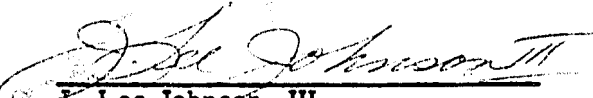


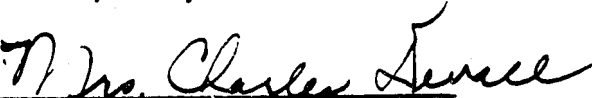
We, the undersigned Members of the Board of Regents of The University of Texas, hereby ratify and approve all actions taken at this meeting to be reflected in the Minutes.

Signed this the 16th day of January , 1961, A. D.


Merton M. Minter, M. D.
Chairman

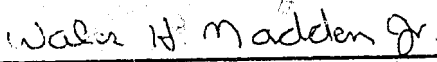

J. Lee Johnson, III
Vice-Chairman


J. P. Bryan, Member

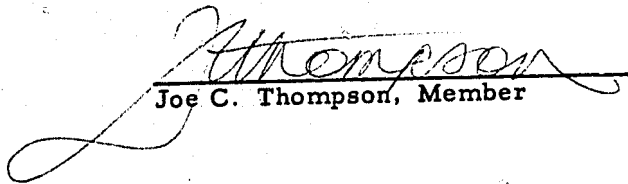

(Mrs.) Charles Devall, Member


Thornton Hardie, Member

W. W. Heath, Member


Wales H. Madden, Jr., Member


A. G. McNeese, Jr., Member

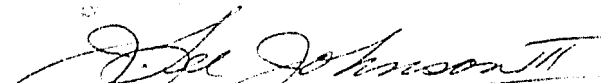

Joe C. Thompson, Member

* Doctor Minter was present for the committee meetings on the morning of January 16, 1961.

We, the undersigned Members of the Board of Regents of The University of Texas, hereby ratify and approve all actions taken at this meeting to be reflected in the Minutes.

Signed this the 16th day of January , 1961, A. D.


Merton M. Minter, M. D.
Chairman


J. Lee Johnson, III
Chairman


CORRECTION

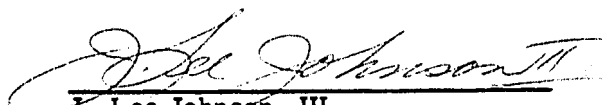
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HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

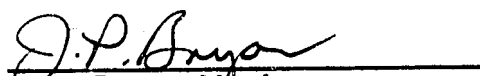
* Doctor Minter was present for the committee meetings on the morning of January 16, 1961.

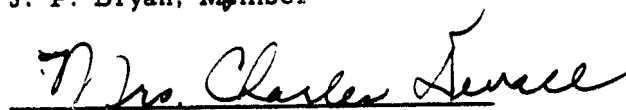
We, the undersigned Members of the Board of Regents of The University of Texas, hereby ratify and approve all actions taken at this meeting to be reflected in the Minutes.


Signed this the 16th day of January , 1961, A. D.


Merton M. Minter, M. D.
Chairman

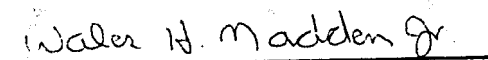

J. Lee Johnson, III
Vice-Chairman


J. P. Bryan, Member

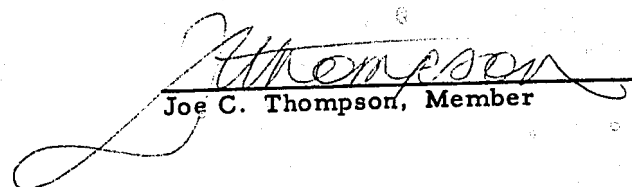

(Mrs.) Charles Devall, Member


Thornton Hardie, Member

W. W. Heath, Member


Wales H. Madden, Jr., Member

A. G. McNeese, Jr., Member


Joe C. Thompson, Member

: 1-16-61

MEETING NO. 594

JANUARY 16, 1961. -- The Board of Regents of The University of Texas convened in regular session on Monday, January 16, 1961, at 3:00 p. m. in the Regents' Room (Main Building 209), The University of Texas, Austin, Texas

ATTENDANCE. --

<u>Present</u>	<u>Absent</u>
Vice-Chairman Johnson, presiding	* Chairman Minter - excused
Regent Bryan	Regent Heath - excused
Regent (Mrs.) Devall	Regent McNeese - excused
Regent Hardie	
Regent Madden	
Regent Thompson	
Chancellor Wilson	
Secretary Thedford	

