Alberta, California Institute of Technology, University of Oklahoma, University of Washington, Southern Methodist University, and Oklahoma State University.

In addition to being better and lower in cost than individual building units, this central Plant enjoys a cost advantage in comparison to private enterprise central systems being built in Urban areas. These include exemption from taxes, an institutional power rate lower than is available to private enterprise, and the absence of a profit requirement. The value of these factors is borne out by the fact that there are no known installations of privately owned central plants serving medical centers, universities, or similar institutions.

G. MAINTENANCE COSTS:

The apparatus and the piping systems to be incorporated into the new Plant and tunnel system are of the highest quality available, consistent with the long-term reduced maintenance costs.

As an illustration - the centrifugal water chilling units are Carrier Model 17-M, known throughout the world as the "work-horse of the industry". This is an old and proven design of high efficiency. New and proven products are included where possible - for example, epoxy reinforced fiberglass pipe is used in the steam condensate return system, a mechanical circuit which has been for many years vulnerable to high maintenance by virtue of the never ending corrosive action of the waters on metal pipes.

Automatic controls of the most modern and practical design have been incorporated in order that the Plant may be operated with the minimum of personnel. Surveillance and alarm devices are strategically located throughout the various operating devices in order to give ample warning of malfunctions and erratic operations.

H. PRODUCTION REPORTS:

At the end of each month, a complete engineering analysis has been made of every facet of the Plant operation, which is summarized in a "Production Report" by the Consulting Engineers. This analysis serves both to assure efficient operation, and to provide the basis for proper cost allocations between chilled water and steam production. It further provides the summary of actual operating costs which is required to determine the amount of Base Rate Adjustment required to make the revenue from Sales balance the Cost.

At the end of each operating year, the Consulting Engineers prepare an "Annual Report" covering a physical inspection, a survey of management of the business and the operation and maintenance of the properties. This is filed with the Trustee Bank and is available to any bond holder.

I. PRESENT EXPANSION NEEDS:

On Page 9 is tabulated "Projected Steam and Chilled Water Loads", from which it may be seen that the present 6000 ton/120,000 lbs. per hr. capacity of the plant will be exceeded in 1976. Phase III is required to supply buildings already under construction. Phase IV is contingent on development of buildings still in advance planning stages.

J. THE NEW LOADS TO BE ADDED:

The effect of these new construction project on the Central Plant, its revenues, and its investment requirements are summarized as follows:

1. Construction Projects:

	<u>Cooling Tons</u>	<u>Steam M Lbs/Hr</u>	<u>Control Points</u>
UNIVERSITY:			
Biomedical Sciences	1400	12	700
Dental Sciences	<u>920</u>	<u>18</u>	<u>450</u>
	2320	30	1150
STATE WELFARE DEPT.:			
W. Children's Hosp.	710	11	350
E. Children's Hosp.	<u>450</u>	<u>9</u>	<u>225</u>
	1160	20	575
EYE CLINIC:			
Sub-meter (Presbyterian)	100	2	50

Construction Projects (continued):

	<u>Cooling Tons</u>	<u>Steam M Lbs/Hr</u>	<u>Control Points</u>
PHASE IV:			
Eye Clinic	150	1	75
Library	250	4	125
Nursing Bldg.	350	7	175
School of Medicine	<u>170</u>	<u>2</u>	<u>85</u>
	920	14	460

2. Revenue Additions:

<u>COOLING</u>	<u>TONS LOAD</u>	<u>REVENUE</u>	<u>PRODUCTION COST</u>	<u>NET</u>
University	2320	\$ 348,000	\$ 113,680	\$ 234,320
State Welfare	1160	174,000	56,840	117,160
Eye Clinic	100	15,000	4,900	10,100
Phase IV	<u>920</u>	<u>138,000</u>	<u>45,080</u>	<u>92,920</u>
	4500	\$ 675,000	\$ 220,500	\$ 454,500

<u>STEAM</u>	<u>M# LOAD</u>	<u>REVENUE</u>	<u>PRODUCTION COST</u>	<u>NET</u>
University	30	\$ 138,000	\$ 55,200	\$ 82,800
State Welfare	20	92,000	36,800	55,200
Eye Clinic	2	9,200	3,680	5,520
Phase IV	<u>14</u>	<u>64,400</u>	<u>25,760</u>	<u>38,640</u>
	66	\$ 303,600	\$ 121,440	\$ 182,160

<u>CONTROL</u>	<u>POINTS</u>	<u>REVENUE</u>	<u>PRODUCTION COST</u>	<u>NET</u>
University	1150	\$ 55,200	\$ 41,400	\$ 13,800
State Welfare	575	27,600	20,700	6,900
Eye Clinic	50	2,400	1,800	600
Phase IV	<u>460</u>	<u>22,080</u>	<u>16,560</u>	<u>5,620</u>
	2235	\$ 107,280	\$ 80,460	\$ 26,920

Totals		\$1,085,880	\$ 422,400	\$ 663,580
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3. Summary:

NEW INVESTMENTS

Central Plant Addition	\$ 781,000	
Tunnel Construction	503,500	
Mechanical Equipment	1,980,000	
Electrical Equipment	181,500	
Contingency Fund	524,000	
Architectural & Engineering Fees	227,400	
Other Projects	<u>116,600</u>	
		\$4,314,000

Mechanical Equipment	\$ 930,000	
Electrical Equipment	30,000	
Water Well	57,154	
Contingency Fund	101,716	
Architectural & Engineering Fees	<u>67,130</u>	
		\$1,186,000

Total \$5,500,000

REVENUE - Net	\$663,480
Debt Service	<u>523,945</u>
Annual Surplus	\$139,535

4. Rate Prognosis:

The indicated surplus will be available to apply to the billing base, and will thus act to continue the downward trend in Base Rate Adjustment. The addition of these loads will benefit all users with lower costs.

<u>1973</u>	<u>1974</u>	TONS	STM. #/HR	<u>1975</u>	TONS	STM. #/HR	<u>1976</u>	TONS	STM. #/HR	<u>1977</u>	TONS	STM. #/HR			
<u>ACTUAL PEAK LOADS</u>	▲ Old Children's	150	800	⊙ S. Add'n Children's	85	1275	⊙ W. Add'n Children's	710	10650	⊗ Clinic	450	9000			
State Health Dept. Interim Building	▲ Bsc. Sc.	150	2300	⊙ Remodel Children's	130	-	⊙ Eye Clinic	100	2000	■ Eye Clinic	150	1000			
Basic Sciences	▲ Everett	300	4700	▲ Presb. Hospital	1600	9600	⊙ Biomed. Sciences	1400	12350	⊗ Doctor's Offices	875	13600			
Everett Towers	▲ O.M.R.F.	225	1400	⊙ Biomed. Sciences	-	21400	⊙ Dental Sciences	920	17650	+ Library	250	3900			
University Hospital	⊙ Presb. Hospital	-	14800	⊙ Dental Sciences	-	7200	⊙ E. Add'n Children's	450	9000	⊗ Heart & Lung	800	12500			
School of Medicine	▲ North Children's	-	2400	▲ N. Add'n Children's	160	-				+ Nursing Building	350	6500			
O. P. D. Plant										▲ School of Medicine	170	1800			
<u>TOTAL:</u>	<u>TOTAL</u>	825	26400	<u>TOTAL</u>	1975	39475	<u>TOTAL</u>	3580	51650	<u>TOTAL</u>	3045	48300			
2700 Tons 60000 #/HR	<u>AT PLANT</u>	700	22440	<u>AT PLANT</u>	1580	31580	<u>AT PLANT</u>	2864	41320	<u>AT PLANT</u>	2285	36225			
<u>LEGEND</u>	<u>PLANT LOAD:</u>			<u>PLANT LOAD:</u>			<u>PLANT LOAD:</u>			<u>PLANT LOAD:</u>					
⊙ Under Construction	3400 Tons			4980 Tons			7844 Tons			10,130 Tons					
▲ Existing Buildings	82,440 #/HR			114,020 #/HR			155,340 #/HR			191,656 #/HR					
■ Designed															
+ Planning in Progress															
⊗ Identified Project															
PHASE I				PHASE II				PHASE III				PHASE IV			
3000 Tons 60,000 #/HR				6000 Tons 120,000 #/HR				9000 Tons 180,000 #/HR				12,000 Tons 240,000 #/HR			
← PLANT CAPACITY →															

PROJECTED STEAM AND CHILLED WATER LOADS

REGENTS OF THE UNIVERSITY OF OKLAHOMA

UTILITY SERVICE AGREEMENT

This Utility Service Agreement (hereinafter called "Agreement") dated as of July 1, 1973, by and between _____ (hereinafter called "CUSTOMER") and the Board of Regents of the University of Oklahoma (hereinafter called "OWNER").

W I T N E S S E T H :

WHEREAS, the operation of the University of Oklahoma Health Science Center is under the control and supervision of the OWNER; and

WHEREAS, heating and cooling services are essential to the proper and efficient performance of the duties and work of the OWNER in the operation of the University of Oklahoma Health Science Center and related facilities; and

WHEREAS, the OWNER has determined to acquire the existing facilities and construct additional facilities required for the provision of heating and cooling services to the University of Oklahoma Health Science Center and certain buildings housing institutions related thereto that could be served by the OWNER which are contained in the Oklahoma Health Science Center (hereinafter called the "Project" which together with all additions, betterments, improvements thereto and extensions thereof hereafter constructed or acquired by the OWNER are called the "Facilities"); and

WHEREAS, to pay the cost of acquiring and constructing the Project and to capitalize certain reserve requirements, the OWNER has determined to initially issue its Utility Revenue Bonds, Series 1973 (hereinafter called "Bonds") dated July 1, 1973, in the aggregate principal amount of \$10,125,000, under and pursuant to the terms of a Bond Indenture

(hereinafter together with all supplements thereto called the "Indenture")
dated as of July 1, 1973.

WHEREAS, in consideration of the OWNER's agreement to acquire and install the Project, the CUSTOMER has determined to purchase heating and/or cooling services from the OWNER.

NOW, THEREFORE, THE OWNER AND THE CUSTOMER AGREE AS FOLLOWS:

1. The CUSTOMER hereby agrees to purchase from the OWNER and the OWNER hereby agrees to furnish, all steam, chilled water and other services required to provide the central heating and cooling for the buildings of the CUSTOMER located adjacent to the University of Oklahoma Health Science Center in Oklahoma City. The term of this Utility Service Agreement shall be from the first day of July, 1973, to the thirtieth day of June, 1974. Until the Bonds and all additional parity bonds, or any other indebtedness of the OWNER secured by the Indenture are retired in full, this Utility Service Agreement shall be automatically renewed on July 1, 1974, and on the first day of each July thereafter, for annual periods ending on the June 30th following each such renewal, each such renewal to be accomplished automatically unless notice in writing is given as hereinafter provided. If the CUSTOMER determines that it does not wish the contract to be automatically renewed after any then next ensuing 12:01 A.M., July 1, it shall give notice in writing, to that effect, at least one (1) year in advance of the said July 1 by serving said notice on the OWNER and the Bank. The CUSTOMER hereby agrees to not purchase heating and cooling services for its buildings located adjacent to the University of Oklahoma Health Science Center from anyone other than the OWNER as long as this contract is in effect, except for such services that are beyond the design capacity of this Project. The CUSTOMER further agrees to not

build a heating and cooling system to provide services to its buildings located in the Oklahoma Health Science Center as long as this contract is in effect, except for such services that are beyond the design capacity of this Project.

2. "Satisfactory Service" as used herein shall mean the supplying of heating and cooling services sufficient in quantity to meet the needs of the CUSTOMER's buildings existing or under construction in the Oklahoma Health Science Center as of July 1, 1973. The CUSTOMER hereby agrees to cooperate in all ways necessary to assist the OWNER in furnishing satisfactory service.

3. The CUSTOMER hereby agrees to pay, from legally available revenues, for said heating and cooling services, rates and charges to be determined by the OWNER and reviewed by the OWNER according to other provisions herein. Such rates, when so fixed, plus revenues derived from other sources, shall produce sufficient revenue (1) to provide in any year, revenues equal to the annual principal and interest requirements on the Bonds and any indebtedness of the OWNER payable from the gross revenues of the Facilities which is incurred in order to provide satisfactory service as hereinbefore defined, (2) to meet the Reserve Account, Repair and Replacement Fund, and Redemption Fund requirements on the Bonds as specified in the Indenture, and any other indebtedness of the OWNER payable from the revenues of the Facilities which is incurred in order to provide satisfactory service as hereinbefore defined, and (3) to pay the operation and maintenance expenses of or related to the Facilities.

4. (to be included in Agreements of State Agencies only) The CUSTOMER's liability for payment for heating and cooling services actually provided under this Agreement shall be subject to an appropriation having been made from which its obligations hereunder may lawfully be discharged, or there being other monies lawfully available from which such obligations

may be discharged. The CUSTOMER agrees (1) to apply such other monies to the extent required to satisfy its obligations hereunder and (2) to include in its budgets required to be submitted to any officer, board or commissioner in the executive branch preparing budgets to be submitted to the Legislature, or if there shall be no officers, boards or commissioners preparing such budgets, to include in their budgets to be submitted directly to the Legislature, amounts sufficient to enable it to meet its obligations hereunder. The CUSTOMER hereby agrees to commence payments to the OWNER on such date that service may be available.

5. The rates to be paid by the CUSTOMER to the OWNER shall consist of "Cost of Service" rates and "Base Rate Adjustment." Cost of Service rates shall be established by the OWNER, with the assistance of professional engineers, prior to the original provision of heating and cooling, i.e., steam and chilled water, service and initially as set out on Appendix A. Such rates, which shall be reviewed by the OWNER and the professional engineers and, if required, adjusted each June and December, shall be maintained at a level sufficient to provide no less than that required to meet the requirements of paragraph (3) above. Such Cost of Service rates shall be based on the amount, type and conditions of the service as provided in Appendix B. The rates shall be applied at each metered point of service.

6. The Cost of Service rates may be adjusted on a monthly "plus" or "minus" basis as a percentage of the monthly dollar billing, derived from said Cost of Service rates, without limitation, through the application of a Base Rate Adjustment.

7. A "plus" Base Rate Adjustment could result and shall be enforced when the revenues derived from the Cost of Service rates are not sufficient to meet the principal and interest requirements on the Bonds and any indebtedness of the OWNER that is payable from the revenues of the Facilities which is incurred in order to provide satisfactory service as hereinbefore

defined; the operation and maintenance expenses of the Facilities; and the amounts necessary to maintain the Reserve Account, Repair and Replacement Fund, and the Redemption Fund (all as defined in the Indenture) at minimum stated levels.

8. A "minus" Base Rate Adjustment could result when the revenues derived from the "Cost of Service" rates exceed the amounts required to meet the actual principal and interest requirements on the Bonds and any indebtedness of the OWNER that is payable from the revenues of the Facilities which is incurred in order to provide satisfactory service as hereinbefore defined; the operation and maintenance expenses of the Facilities; the amounts necessary to maintain the Reserve Account, Repair and Replacement Fund, and the Redemption Fund (all as defined in the Indenture) at minimum stated levels, in the stated order of priority, and within the allotted time periods.

9. During any period or periods, in which any customer, or customers, of the OWNER, who have purchased fifty percent (50%) or more of the heating and cooling services produced by the Facilities during the next preceding twelve-month period, do not purchase heating and cooling services as required by Utility Service Agreements, the rates and charges, including both the Cost of Service rates and the Base Rate Adjustment to be paid by the CUSTOMER shall not exceed more than 200% of the highest monthly rates and charges paid by the CUSTOMER during the next preceding twelve-month period.

10. The Conditions of Service and CUSTOMER's Instructions attached hereto as Appendix B are incorporated herein. For the purposes of said Appendix, the term "Design Demand Peak" defined in said Appendix for chilled water service shall initially be _____ tons and for steam service shall initially be _____ lbs. per hour. The Design Demand Peaks may be changed by agreement of the parties hereto.

11. In the event of the OWNER's default under the Indenture, which

default results in the appointment of temporary or permanent receivers or Trustees of the Facilities, the CUSTOMER hereby agrees to perform with respect to such receivers or Trustees, all covenants and agreements herein undertaken with respect to the OWNER.

The OWNER hereby agrees to not terminate service to the CUSTOMER except for non-payment of charges or for breaches of this Agreement as determined by the OWNER to be material.

IN WITNESS WHEREOF, the CUSTOMER has caused this instrument to be signed by its Chairman and Secretary and its seal affixed and the OWNER has caused this instrument to be signed by its Chairman and Secretary and its seal affixed, all as of the day and year first above written.

ATTEST:

(SEAL)

BOARD OF REGENTS OF THE UNIVERSITY
OF OKLAHOMA

President

ATTEST:

Secretary

(SEAL)

STATE OF OKLAHOMA)
) SS
COUNTY OF OKLAHOMA)

BEFORE ME, the undersigned, a Notary Public in and for said State,
on the ____ day of _____, 1973, personally appeared _____
_____, _____ and _____, _____ of
_____ and to me further known to be
the identical persons who subscribed the name of said _____ as one of
the makers thereof, to the foregoing instrument as its _____ and
_____, respectively, and acknowledged to me that they executed
the same as their free and entirely voluntary act and deed and as the free
and voluntary act and deed of said _____ for the uses and
purposes therein mentioned and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
notarial seal the day and year aforesaid.

Notary Public

(SEAL)

My commission expires _____.

STATE OF OKLAHOMA)
) SS
COUNTY OF CLEVELAND)

BEFORE ME, the undersigned, a Notary Public in and for said State,
on the ____ day of _____, 1973, personally appeared Huston
Huffman, President, and Barbara James, Secretary of the Board of Regents
of the University of Oklahoma, and to me further known to be the identical
persons who subscribed the names of said maker thereof to the foregoing
instrument and acknowledged to me that they executed the same as their
free and voluntary act and deed, and as the free and voluntary act and
deed of the said Board of Regents for the uses and purposes therein mentioned
and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
notarial seal the day and year aforesaid.

Notary Public

(SEAL)

My commission expires _____.

APPENDIX A

RATE SCHEDULE

STEAM

Demand Charge: \$75.00 per 1,000 lbs. per hour per month
(Minimum \$75.00)

Consumption: \$1.00 per 1,000 lbs.

CHILLED WATER

Demand Charge: \$3.00 per ton per month
(Minimum \$300.00)

Consumption: \$.03 per ton-hour

Differential temperature adjustment applied monthly
to Consumption:

plus 3% per degree below 12°F
or minus 3% per degree below 14°F

APPENDIX B
CONDITIONS OF SERVICE
AND
CUSTOMER'S INSTRUCTIONS

I. DEFINITIONS

A. Ton: As used herein, references to a "ton" of refrigeration capacity are intended to refer to a "ton" of refrigeration capacity as defined in the 1965-66 Guide and Data Book published by the American Society of Heating, Refrigerating and Air Conditioning Engineers, being the equivalent of the cooling capacity of one ton of ice melting in a period of twenty-four hours (i.e. 288,000 Btu, or an average of 12,000 Btu/hr.)

B. Ton-Hours: Likewise, in accordance with the definitions contained in said 1965-66 Guide and Data Book, a "ton-hour" of chilled water as used herein is intended to refer to the quantity of chilled water delivered by Owner to Customer at the chilled water delivery point at a temperature which will produce the equivalent of 12,000 Btu of cooling in Customer's Facilities (from point of delivery thereto to point of redelivery to Owner) over a period of one hour, also taking into account, of course, the temperature of the quantities of chilled water redelivered by Customer to Owner at the chilled water redelivery point, and measured and calculated on the basis of the aggregate Btu gain occurring in the quantities of chilled water delivered by Owner to Customer between the chilled water delivery point and the chilled water redelivery point provided for herein and in accordance with the procedures and methods provided for herein.

C. Owner: As used herein, "Owner" refers to the Board of Regents of the University of Oklahoma or its designate.

D. Customer: As used herein, "Customer" refers to the party with whom Owner has entered into the service agreement to which this is attached and incorporated as Appendix B.

E. Service Agreement: As used herein, "Service Agreement" refers to that Utility Service Agreement to which this is attached and incorporated as Appendix B, entered into between Owner and Customer whereby Owner agrees to furnish steam for heating (and processing) and chilled water for cooling and Customer agrees to purchase same in accordance with the terms and conditions of the agreement and the conditions of service and Customer's instructions herein.

II. NATURE, AVAILABILITY & REQUIREMENTS RELATING TO USE OF SERVICE

A. Steam Plant: Owner will render heating service from a central steam plant and a distribution system providing a primary supply of saturated steam to its customers for heating and processing, at a pressure ranging from 125 to 100 psig depending on point of delivery and the load on the system.

Condensate shall be pumped from the premises by the Customer to the Owner's condensate return mains and thence back to the Central Plant at a normal pressure of 25 psig, but in no event to exceed 50 psig, at a minimum temperature of 180^oF. No condensate from process steam which is contaminated shall be pumped back into the Owner's condensate return system but shall be disposed of by Customer. No Customer may tap into or otherwise interfere with the flow of such condensate without the prior written permission of Owner.

B. Steam Service: Steam Service may be purchased from Owner for all heating and processing purposes by the use of customer-owned equipment which is connected or can be connected to Owner's steam distribution system after Owner and Customer have executed a written service agreement. Owner may refuse to accept condensate from Customer if condensate has been contaminated by Customer. Customer shall not do any water treatment nor add any chemicals or foreign substances into the water being used in its heating and cooling system without the prior written consent and

approval of Owner, such approval not to be unreasonably withheld by Owner.

C. Cooling Plant: The Owner will render cooling service by means of water chillers, pumps, and associated facilities located at its central plant and by a chilled water distribution system, designed to deliver chilled water at the Customer's point of delivery at 40 to 42°F, and at pressures varying from 120 psig to a maximum of 200 psig and to receive back the chilled water at Customer's point of return at approximately 55°F. Customer shall furnish controls to maintain a programmed water temperature differential of 14°F, plus or minus 1°F above delivery temperature after use by the Customer at point of return of chilled water to Owner's system. Customer will return the chilled water to Owner at the point of return at a sufficient pressure to meet the pressure requirement of Owner's chilled water return system. No Customer may tap into, use or otherwise interfere with such chilled or return water in any way which may raise or lower its temperature beyond the above stated limits. Customer shall not in any way contaminate the chilled water while same is in Customer's custody and control.