Also present among University personnel were:

Mr. Lanier Cox, Vice-Chancellor (Administrative Services)
 Doctor J. C. Dolley, Vice-Chancellor (Fiscal Affairs)
 Doctor L. D. Haskew, Vice-Chancellor (Developmental Services)
 Mr. W. E. Keys, Director of News and Information Service
 Mr. C. H. Sparenberg, Comptroller
 Mr. W. W. Stewart, Endowment Officer
 Mr. Burnell Waldrep, Land and Trust Attorney

Doctor A. J. Gill, Dean of Southwestern Medical School
 Doctor Harry H. Ransom, President of Main University
 Doctor J. R. Smiley, Vice-President and Provost of Main University

Miss Kathleen Goodwin, representing The Daily Texan

COMMITTEE OF THE WHOLE

(The Standing Committees and the Committee of the Whole met on Monday, January 16, 1961, prior to the meeting of the Board.)

A report of the meeting of the Committee of the Whole follows on Pages 2-5.

* Doctor Minter was present for the committee meetings on the morning of January 16, 1961.

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HOUSING SUPPLEMENTATION, PRESIDENT OF THE MAIN UNIVERSITY. --The Committee of the Whole adopted the following resolution:

"Whereas the compensation for Dr. Ransom as President of the Main University beginning September 1, 1960, was fixed by the Board of Regents on the assumption that very shortly after that date a house would be provided; and whereas the furnishing of such house, with utilities, has not been possible; the Board of Regents hereby approves a payment to Dr. Ransom of \$200 per month effective from September 1, 1960, until such time as the University does furnish Dr. Ransom with a house and utilities. The source of funds for these payments shall be the Etter Fund or other Current Restricted Funds available for such purposes."

TEN YEAR PLAN, SOUTHWESTERN MEDICAL SCHOOL. --The Committee of the Whole requested Dean A. J. Gill to have ready for presentation within 30 days (February 15, 1961) a Ten Year Plan for The University of Texas Southwestern Medical School. The purpose of this plan is to elevate the Southwestern Medical School to the bracket of the top ten medical schools of the nation.

(At the July 1960 meeting, Dean Gill reported that he had had under study for some three years a long-range plan for the Southwestern Medical School. At the same time, the Board of Regents requested that such a plan be completed as soon as possible and the urgency of such was reiterated at the meeting on October 21, 1960.)

ADVISORY COMMITTEE ON SELECTION OF A PRESIDENT, MAIN UNIVERSITY. --Chancellor Wilson reported that immediately following the December 1960 meeting of the Board in El Paso a special committee had been elected at the Main University to recommend to the Chancellor candidates for the presidency of the Main University. The committee is made up of the following:

1. General Faculty (Elected by the General Faculty)
 - a. J. A. Burdine, Chairman (Elected by Committee)
 - b. Millard H. Ruud, Vice-Chairman (Elected by Committee)
 - c. Clarence E. Ayres
 - d. John J. McKetta
 - e. Clarence P. Oliver
 - f. John R. Stockton

2. College and School Representatives (Elected by Respective College or School Faculty)
 - a. Martin S. Kermacy - Architecture
 - b. S. P. Ellison, Jr. - Arts and Sciences
 - c. Glenn A. Welsch - Business Administration
 - d. James W. Reynolds - Education
 - e. William W. Hagerty - Engineering
 - f. Gus M. Hodges - Law
 - g. Loren Mozley - Fine Arts
 - h. Lee F. Worrell - Pharmacy

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PROPOSED LEGISLATION FOR SUBMISSION TO THE 57th LEGISLATURE. --Pursuant to the request of the Committee of the Whole at the December 1960 meeting that preliminary drafts of proposed legislation for submission to the 57th Legislature be presented to the Board for its opinion, Central Administration presented in the Material Supporting the Agenda segments of the following proposed bills:

1. Acquisition of Property for Texas Western College
2. Conveyance of Land for Stadium Project, Texas Western College (Acreage amended to "not more than 65 acres" and the purpose amended to include "access roads, parking space and related facilities.")
3. Constitutional Amendment: Employment of State Employees as Consultant or on Advisory Committee for Other State Agencies or for the Federal Government

These proposals were approved by the Committee of the Whole with minor changes as indicated in No. 2.