D. Cooling Service: Chilled water service may be purchased from Owner for the cooling requirements of buildings which are connected or can be connected to the Owner's chilled water distribution system when the Customer and Owner have executed the Utility Service Agreement.

E. Preparation of Customer's Piping System to Receive Service: This service condition pertains to the cleanliness of the Customer's chilled water, steam and steam condensate piping systems and connected heat transfer apparatus, both new systems and existing systems.

After the Customer's chilled water piping system is completed and before it is connected to the Owner's service lines, the piping shall be washed clean. The cleaning solution shall be trisodiumphosphate and water, concentration as recommended by the chemical manufacturers for this duty. This solution shall be pumped through the piping at such a rate as to

remove oil, mill scale, etc. Discard and drain. Repeat this operation twice. At the end of the second flushing period, check ph of water in system (Litmus paper) and if not neutral, repeat flushing or neutralize with appropriate chemical. Any leaks which develop as a result of the cleaning operation shall be repaired by the Customer.

After the Customer's steam and steam condensate piping system is completed, it shall be cleaned as set forth below, before the steam condensate return piping is connected to the Owner's return system.

Steam service shall be connected to the Customer's system and placed into operation, with all condensate from the Customer's system dumped to waste, until the return line flow is clear of mill scale, oil, pipe dope and all debris. Steam used for this cleaning operation will be billed to the Customer at \$1.00 per 1000 pounds total charge. Any leaks which develop shall be repaired by the Customer.

F. Flow Control - Chilled Water Loads: The flow of chilled water through the Customer's heat transfer systems shall be automatically stopped when the air conditioning systems are turned off. The automatic valves shall be capable of 100% shutoff at differential pressure up to 75 psig. In the event that freeze protection is desired on a dormant coil, 10% of design flow through a manual bypass valve, around the automatic valve will be allowed.

III. METERS & SPACE REQUIREMENTS

The Owner will furnish, install and maintain meter runs and consumption meters best suited to the service requirements. The Customer will furnish, install and maintain such pressure regulating valves or pumps required to change inlet and return pressures or flows.

The metering devices are to be checked for accuracy in accordance with generally accepted methods at least once every year by the Owner in the presence of Customer's representative.

Customer will provide, without charge, adequate space if required on its premises for the housing of and access to such measuring equipment and appurtenances.

IV. OWNER'S SERVICE LINES

The Owner will install its service lines to a location at the outside wall of the basement or foundation of Customer's building, determined by the Owner to be convenient and practicable, and will extend such service lines through a sleeve provided and installed by the Customer in such basement wall or foundation to the point of the Owner's metering facilities. The point on the discharge side of the Owner's meters, (for recording consumption of steam and chilled water by Customer) shall constitute the point of delivery of service, the point on the inlet side of the Owner's meter installed to record condensate return shall constitute the condensate return point and the point where Owner extends its service lines to receive chilled water from Customer shall constitute the point of return of chilled water. Steam service will normally be supplied to the Customer's building through a single supply line and a single condensate return line. Chilled water service will normally be supplied to the Customer's building through a single supply line and a single return line. For reasons of Owner's economy, conditions on the Owner's distribution system, improvement of service conditions, or volume of the Customer's requirements, the Owner may at its option install more than one service line for steam service, or chilled water service, or both.

The Owner reserves the right to determine the location of any service line, and to avoid misunderstanding, the Customer, before starting work, shall consult the Owner as to the exact location of the point of service termination (or delivery point). Owner agrees to act reasonably in respect to the determination of the location of said line.

Any change requested by the Customer in the point of delivery of service or location of Owner's service facilities, provided such change is

approved by the Owner, will be made at the expense of the Customer, who shall reimburse the Owner for the actual cost of such change.

V. OWNER'S PROPERTY

The service line, meters, and service equipment installed by the Owner shall remain the property of the Owner.

The service stop valve and meter stop valves shall be operated only by authorized personnel of the Owner, except that the service stop valve and meter stop valves may be closed by the Customer after shutoff. The Owner shall be notified immediately of such shutoff. The Owner's representative, if requested, shall exhibit his written authority.

The Customer shall be responsible for the safekeeping of the Owner's property on his premises. No person, except a duly authorized employee of the Owner, shall be permitted to break or replace an Owner seal or lock, or to alter or interfere with the operation of meters or its connections (a steam meter, a water meter), regulators, or any other item of service equipment installed by the Owner.

VI. CUSTOMER'S PROPERTY

The Customer will furnish, install and maintain, where required, on the service side of the meter, such pumps and regulating devices as are necessary to maintain pressure and flow conditions required by Customer equipment and return at distribution operating pressure conditions which will meet the requirements herein.

The Customer shall provide (without cost to Owner) suitable space for the installation, inspection, protection, and maintenance of Owner's meters and other necessary service equipment within Customer's premises, at a location acceptable to Owner and as near the point of delivery as practicable. Where electricity or instrument air is required for the operation of the Owner's meters or meter regulating valves, the Customer shall furnish and install wiring, piping, and equipment necessary to provide such service.

The Customer shall also furnish, install and maintain all facilities required for his utilization of service as shown on Pages 11 to 15 of this Appendix B.

Except as otherwise provided herein, all repairs to Customer's piping and equipment shall be made by the Customer. The Customer shall give immediate notice to the Owner of any leakage or escape of steam or chilled water.

The Customer shall give the Owner reasonable advance notice of intention materially to increase or decrease his load. Changes and alterations to provide proper metering in such cases shall be governed by Owner's requirements applying to new installations.

The Owner shall not be required to supply steam service until the Customer's installation shall have been approved by any local authority having jurisdiction over the same, and the Owner further reserves the right to withhold its service, or discontinue its service, whenever such installation or part thereof is deemed by the Owner to be unsafe, inadequate or unsuitable for receiving the Owner's service, or to interfere with or impair the continuity or quality of the Owner's service to the Customer or to others.

VII. ACCESS TO PREMISES

The Owner's duly authorized representative shall have the right of access to all the Owner's property on the premises of the Customer and on all other premises, with respect to which the Customer has secured easements, at all reasonable times for the purpose of installing service lines, inspecting, protecting, maintaining, and replacing where necessary, its service lines, meters, and service equipment, removing its property, or any other proper purpose.

VIII. LIABILITY

The Owner will endeavor at all times to provide a regular and uninterrupted supply of service throughout the year on a twenty-four (24) hour

per day basis, but does not warrant or guarantee uninterrupted service and shall not be liable for any damages caused or resulting from an interruption in service. Nor shall the Owner be liable for any injury or damage resulting in any way from the supply or use of the steam or chilled water or the presence of its equipment on the Customer's premises, and neither by inspection or non-rejection, nor in any other way, does the Owner give any warranty, expressed or implied, as to the adequacy, safety or other characteristics of any structures, equipment, wires, mains, pipes, appliances, or devices owned, installed or maintained by the Customer or leased by the Customer from third parties.

IX. NOTICES

The Customer shall give the Owner five (5) days' prior written notice to turn on or turn off steam or chilled water service.

X. METERING & BILLING

A. Measurement of Steam Service: Metering of the Customer's usage of steam (supply and return of condensate) will be determined by use of Owner's flow meters which will record the Customer's usage. Customer shall return no less than 95% of condensate volume per month to Owner. Owner may penalize Customer for returning less than the indicated 95% of condensate at a penalty rate equivalent to 0.40 times the average steam consumption rate for such shortage.

B. Measurement of Chilled Water Service: Metering of the Customer's usage of chilled water supply and return will utilize a device which measures and records chilled water flow and water temperature difference to be converted to ton-hours. Customer shall return all of the chilled water volume delivered by Owner to Customer. Owner may penalize Customer for not returning all of the chilled water at a penalty rate equal to two times the cost to Owner of water furnished to Owner by its supplier.

C. Billing Demand: The billing demand for steam and for chilled water services in which the DEMAND CHARGE is computed, shall be the largest number of pounds of steam, or ton-hours of refrigeration, in any sixty (60) minute period during the month; provided, however, that the billing demand shall be not less than the highest billing demand established during the preceding eleven (11) months; and provided further that the billing demand in any month shall not be less than eighty (80) percent of the Service Design Peak. The Service Design Peak shall be the maximum rate of delivery based on the Customer's requirements, and as agreed between Customer and Owner as set forth in the Service Agreement.

D. Meter Reading & Billing Period: The regular meter reading and billing period shall be a calendar month. The Owner reserves the right to read meters and render bills at any other intervals of time.

E. Bills Based Upon Estimated Usage of Service: Should the meter record be interrupted at any time and for any reason, the quantities of steam or chilled water to be billed for such period of interruption will be estimated from meter records immediately before and after the period of interruption.

F. Payment of Bills: Bills of the Owner for service are due on presentation and payable within fifteen (15) days thereafter.

XI. RATES

A. Steam Service: The monthly charge for steam service shall be based on a two-part rate consisting of a Demand Charge and a Consumption Charge as contained in the Rate Schedule attached to the Service Agreement. The Demand Charge shall be computed on the basis of the Steam Billing Demand as defined hereunder in Section C of Article X. Such charge is due and payable each and every month without regard as to whether steam was delivered during the month. The Consumption Charge shall be computed based on the volumes of steam delivered during the month to Customer.

B. Chilled Water Service: The monthly charge for chilled water service shall be based on a two-part rate schedule consisting of a Demand Charge and a Consumption Charge as contained in the Rate Schedule attached to the Service Agreement. The Demand Charge shall be computed based on the chilled water billing demand as defined herein in Section C of Article X. Such charge is due and payable each month without regard as to whether chilled water was delivered during the month. The Consumption Charge shall be computed based on the ton-hours of cooling delivered during the month to Customer.

C. Chilled Water Temperature Differential: The differential temperature used for chilled water consumption adjustment will be computed as that temperature which, when applied to the metered total quantity of water delivered during the month, would produce the ton-hours of consumption metered during the same period.

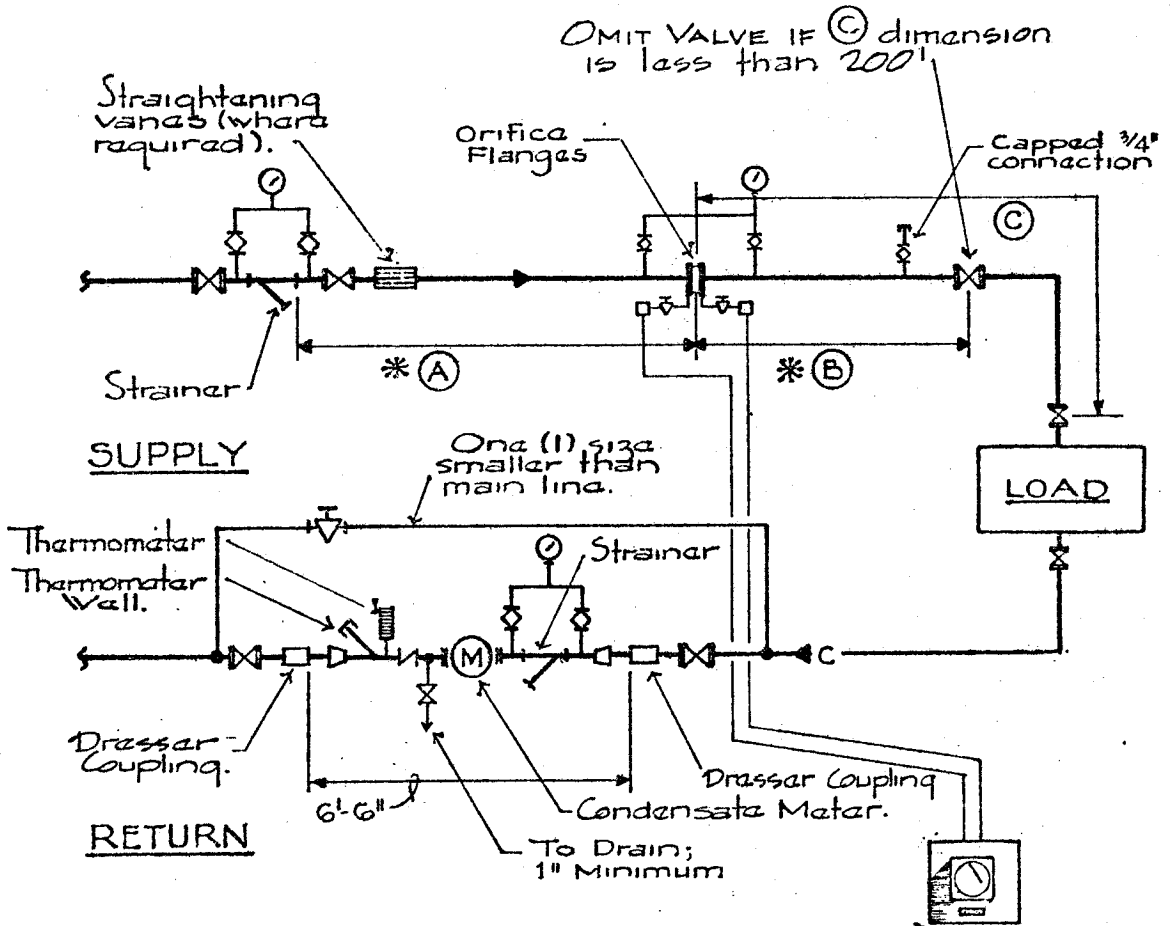
D. Exhaust Air From Customer's Buildings: The tunnel system will be maintained at a slight negative pressure by exhaust fans located near the central plant; the air being discharged to atmosphere after flowing through the plant building. Customers are encouraged to take advantage of this exhaust facility, and discharge exhaust air into the tunnel system. Air exhausted into the tunnel shall be relatively clean, free from strong odors, radioactive materials, bacteria, virus, and at a temperature not to exceed 80°F. Normal toilet exhaust air systems and normal building exhaust air will be acceptable. Kitchen exhaust, laundry exhaust, laboratories exhaust and similar air streams will not be acceptable.

Owner reserves the right to accept and/or reject any exhaust air stream, and assumes no obligation for reversal of flow into the Customer's exhaust air system.

The Customer agrees to not provide heating and cooling service (on a re-sell basis) without the permission of the Owner.

STEAM METERING STATION

125 P.S.I.G. 1.5#/SQ.IN. LOSS/100 FT. MAX.



VALVES:

Line size, 0.5 & Y gate valves, with chain wheels & chains where handwheels are above 7'-0".

* Depends on line size, see schedule. (Sketch #1013-2)

REVISED 5-31-1972
REVISED 7-15-1970

<p>SKETCH #1013-1</p> <p>PREPARED BY:</p> <p>CARNAHAN & THOMPSON</p> <p>ENGINEERS</p> <p>OCTOBER 14, 1969</p>
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STEAM FLOW METERS

125 P.S.I.G. — 1.5#/SQ. IN. LOSS/100FT. MAX.

SIZE: INCHES	LBS. PER HOUR	LOSS/ 100 FT. LBS.	VELOCITY FT./ MINUTE	30 DIAM. UPSTREAM * (A) MIN.	3 D.I.A.M. DOWNSTREAM * (B) MIN.
3"	750	0.06	500	9'	1'
3"	4300	1.50	2800	9'	1'
4"	4600	0.40	1600	10'	2'
4"	9500	1.50	3300	10'	2'
6"	10,000	0.25	1600	15'	2'
6"	30,000	1.50	4000	15'	2'
8"	31,000	0.50	3000	20'	3'
8"	63,000	1.50	5200	20'	3'

* See piping illustrations on following drawings: sketch #1013-1

REVISED 5-31-1972

REVISED 7-15-1970

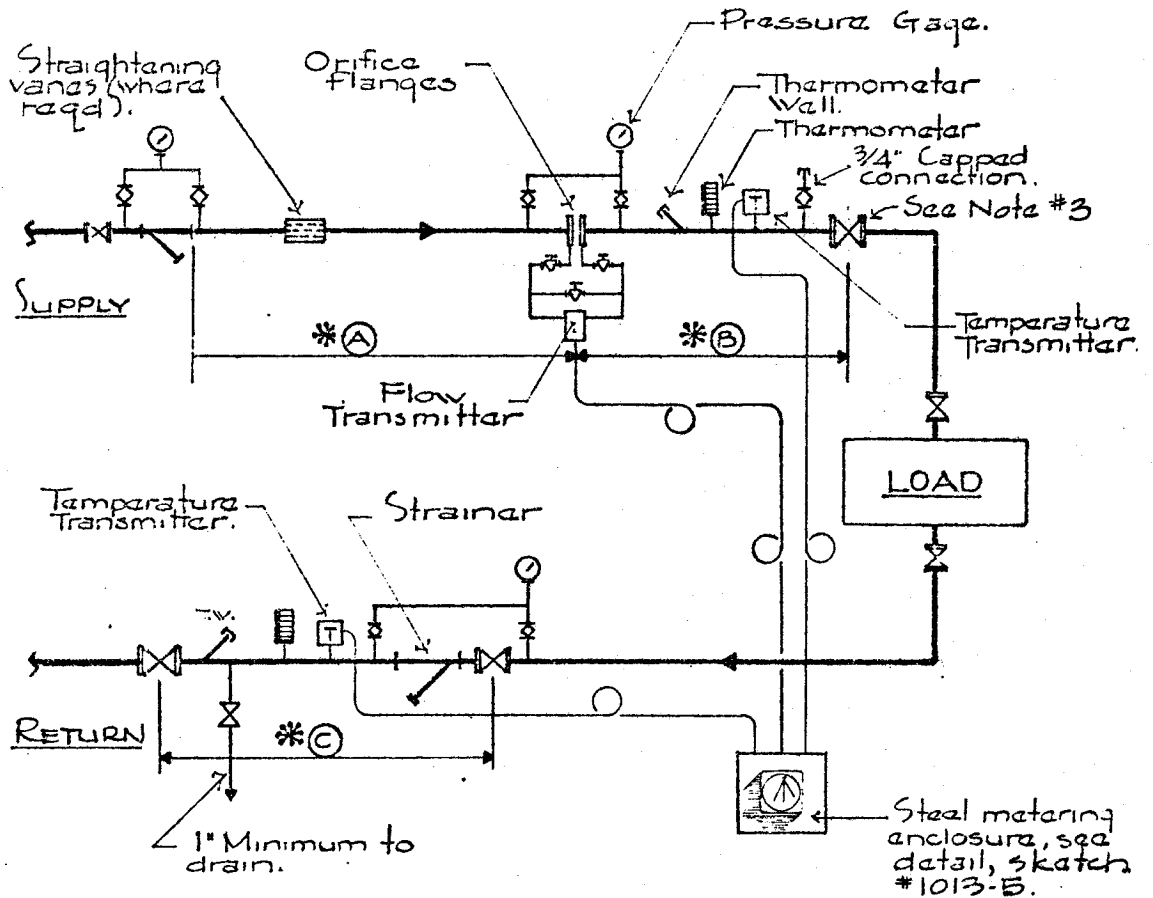
SKETCH #1013-2

PREPARED BY:

CARNAHAN & THOMPSON
ENGINEERS

OCTOBER 14, 1969

CHILLED WATER METERING STATION



Notes:

1. Valves shall be line size, lug-type butterfly with gear operators. Chain wheels and chains shall be provided where hand wheels are above 7'-0".
2. Orifice flanges, temp. and pressure sensing devices shown in this illustration must be in a room provided within Customer's building or in run-out tunnel.
3. Omit valve if distance from load valve to orifice flange is less than 200'.

* Depends on pipe size, see schedule sht. 1013-4.

REVISED 5-31-1972
REVISED 7-15-1970

<p>SKETCH #1013-3</p> <p>PREPARED BY: CARNAHAN & THOMPSON ENGINEERS</p> <p>OCTOBER 14, 1969</p>
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B.T.U. METERS FOR CHILLED WATER ORIFICE METERS

SLIP-ON TYPE ORIFICE FLANGES - STRAIGHT
PIPE: 30 DIAM. UPSTREAM, 3 DIAM. DOWNSTREAM

CHILLED WATER - 1.72 G.P.M./TON (40° TO 54°)

PIPE SIZE	TONS	LOSS PER 100 FT.	G.P.M.	UPSTREAM FT. REQD * (A) MIN.	DOWNSTREAM FT. REQD * (B) MIN.	RETURN FT. REQD * (C)
3"	35	1.74	60	9'	1'	3'
3"	81	8.32	140	9'	1'	3'
4"	87	2.53	150	10'	2'	3'-6"
4"	163	8.00	280	10'	2'	3'-6"
6"	174	1.24	300	15'	2'	4'
6"	494	8.50	850	15'	2'	4'
8"	521	2.48	900	20'	3'	4'-6"
8"	930	7.20	1600	20'	3'	4'-6"
10"	990	2.69	1700	25'	3'	4'-8"
10"	1860	8.58	3200	25'	3'	4'-8"
12"	2030	4.21	3500	30'	4'	5'
12"	2900	8.15	5000	30'	4'	5'
14"	2900	5.03	5000	35'	4'	6'
14"	4060	9.38	7000	35'	4'	6'