LONGHORN BAND OF THE MAIN UNIVERSITY AS OFFICIAL BAND AT INAUGURATION OF PRESIDENT AND VICE-PRESIDENT OF THE UNITED STATES. --Prior to the December 1960 meeting of the Board of Regents, the Board approved by telephone ballot with certain provisions (Permanent Minutes, Volume VIII, Page _____) that the Longhorn Band of the Main University be sent to Washington, D. C., as the official band representing Texas at the inauguration of the President and the Vice-President of the United States. It was reported at the December meeting that these provisions had not been complied with. At this meeting (January 1961), the Administration reported to the Committee of the Whole that since the December meeting provisions had been satisfactorily arranged and that the Longhorn Band planned to represent Texas as the official band at the inaugural services.

PROGRESS REPORT ON STATUS OF SETTLEMENT WITH GEORGE A. FULLER COMPANY RE CLINICAL SCIENCE BUILDING (KARL HOBLITZELLE CLINICAL SCIENCE CENTER), SOUTHWESTERN MEDICAL SCHOOL; INSTRUCTIONS TO ADMINISTRATION. --Mr. Thompson, Chairman of the Buildings and Grounds Committee, asked Doctor Dolley to review for the Board of Regents the matter relating to the lawsuit in an amount of some \$250,000 filed by George A. Fuller Company in connection with the construction of the Clinical Science Building (Karl Hoblitzelle Science Center), Southwestern Medical School, Dallas, Texas. This item had been referred by the Buildings and Grounds Committee to the Committee of the Whole for consideration. (On November 14, 1959, Doctor Dolley had reported to the Committee of the Whole that a citation had been received from the attorneys of the George A. Fuller Company and that the case would likely be taken to court.)

Doctor Dolley stated that the case arose because of unreasonable delays in the performance of the contract by the George A. Fuller Company and that the Board assessed liquidated damages in an amount of \$19,300

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and withheld all payment of the final estimate (\$91,653.43) of the George A. Fuller Company pending release of that Company's claims against the University (Permanent Minutes, Volume V, Pages 1064 and 1065--June 21, 1958). Subsequently, pursuant to instructions of the Board of Regents (Permanent Minutes, Volume VIb, Page 656--March 14, 1959), Comptroller Sparenberg forwarded to the George A. Fuller Company a state warrant in the amount of \$72,353.43 (the final estimate less \$19,300.00 liquidated damages) in full settlement of all accounts due and owing to the George A. Fuller Company by the Board of Regents. This tender was refused by Legal Counsel of the Company on April 4, 1959.

The Attorney General received on November 17, 1960, from the George A. Fuller Company a request for admission of fact. Later the George A. Fuller Company filed a motion for Summary Judgment to collect the \$72,353.43 represented by the outstanding state warrant.

On December 21, 1960, the Judge of the 126th District Court entered Judgment for recovery of the \$72,353.43, and the Judgment provided for interest accrual at 6% from the date of the entry of Judgment.

In view of the former actions of the Board of Regents, Doctor Dolley stated that the Administration is resubmitting this matter to the Board for instructions as to the delivery of the warrant which had been previously issued. He did, however, point out that the State appropriation for the construction of this building had lapsed and no funds were now available to cover the liquidated damages which had been claimed by the University.

After a discussion of the merits of the case it was the consensus of the Regents that the Attorney General be requested to file a motion with the Court which would amend the Summary Judgment by providing that the warrant be paid into the Registry of the Court and the funds held until such time as the case is determined and finally settled.

Assistant Attorney General W. O. Shultz appeared before the Board upon invitation of Land and Trust Attorney Waldrep and related the background of the case and the reasons for the entry of the Judgment. In response to questions from members of the Board, Assistant Attorney General Shultz agreed to prepare and file with the Court a motion to accomplish this object.

Mr. Thompson moved that the warrant in the amount of \$72,353.43 be deposited in the Registry of the Court until the case is finally disposed of, and in the event the Court is in disagreement with this procedure to request the Attorney General to appeal or otherwise settle the matter. Mrs. Devall seconded the motion which prevailed.

ENDOWMENT OFFICER AUTHORIZED TO EXECUTE CALICHE PERMITS AND SURFACE EASEMENTS. -- The Committee of the Whole approved the following resolution:

"WHEREAS, the duty of executing legal instruments for and on behalf of the Board of Regents of The University of Texas is usually delegated to the Chairman of the Board of Regents; and

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"WHEREAS, by reason of the increase in the number of caliche permits and surface easements issued on University lands requiring signature, it is advisable to also delegate to the Endowment Officer of The University of Texas the duty of executing these instruments for and on behalf of the Board of Regents:

"NOW, THEREFORE, BE IT RESOLVED, That either the Chairman of the Board of Regents or the Endowment Officer of The University of Texas be and they are hereby authorized to execute for and on behalf of the Board of Regents all instruments granting caliche permits and surface easements on University lands after such permits and easements have been approved by the Board of Regents at any duly authorized meeting; but in those instances wherein the consideration is more than \$5,000 only the Chairman of the Board of Regents shall execute such instruments."