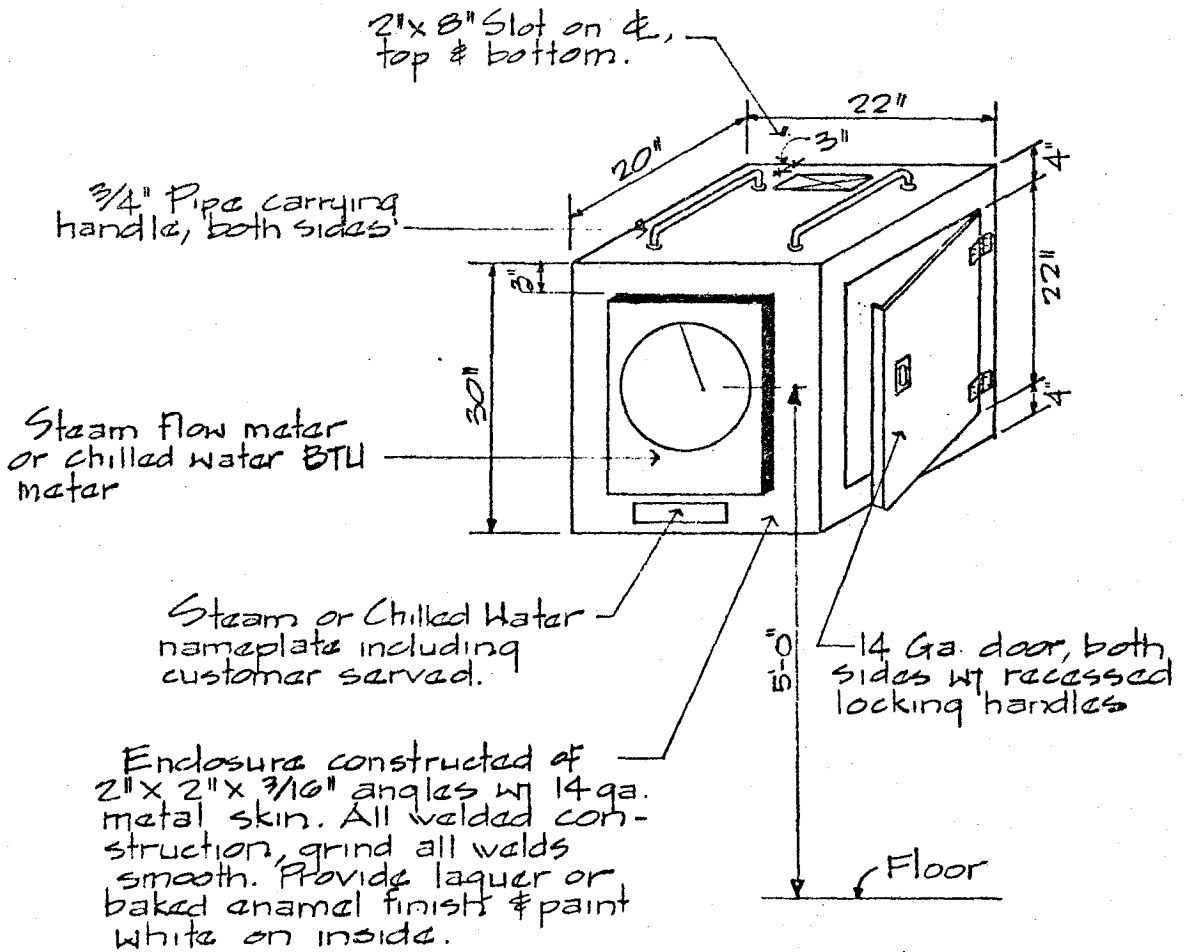
* See piping illustrations on following drawings:
Sketch #1013-3.

REVISED: 5-31-72

REVISED: 7-15-70

SKETCH #1013-4
PREPARED BY:
CARNAHAN & THOMPSON
ENGINEERS
OCTOBER 14, 1969

METERING ENCLOSURE STEAM AND CHILLED WATER



NOTES:

1. Use seven (7) day charts
2. Meters shall have locking glass door.
3. Enclosures shall be located within customers building or in tunnel.

REVISED: 7-15-'70
5-31-'72

<p><u>SKETCH N^o 1013-5</u></p> <p>PREPARED BY</p> <p><u>CARNAHAN & THOMPSON</u></p> <p><u>ENGINEERS</u></p> <p>OCTOBER 14, 1969</p>
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REGENTS OF THE UNIVERSITY OF OKLAHOMA

CONTROL SERVICE AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 1973, by and between REGENTS OF THE UNIVERSITY OF OKLAHOMA hereinafter referred to as "SELLER," and _____, hereinafter referred to as "CUSTOMER."

WHEREAS, SELLER privately owns, maintains, and operates facilities in Oklahoma City capable of providing an automation service whereby SELLER can remotely monitor and operate certain mechanical and electrical equipment used for the air-conditioning, heating, and other systems of buildings; and

WHEREAS, CUSTOMER is the Owner of a building known as _____ hereinafter referred to as "the Premises," and desires to purchase such automation service for said building;

WHEREAS, SELLER is willing to sell such automation service to CUSTOMER for the purpose and under the conditions set forth herein.

NOW, THEREFORE, the above premises considered, and in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

ARTICLE I - SERVICE

1.1 General. SELLER agrees to furnish an automation service, hereinafter referred to as "the Service," which will remotely monitor and operate CUSTOMER's equipment and system for air-conditioning and heating the Premises. SELLER's system for providing the Service shall have the capability of performing the following individual functions at the Control Center:

- a. Continuous scanning of connected points.
- b. Digital indication of individual point values (not point

identification only), such indication to be continually "updated" to show changing remote values.

- c. Digital logging.
- d. Alarming of off-normal conditions.
- e. Change-of-state digital logging in systems format with off-normal points in red and alphanumeric identification of all points.
- f. Remote motor manual start-stop.
- g. Remote motor programmed start-stop.
- h. Remote readjustments of controllers.
- i. Voice communication between Control Center and equipment rooms in CUSTOMER's building.
- j. Status indication of points.
- k. Logging of status.
- l. Trend logging of selected points.

1.2 Service to be Provided CUSTOMER. SELLER shall furnish the following Service to CUSTOMER hereunder:

a. Start and stop the equipment designated as equipment to be started and stopped in Exhibit B, attached hereto and by reference made a part hereof, in accordance with a schedule to be furnished by CUSTOMER to SELLER as provided below.

b. Monitor alarms on equipment as designated in Exhibit B attached hereto. SELLER's operator shall use reasonable diligence to notify CUSTOMER's designated representative of such alarm by means of the intercom stations located in equipment rooms or such locations on the Premises as designated by Exhibit B attached hereto or, in the event operator is unable by means of the intercom stations to contact said representative, by telephone. SELLER shall provide CUSTOMER with a list of all alarms received at the Control Center, as hereinafter defined, during each weekly period.

c. Advise CUSTOMER's designated representative daily, to

the extent provided for in Exhibit B, of (1) those filters, if any, which require attention and (2) those air and water temperatures and other sensed variables, if any, as required.

d. CUSTOMER shall act reasonable in requesting information, logs, resets, or other control center data or functions, such requests being limited to those necessary to properly supervise and operate the related equipment in the Premises.

e. Exhibit B, attached hereto, contains a schedule of the points of service and the service function (start-stop, alarm, temperature, etc.) which will be furnished at each such point under this Agreement and such other information as may be required by this Agreement.

1.3 Off-Normal Conditions. Upon the detection of an off-normal condition, SELLER shall do the following:

a. Take corrective action from the Control Center, as hereinafter defined, at the central plant, if possible;

b. Notify CUSTOMER's designated representative or, if unavailable, CUSTOMER's on-duty maintenance personnel; and

c. If necessary, dispatch a representative to repair any equipment SELLER shall be required to maintain hereunder.

1.4 Additional Service. In addition to the Service which SELLER shall provide under Paragraph 1.2 above, SELLER shall provide CUSTOMER with a logging service which shall provide CUSTOMER with log sheets showing equipment status and the air and water temperatures of equipment shown on Exhibit B attached hereto. (A typical log sheet might (1) include any combination recording of outside air, mixed air, hot duct, cold duct, supply duct, hot water supply, hot water return, chilled water supply, and chilled water return temperatures for trend logging; (2) be all point logging; (3) be system logging; or (4) be off-normal logging.) Such logging service shall be provided on the following basis:

a. A maximum of 20 complete system logs shall be furnished as requested by CUSTOMER, during the period of initial start-up of CUSTOMER's heating and air-conditioning system if initial start-up is made after the Commencement of the service hereunder.

b. Change-of-state logs, i.e. the occurrence of any point changing from a normal to off-normal condition or the return of a point from off-normal to normal shall, with the printer enabled, cause a print-out. Such print-outs shall be provided to the CUSTOMER without limit as outlined in Paragraph 1.2b above, except where the CUSTOMER, through the performance of service, repair, or other routine on his equipment causes excessive and repetitive change-of-state logs and where information of such print-outs is agreed to be of no value.

c. Two (2) trend logs per week shall be furnished to CUSTOMER as requested by CUSTOMER at no additional charge, or in lieu of trend logs, CUSTOMER may substitute other logs at the following rate: one all-point log or one off-normal log for one trend log, or four system logs (maximum of six (6) systems per log) for one trend log. Unused logs may not be cumulated.

d. Additional logs regardless of type shall be furnished, at SELLER's option at a cost of Ten Dollars (\$10.00) per log, when requested by CUSTOMER.

Each trend log shall consist of a sequential recording of a maximum of any eight (8) points shown on Exhibit B at the selected interval for a continuous period of time not to exceed sixty (60) minutes. This trend logging shall not preclude the continuous scan of all points. The occurrence of any alarm or off-normal condition shall override this trend logging to locate and print-out the alarming system, such trend logging to resume immediately thereafter.

1.5 Schedule. CUSTOMER shall furnish a written schedule

showing the times when air handling units and pump units should be started and stopped during each calendar week. Such schedule shall be delivered to the plant supervisor not later than noon Thursday of the preceding week. Changes in such schedule shall be kept to a minimum. Further, SELLER shall start and stop air handling and pump units on a non-scheduled basis when requested by CUSTOMER. CUSTOMER shall keep such requests to a minimum. SELLER shall provide verbal temperature checks when requested by CUSTOMER; CUSTOMER shall act reasonable in requesting such checks.

ARTICLE II - FACILITIES

2.1 SELLER's Facilities. SELLER's facilities include a JOHNSON Data Automation Center, herein referred to as "the Control Center," which is capable of performing the Service specified hereinabove. The Control Center is located at the Central Steam and Chilled Water Plant, 801 N. E. 8th, Oklahoma City, Oklahoma. SELLER shall arrange for a suitable communications link between the Control Center and the Premises and shall wire said communications link to the Control Center and the Customer Panel, as hereinafter defined.

2.2 CUSTOMER's Facilities. CUSTOMER shall supply and install on the Premises JOHNSON Data Collection (MPX) Panels, hereinafter referred to as "the Data Panels," in each equipment room or as necessary, as approved by SELLER. Further, CUSTOMER shall supply and install appropriate sensors, devices, instruments, appliances, alarms, intercom stations, and other components on the Premises, hereinafter referred to as "the Components," as are required to superimpose the Service on CUSTOMER's mechanical and electrical equipment and systems used to serve the Premises. The Components must be compatible with SELLER's equipment and facilities in SELLER's sole judgment. Further, CUSTOMER shall wire all the Components to their respective Data Panels and wire the Data Panels to terminal blocks in a panel located on the Premises at a

point reasonably near the point of ingress of SELLER's Control Cable to the Premises, herein referred to as the "the Customer Panel," in a manner approved by SELLER. As used hereinafter, the term "the Customer Components" shall include the Data Panels, the Components, the Customer Panel, the wiring, and all other equipment and facilities CUSTOMER is required to furnish hereunder.

2.3 SELLER's Approval of CUSTOMER's Facilities. At least _____ days prior to the COMMENCEMENT DATE, as hereinafter defined and required by Paragraph 5.1, CUSTOMER shall submit plans and specifications showing all Customer Components and related facilities, both existing or proposed, to SELLER for review to insure total system compatibility. CUSTOMER shall provide SELLER with two (2) complete sets of plans and specifications, including all addenda and change orders, if any, for SELLER's use in performing this contract. SELLER shall have thirty (30) days from the date such plans and specifications are furnished to review same to determine whether the system and equipment described therein are reasonably suitable for the purposes of this Agreement and to notify CUSTOMER of SELLER's determination relative thereto. In the event that SELLER determines that CUSTOMER's system and equipment, existing or proposed, are not reasonably suitable for the purposes of this Agreement, SELLER may require reasonable additions and modifications to CUSTOMER's system; such additions and modifications are to be specified by SELLER in said notice. Upon such notification, CUSTOMER shall make the necessary additions and modifications. Upon final approval and acceptance of CUSTOMER's plans and specifications by SELLER, SELLER shall promptly notify CUSTOMER thereof. Said plans and specifications as approved, or a suitable substitute thereof, labeled Appendix A and attached hereto, shall be initialed by a representative of each party. CUSTOMER warrants that the actual installation of its system shall substantially follow such plans and specifications, and any variance therefrom shall not materially

affect the operation of SELLER's automation system providing the Service.

2.4 Maintenance. After obtaining the approval of CUSTOMER's designated representative, SELLER shall perform preventive maintenance and routine service work during the normal working hours of SELLER's normal working days on the overall automation system, including Customer Components, and shall provide emergency service, including overtime service, as required to keep the overall automation system, including both SELLER or CUSTOMER portions of the system, in proper operation. Periodic maintenance inspection of SELLER and customer facilities on the Premises shall be rendered twice each year, in the fall and spring, the specific date for each such inspection to be approved by CUSTOMER's designated representative in advance of each such inspection. SELLER shall be free to start and stop all primary equipment related to the operation of the automation system, as arranged with CUSTOMER's designated representative. CUSTOMER shall provide reasonable access to both SELLER and CUSTOMER equipment and facilities on the Premises which are to be serviced by SELLER hereunder. After approval of CUSTOMER's designated representative, SELLER shall repair and replace Customer Components as necessary, in SELLER's judgment, for the proper functioning of the overall automation system, but shall not be responsible for the service, repair, or replacement of CUSTOMER's mechanical and electrical equipment and temperature control devices or for repairs necessitated by changes or additions to the wiring systems of CUSTOMER's building. CUSTOMER shall, within a reasonable period after notice from SELLER, effect reasonable repairs to its equipment or system, when, in the opinion of SELLER, necessary for the operation of the overall automation system. CUSTOMER shall reimburse SELLER for the cost of any repairs or replacement of Customer Components when such repair or replacement is necessitated by reason of negligence or misuse by CUSTOMER or by reason of any other cause beyond SELLER's control, except ordinary wear and tear. When it is determined by

SELLER's service man that a CUSTOMER request is for service to which CUSTOMER is not entitled under this Agreement, CUSTOMER shall be charged by SELLER for said service call at the prevailing rate of JOHNSON SERVICE COMPANY for like service. CUSTOMER, when notified of an alarm condition or off-normal condition, shall respond as expeditiously as possible and take such steps as are reasonably necessary to correct such condition.

2.5 Spare Parts. SELLER shall at all times maintain a sufficient supply of parts in Oklahoma City, Oklahoma, to provide for any repair or replacement necessary to keep the automation system operational with minimum down time.

2.6 Miscellaneous. CUSTOMER shall furnish necessary electric current, at CUSTOMER's sole expense, required for the operation of that portion of the overall automation system located on the Premises.

ARTICLE III - LIABILITY

3.1 Interruption or Curtailment of Service. SELLER shall use reasonable diligence in providing the Service on a constant and uninterrupted, twenty-four (24) hour per day, seven (7) day per week, basis during the term hereof, but does not warrant or guarantee uninterrupted or uncurtailed Service and shall not be liable for any damages caused by or resulting from an interruption or curtailment of Service. In the event Service is interrupted as the result of fire, strike, riot, civil disturbance or commotion, explosion, flood, accident, breakdown, legal interference (including, but not necessarily limited to, loss of permit to use the public streets and alleys of the City of Oklahoma City, Oklahoma), acts of God, or the public enemy, or other acts or circumstances beyond the control of either party, affecting the Premises or equipment of CUSTOMER's or SELLER's system, payment for the Service shall be adjusted, based on a proration of the period and the degree

to which Service was suspended. In the event Service is otherwise interrupted for a period of time in excess of forty-eight (48) hours, and provided that CUSTOMER is capable of receiving the Service during such period of interruption of Service, and provided further that such interruption is not caused by CUSTOMER, payment for the Service shall be adjusted based on a proration of the period and the degree to which Service was suspended. Both parties shall be prompt and diligent in removing and overcoming the cause or causes of any interruption, and nothing contained herein shall be construed as permitting SELLER to refuse to furnish, or CUSTOMER to refuse to accept Service after the cause of interruption has been removed. Strikes or labor trouble shall be deemed beyond the reasonable control of the party claiming failure as a result thereof, and in the event of such strike or labor trouble, the obligation to be prompt and diligent in removing and overcoming the cause of interruption shall not be interpreted as requiring the making of any concession or conceding to any demands by such party during such strike or labor trouble. The refusal of CUSTOMER to accept the Service for any cause other than as stated in this Paragraph, or otherwise provided herein, shall not relieve CUSTOMER of its obligation to pay for the Service pursuant to the terms of this Agreement.

3.2 SELLER's Liability. SELLER shall not be responsible or liable for any loss, claim, or damage arising out of SELLER's failure to furnish the Service to the Premises, other than as provided in Paragraph 3.1 above; and CUSTOMER shall indemnify and hold SELLER, their trustees, officers, agents, and employees harmless in this regard. SELLER shall not be liable for any special, indirect, or consequential damages arising from the materials furnished, work performed, or services rendered as part of this Agreement.

ARTICLE IV - PAYMENT

4.1 General. Except for the additional service rendered under Paragraph 1.4 above, CUSTOMER agrees to pay, pursuant to the terms, covenants, and conditions hereof, commencing with the COMMENCEMENT DATE, as defined hereinafter, for the service rendered hereunder, a monthly payment in advance equal to the amount of the base charge specified in Section 1 of Exhibit A, attached hereto and by reference made a part hereof, adjusted in accordance with Section 2 of Exhibit A attached hereto. CUSTOMER agrees to pay monthly for the additional service furnished under Paragraph 1.4 above in accordance with the charge for such service specified therein. Payment is to be made by CUSTOMER by the 15th day of the month in which such payment is due.

4.2 Taxes. CUSTOMER shall pay all taxes, fees, and surcharges imposed, or which may be imposed, directly or indirectly upon the Service, such as but not necessarily limited to sales tax.

4.3 Billing and Payments. All billings hereunder shall be rendered to CUSTOMER by Regents of the University of Oklahoma and all payments made by CUSTOMER for such services shall be made to Regents of the University of Oklahoma at such address as SELLER shall specify. All charges for extra service furnished under this Agreement shall be individually itemized on the billing.

ARTICLE V - TERM, COMMENCEMENT, AND TERMINATION

5.1 Term and Commencement. Subject to the provisions of paragraphs 5.2 and 5.3, the Agreement shall extend from the COMMENCEMENT DATE, as defined hereinafter to the first 30th day of June following such date, and from year to year thereafter until one of the parties shall give to the other party at least three (3) months' notice in writing of its intention to terminate the Agreement at the end of the initial one-year term or any subsequent year thereafter. Automation service hereunder

shall commence on _____, 19____, (or on an earlier date if SELLER and CUSTOMER so agree), hereinafter referred to as the "COMMENCEMENT DATE." SELLER shall use reasonable diligence to construct or expand its facilities, as necessary, to provide the Service by the COMMENCEMENT DATE to CUSTOMER, but shall not be responsible for failure to provide such Service upon the COMMENCEMENT DATE due to causes beyond its control.

5.2 Termination by SELLER. SELLER may cancel this Agreement at its option upon the happening of any of the following events:

- a. SELLER's equipment on the Premises is destroyed or substantially damaged by fire or other casualty;
- b. The Control Center or the Central Plant is destroyed or substantially damaged by fire or other casualty;
- c. There is a loss of the conduit and cable system furnishing the communications link between the Control Center and CUSTOMER's Premises or the destruction or substantial damage of such conduit system, cable system, or both; or
- d. CUSTOMER fails to pay in full, for a period in excess of forty-five (45) days after billing, the charges billed to it by SELLER for Services rendered under this Agreement or is otherwise guilty of substantial breach of any provision of the contract.

5.3 Termination by CUSTOMER. CUSTOMER may cancel this Agreement at its option upon the happening of any of the following events:

- a. The Premises are destroyed or substantially damaged by fire or other casualty.
- b. There is a loss of the conduit and cable system furnishing the communications link between the Control Center and CUSTOMER's Premises.
- c. SELLER is in default through failure to provide the Service to CUSTOMER as required by this Agreement and such

default is not corrected or remedied by SELLER within such period as reasonably may be required to correct or remedy such default with due diligence after CUSTOMER has notified SELLER in writing of such default.

5.4 Damages. In the event of cancellation as provided in Paragraphs 5.2 and 5.3 above, neither party shall be liable for damages or subject to penalty.

5.5 Removal of SELLER's Facilities. Upon cancellation or termination of this Agreement, or upon the default of CUSTOMER in payment of any monies due hereunder, SELLER may, at its option, remove, or abandon without removing, any and all of its equipment and facilities on the Premises. SELLER shall repair any damage caused to the Premises by such removal and shall restore all surfaces damaged by such removal to as close to its condition prior to such removal as shall be reasonably possible under the circumstances.

ARTICLE VI - SELLER'S FACILITIES ON PREMISES

6.1 Easements and Other Rights. CUSTOMER shall provide, without cost to SELLER, any easements or other rights necessary for the installation of SELLER's equipment and facilities on private property on which the Premises are located for the purpose of providing the Service to the Premises. Any easement or other necessary right furnished by CUSTOMER shall provide for a term of not less than the term of this Agreement, plus any renewals or extensions thereof, and shall further provide for SELLER's ingress and egress for maintenance, repair, replacement, or removal of SELLER's equipment and facilities.

6.2 All Equipment to Remain Property of SELLER. All equipment placed in or on the Premises by SELLER under the terms and conditions of this Agreement for the purpose of providing the Service hereunder, unless otherwise expressly provided, shall be and remain the property

of SELLER, and CUSTOMER shall exercise reasonable care to protect such property from loss or damage.

ARTICLE VII - MISCELLANEOUS

7.1 Insurance on Premises. CUSTOMER agrees to maintain its own fire and extended coverage insurance on the Premises and hereby waives all rights against SELLER for any loss to the Premises resulting from any of the perils insured against, regardless of their cause.

7.2 Insurance on SELLER's Components. SELLER agrees to maintain its own fire and extended coverage insurance on the SELLER's Components and hereby waives all rights against CUSTOMER for any loss to same resulting from the perils insured against, regardless of their cause.

7.3 SELLER's Liability Insurance Coverage. To the extent permitted by law, SELLER shall carry public liability insurance insuring SELLER against any and all legal liability for injury to persons (including wrongful death) and damage to property caused on the Premises by SELLER, its officers, agents and employees while on the Premises for the construction and installation of the SELLER's Components or the inspection, maintenance, repair, or operation of the SELLER's Components or the CUSTOMER's Components with liability limits of not less than \$10,000.00 for any person, and not less than \$50,000.00 for any accident involving injury (including wrongful death) to more than one person, and not less than \$10,000.00 for property damage resulting from one accident. SELLER shall furnish CUSTOMER with a certificate of such insurance prior to the Commencement Date which shall provide that said policy or policies will not be cancelled or materially modified, except upon ten (10) days advance written notice to CUSTOMER. SELLER shall carry insurance in such amounts as shall indemnify and save harmless CUSTOMER as required under said Paragraph 3.2. Further, SELLER shall comply with the Workmen's Compensation Laws of the State

of Oklahoma.

7.4 Obligations Upon Termination. Notwithstanding any other provision that may be contained herein to the contrary, the termination of this Agreement by either party as provided herein shall not relieve CUSTOMER of its obligation to pay any and all amounts due and owing to SELLER as of the date of such termination nor shall it relieve SELLER of its obligation to furnish Service to such date.

7.5 Notice. Notices required hereunder shall be in writing and shall be sent by registered or certified mail, addressed as follows:

"SELLER"	REGENTS OF THE UNIVERSITY OF OKLAHOMA Attention: Ms. Barbara James 660 Parrington Oval, #214 Norman, Oklahoma 73069
"CUSTOMER"	

7.6 Compliance With Statutes, etc. SELLER and CUSTOMER shall at all times comply with all appropriate Statutes, Ordinances, Code Regulations, or enactments of Public Bodies or Regulatory Agencies properly enacted, in the installation and operation of all equipment required hereunder, and all competent governmental regulatory authorities exercising jurisdiction over the subject matter hereof.

7.7 CUSTOMER's Designated Representative. Prior to the COMMENCEMENT DATE, CUSTOMER shall notify SELLER in writing of the name of the individual who is to act as CUSTOMER's designated representative for the purposes of this Agreement and shall notify SELLER in writing of any change therein.

7.8 No Oral Modifications. This Agreement may not be modified except by an instrument in writing signed by the parties hereto.

7.9 Use of Titles and Headings. The use of titles and headings for each Article and Paragraph herein shall in no way limit, extend, or impair the terms contained herein, the same being used for convenience

only.

7.10 Successors Bound and Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties. CUSTOMER may not assign this Agreement (in whole or in part) without the prior written consent of SELLER, which shall not be unreasonably withheld.

7.11 Special Terms and Conditions. Special terms and conditions, if any, are set forth in Exhibit C, which is incorporated herein and made a part of this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date hereinabove indicated.

REGENTS OF THE UNIVERSITY OF
OKLAHOMA

By: _____

ATTEST:

(SEAL)

(CUSTOMER)

By: _____

ATTEST:

(SEAL)

EXHIBIT A

SCHEDULE OF CHARGES AND ADJUSTMENTS

1. Base Charge. The base charge, hereinafter referred to as "the Base Charge", for the Service is _____ per month (_____) per year.

2. Adjustments of Base Charge. The Base Charge may be adjusted for increases or decreases in SELLER'S costs, the amount of such adjustment to be determined as provided in Section 3 below. Adjustments shall take effect (30) days after written notice of such adjustment is sent to CUSTOMER or such later date as may be specified in such notice. Each such adjustment to the Base Charge made to reflect increases or decreases in SELLER'S cost shall remain in effect until such time as a new adjustment in the Base Charge is made hereunder. Failure of SELLER to promptly adjust the Base Charge within a reasonable period of time following the date of a change in the Wage Rate as hereinafter defined, shall not constitute a waiver of SELLER'S right to accumulate such changes and to take them into account on the date of a subsequent adjustment in the Base Charge.

3. Amount of Adjustment. When adjustment of the Base Charge is made under Section 2 above, the amount of such adjustment shall equal the percent (%) increase (or decrease) of the Wage Rate multiplied by the Base Charge. Wage Rates, as hereinafter defined, are for journeymen, plumbers and pipe fitters in the metropolitan Oklahoma City area as at the date written notice of an adjustment is sent to CUSTOMER, as provided for above, as determined from the applicable agreement between the association of Plumbing, Heating and Cooling Contractors and the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Locals #344 and 369, or their successors, hereinafter referred to as

the "Union Contract." A copy of the current Union Contract has been furnished to CUSTOMER, receipt of which is hereby acknowledged. The term "Wage Rates" as used herein includes the minimum Wage Rate and the fringe benefits and other compensation per hour for journeymen, plumbers and pipe fitters as specified in the applicable Union Contract.

4. Example of Adjustment in Base Charge. By way of hypothetical example, illustrating (but not limiting) the application of the method of adjustment described in Section 3 above, assume that the Wage Rates under the applicable Union Contract as of the date of this Agreement were \$7.00 and as of the date of the notice of adjustment to CUSTOMER were \$7.70, and that the base charge is \$1,000.00. The amount of the adjustment would be \$100.00, i.e. $(\$.70/\$ 7.00 \times \$ 1,000.00 = \$ 100.00)$. The Base Charge as adjusted would be \$1,100.00, i.e. $(\$ 1,000.00 + \$ 100.00 = \$ 1,100.00)$.

EXHIBIT C

SPECIAL TERMS AND CONDITIONS

The following special terms and conditions are incorporated in
and made a part of this Agreement: (If "none," so state.)

Exhibit VI

TOUCHE ROSS & CO.

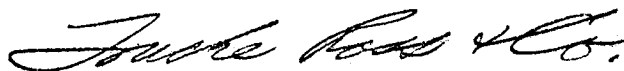
1010 FIDELITY PLAZA
ROBERT S. KERR AT ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102

November 13, 1974

Board of Regents
University of Oklahoma
Norman, Oklahoma

We have examined the revenues and operation and maintenance expenditures, which do not include depreciation, capital additions, and interest, of the Steam and Chill Plant at the Health Sciences Center of the University of Oklahoma and the debt service requirements of the Board of Regents of the University of Oklahoma, Utility System Revenue Bonds, Series 1973, for the year ended June 30, 1974. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the revenues in excess of the expenditures described above, derived from the Steam and Chill Water Plant at the Health Sciences Center of the University of Oklahoma for the year ended June 30, 1974, were at least equal to the amount required to be paid for debt service requirements on all bonds then outstanding after consideration of \$401,000 of bond and interest proceeds provided for debt service requirements for the year ended June 30, 1974.



Certified Public Accountants

carnahan - thompson - delano
professional consulting engineers -

2000 classen center

oklahoma city, oklahoma 73106

November 8, 1974

The First National Bank & Trust Company
Oklahoma City, Oklahoma 73102

Reference: University of Oklahoma
Health Sciences Center
Utility System Revenue Bonds, Series 1973

The Bond Resolution section 14-C, under the provision for "Additional Bonds", contains the following quoted provision:

"A Consulting Engineer shall certify to the Trustee Bank, with the approval of the Board of Regents, that the estimated net revenues to be derived from the then existing heating and cooling and the additional heating and cooling facilities to be constructed, shall, in the fiscal year following the date of the initial use of such heating and cooling facilities, be at least equal to the annual amount required for the payment of debt service requirements on all Bonds then outstanding and Bonds to be issued".

By application of a Base Rate Adjustment, the amount charged for services is adjusted each month so that the Revenue equals the operating, maintenance, and debt service Cost. This procedure assures that the revenues to be produced by expanded facilities will continue to at least equal the annual amount required for the payment of debt service requirements on all Bonds. The application of the Base Rate Adjustment is agreed to in the Utilities Service Agreements in force with all users of the facility.

CARNAHAN-THOMPSON-DELANO, INC.

By *Roy J. Thompson*
Roy J. Thompson, PE

RJT/mab

Exhibit VIII

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER OPERATIONS

<u>INCOME:</u>	Year Ended		Year Ended		Increase	
	June 30, 1973	%	June 30, 1972	%	Decrease*	%
Educational and General:						
Student Fees	\$ 800,273.93	3.4	\$ 660,138.89	3.1	\$ 140,135.04	21.2
State Appropriations	11,323,758.00	47.6	10,272,147.00	48.7	1,051,611.00	10.2
Gifts and Grants: Federal	894,762.84	3.8	611,466.31	2.9	283,296.53	46.3
State	151,915.06	0.6	106,487.34	0.5	45,427.72	42.7
Private	3,881.27	--	5,385.50	--	1,504.23*	27.9
Sales and Services	224,764.81	0.9	252,340.36	1.2	27,575.55*	10.9
Hospital Services	10,416,928.39	43.7	9,218,356.05	43.6	1,198,572.34	13.0
Total Educational and General	23,816,284.30	100.0	21,126,321.45	100.0	2,689,962.85	12.7
Auxiliary Enterprises:						
Sales and Services	3,795,393.45	--	3,173,647.64	--	621,745.81	19.6
Student Aid: Institutional	--	--	8,364.45	--	8,364.45*	--
Private	--	--	45,849.27	--	45,849.27*	--
Plant Funds: State	1,454,605.00	--	2,978,590.20	--	1,523,985.20*	51.2*
Federal	1,192,993.00	--	--	--	1,192,993.00	--
TOTAL INCOME	\$30,259,275.75	--	\$27,332,773.01	--	\$ 2,926,502.74	10.7
<u>EXPENDITURES BY FUNCTION:</u>						
Educational and General:						
Administration and General	\$ 1,305,648.18	5.4	\$ 1,170,876.00(1)	5.6	\$ 134,772.18	11.5
Instruction	6,454,845.68	26.8	5,725,741.42	27.3	729,104.26	12.7
Hospitals and Clinics	13,214,667.71	54.8	11,539,178.39	54.8	1,675,489.32	14.5
Organized Research	229,797.77	1.0	160,727.57	0.8	69,070.20	42.8
Extension	48,835.68	0.2	53,405.09	0.3	4,569.41*	8.6*
Library	173,611.00	0.7	182,430.57	0.9	8,819.57*	4.8*
Operation and Maint. of Physical Plant	2,228,930.36	9.3	1,704,514.05	8.1	524,416.31	30.8
Data Processing	440,694.94	1.8	461,515.98(1)	2.2	20,821.04*	6.7*
Total Educational and General	24,097,031.32	100.0	20,998,389.07	100.0	3,098,642.25	14.8
Auxiliary Enterprises	3,735,589.71	--	3,094,196.42	--	641,393.29	20.7
Student Aid	--	--	88,224.12	--	88,224.12*	--
Construction	4,410,993.00	--	7,563,829.75	--	3,152,836.75*	41.7*
TOTAL EXPEND. BY FUNCTION	\$32,243,614.03	--	\$31,744,639.36	--	\$ 498,974.67	1.6
<u>EXPENDITURES BY OBJECT:</u>						
Educational and General:						
Salaries and Wages	\$17,129,191.37	71.1	\$15,181,438.84	72.3	\$ 1,947,752.53	12.8
Supplies and General Expense	5,523,968.95	22.9	5,097,107.14	24.3	426,861.81	8.4
Travel	37,063.07	0.2	74,921.00	0.4	37,857.93*	50.5*
Utilities	973,091.36	4.0	256,914.93	1.2	716,176.43	278.8
Books and Equipment	433,716.57	1.8	388,007.16	1.8	45,709.41	11.8
Total Educational and General	24,097,031.32	100.0	20,998,389.07	100.0	3,098,642.25	14.8
Auxiliary Enterprises:						
Salaries and Wages	1,191,376.27	--	1,026,811.40	--	164,564.87	16.0
Supplies and General Expense	2,544,213.44	--	2,067,385.02	--	476,828.42	23.1
Total Auxiliary Enterprises	3,735,589.71	--	3,094,196.42	--	641,393.29	20.7
Student Aid	--	--	88,224.12	--	88,224.12*	--
Construction	4,410,993.00	--	7,563,829.75	--	3,152,836.75*	41.7*
TOTAL EXPEND. BY OBJECT	\$32,243,614.03	--	\$31,744,639.36	--	\$ 498,974.67	1.6

(1) 1972 adjusted to conform to 1973 classification.

Source: The Financial Report of the University of Oklahoma, June 30, 1973

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

BALANCE SHEET

JUNE 30, 1973

ASSETS

I. CURRENT FUNDS:

A. Educational and General:

Cash		\$ 1,369,616.00
Accounts Receivable	\$ 7,662,267.00	
Less Prov. for Doubtful Accounts	<u>2,576,700.00</u>	5,085,567.00
Inventories and Other Assets:		<u>478,253.00</u>

Total Current Funds

\$ 6,933,436.00

II. PLANT FUNDS:

A. Cash:	<u>790,422.00</u>	790,422.00
----------	-------------------	------------

B. Investment in Plant, at Cost:

Land	4,052,806.00
Buildings and Improvements	32,076,158.00
Equipment	11,522,577.00
Construction in Progress	<u>1,511,481.00</u>
	49,163,022.00
Less Accumulated Depreciation	<u>9,068,002.00</u>

Total Investment in Plant

40,095,020.00

Total Plant Funds

40,885,442.00

III. RESTRICTED FUNDS:

A. Cash:	<u>36,562.00</u>
----------	------------------

Total Restricted Funds

36,562.00

IV. AGENCY FUNDS:

A. Cash:	<u>145,558.00</u>
----------	-------------------

Total Agency Funds

145,558.00

TOTAL ASSETS

\$48,000,998.00

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

BALANCE SHEET

JUNE 30, 1973

LIABILITIES AND FUND BALANCES

I. EDUCATIONAL AND GENERAL:

Accounts Payable and Accrued Expenses	\$ 667,943.00	
Fund Balance	<u>6,265,493.00</u>	
Total Educational and General		\$ 6,933,436.00

II. PLANT FUNDS:

Accounts Payable	617,772.00	
Loan Payable - University of Oklahoma - Norman Campus	235,000.00	
Lease Payable	5,400,964.00	
Fund Balance	<u>34,631,706.00</u>	
Total Plant Funds		40,885,442.00

III. RESTRICTED FUNDS:

Accounts Payable and Accrued Expenses	616.00	
Fund Balances	<u>35,946.00</u>	
Total Restricted Funds		36,562.00

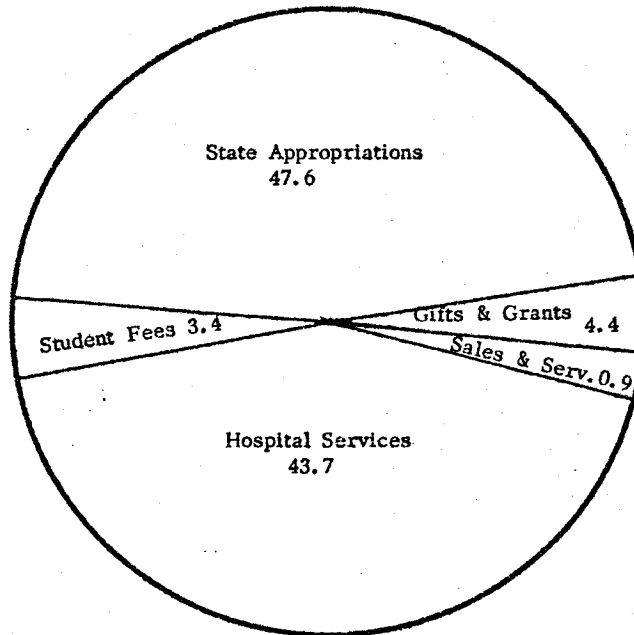
IV. AGENCY FUNDS:

Accounts Payable	7,302.00	
Fund Balance	<u>138,256.00</u>	
Total Agency Funds		<u>145,558.00</u>

TOTAL LIABILITIES AND FUND BALANCES		<u>\$48,000,998.00</u>
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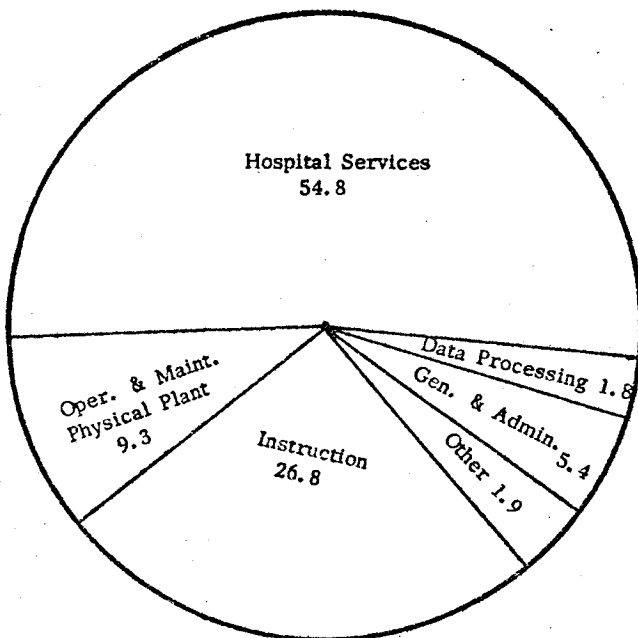
DISTRIBUTION OF EDUCATIONAL AND GENERAL FUNDS
HEALTH SCIENCES CENTER

INCOME BY SOURCE: \$23,816,284.30



EXPENDITURES: \$24,097,031.32

BY FUNCTION



BY OBJECT

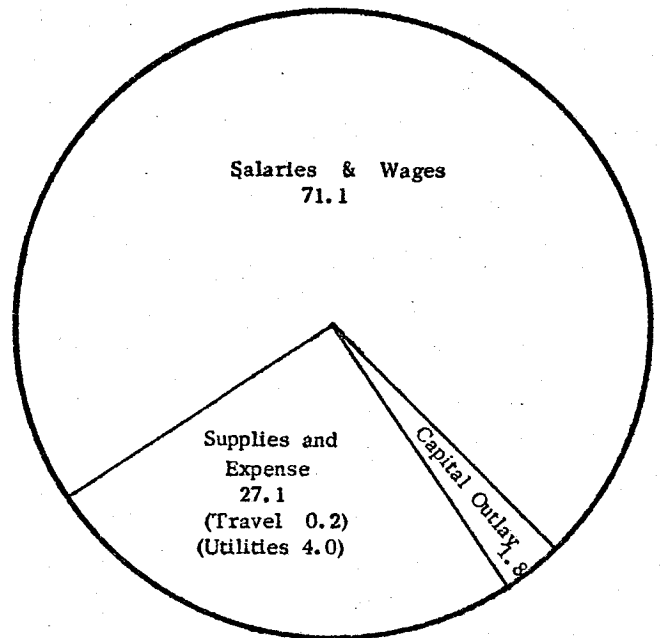


Exhibit IX

UNIVERSITY OF OKLAHOMA
STATEMENT OF OUTSTANDING BONDS
For the Month of October, 1974

<u>Bond Issue</u>	<u>Length of Issue</u>	<u>Bond Principal</u>		<u>Restricted Funds</u>				<u>Percent Invested</u>	<u>Outstanding Less Total Restricted</u>
		<u>Original Amount</u>	<u>Outstanding</u>	<u>Principal & Interest</u>	<u>Reserve</u>	<u>Repair & Replacement</u>	<u>Total</u>		
<u>Student Housing Revenue Bonds:</u>									
1957 Bond System:									
Series A and B (1957)	40	\$ 6,541,000	\$ 2,202,000	\$ 204,798	\$ 725,735	\$ 421	\$ 930,954	95	\$ 1,271,046
Series C (OCCE 1959)	30	1,400,000	986,000	1,344	263,035		264,379	98	721,621
1963-64 Bond System:									
Series A and B (1963)	40	5,700,000	4,849,000	158,692	675,527	408,247	1,242,466	99	3,606,534
Series C (1964)	39	3,000,000	2,735,000	149,311	385,912	294,347	829,570	98	1,905,430
1966 Bond System	33	13,600,000	13,045,000	825,411	962,973	347,708	2,136,092	99	10,908,908
<u>Student Facilities Revenue Bonds:</u>									
Series D (1963)									
Series A (1971)	15	1,800,000	845,000	31,677	534,927		566,604	98	278,396
Series B (1971)	25	1,760,000	1,550,000	8,376	224,169	88,484	321,029	97	1,228,971
		4,000,000	4,000,000	135,892	389,924		525,816	99	3,474,184
<u>Oklahoma Memorial Union Bonds</u>	30	2,300,000	537,000	66,441	175,000		241,441	97	295,559
<u>Stadium System Revenue Bonds</u>	15	5,000,000	5,000,000	159,036	400,000		559,036	99	4,440,964
<u>Organized Group Housing:</u>									
Series 1 (PKP)	30	220,000	181,000		42,846	17,200	60,046	85	120,954
Series 2 (SAE)	30	340,000	298,000	13,266	40,000	17,000	70,266	92	227,734
<u>Utility System Revenue Bonds:</u>									
Series 1973	30	<u>10,125,000</u>	<u>10,005,000</u>	<u>129,183</u>	<u>832,608</u>		<u>961,791</u>	99	<u>9,043,209</u>
		<u>\$55,786,000</u>	<u>\$46,233,000</u>	<u>\$1,883,427</u>	<u>\$5,652,656</u>	<u>\$1,173,407</u>	<u>\$8,709,490</u>		<u>\$37,523,510</u>

Note: No accrued interest payable or receivable is included in the bonds outstanding and restricted funds totals.