REPORTS OF STANDING COMMITTEES

At the request of Vice-Chairman Johnson, presiding in the absence of Chairman Minter, the Committee Chairmen presented the reports of their respective committees.

REPORT OF EXECUTIVE COMMITTEE--INTERIM ACTIONS (November 30, 1960--January 5, 1961). --Committee Chairman Hardie reported that the Executive Committee had not approved any items since its last report covering the period ending November 30, 1960, which report is in the Minutes of the meeting on December 9-10, 1960.

REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (See Page 6 for adoption). --Committee Chairman Devall presented the following report of the Academic and Developmental Affairs Committee:

Approval of Docket. --The Academic and Developmental Affairs Committee recommends that the docket of Chancellor Wilson dated January 5, 1961, be approved in the form attached. The approved docket includes correction of the typographical error and the inadvertent omission (Pages M-21, Item 13 and G-6, Item 2) that were listed in the Supplementary Agenda Material distributed at the meeting. The approved docket (Attachment No. 2) is a part of the minutes and is attached hereto following Pages L-9 of Attachment No. 1.

Leaves of Absence, Main University: L. A. Jeffress and Robert F. Peck. --The Academic and Developmental Affairs Committee recommends that the Board approve the requests of Mr. L. A. Jeffress and Mr. Robert F. Peck to be absent from the campus in excess of two weeks with the understanding that the details of these two requests will be reported in the subsequent docket.

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These requests were received too late for the docket of this meeting but require approval before the next meeting of the Board.

Amendment to Rules and Regulations, Part One, Chapter VI, Section 7: Increase of Membership of Graduate Council. --The Academic and Developmental Affairs Committee approved for submission to the Board the Administration's recommendation that the Rules and Regulations of the Board of Regents for the Government of The University of Texas, Part One, Chapter VI, Section 7, be amended by deleting Subsections 7. 1 and 7. 2 and substituting in lieu thereof the following:

7. 1 Composition. --The Graduate Council shall be composed of eight members of the Graduate Faculty, the Secretary of the Graduate Legislative Council, and the Dean of Research and Sponsored Programs, all with vote. The eight members of the Graduate Faculty shall be selected by the Dean of the Graduate School, who may invite nominations for these positions from the Graduate Faculty. In constituting the Graduate Council the Dean shall give attention to securing the broadest possible representation to all areas of graduate instruction.

7. 2 Terms of Office. --The eight members of the Council selected from the Graduate Faculty shall serve terms of six years each. An interval of two years must elapse before any Council member can be reappointed.

This proposed amendment had been recommended by the Graduate Legislative Council and approved by the Dean of the Graduate School, the President of the Main University, and Central Administration. (Each Regent was furnished with a copy of the proposed amendment in the Material Supporting the Agenda. The underlined portions indicate the parts of the subsections that have been revised.)

In conformity with the Rules and Regulations, Part One, Chapter VII, Subsection 4. 1, this proposed amendment will be presented for final approval at the next meeting of the Board.

Adoption of Report. --Mrs. Devall moved the adoption of the foregoing report. Mr. Madden seconded the motion which prevailed.

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REPORT OF BUILDINGS AND GROUNDS COMMITTEE (See Page 12 for adoption.) --Committee Chairman Thompson presented the following report of the Buildings and Grounds Committee calling attention to each item in the recommendations of the Administration as submitted in the Material Supporting the Agenda and as distributed at the meeting in the Supplementary Agenda and Documentation:

Main University - Appropriation for Furnishings and Decorations and Related Expenses for Undergraduate Library and Academic Center. --The following letter, written by Mr. G. W. Landrum, Business Manager of the Main University, has been approved by President Ransom and Chancellor Wilson, and it is recommended that it be approved by the Board:

"Pursuant to the request of Dr. Ransom, I am initiating this letter which has the approval of Dr. Ransom as indicated on the face of the letter. We wish to request an appropriation of \$190,000 from Permanent University Fund - Bond Proceeds to an account entitled 'Undergraduate Library and Academic Center - Furnishings and Decorations and Related Expenses.' This account should be set up in the Plant Funds Unexpended - Main University series of accounts in the Central Administration section of the Auditor's records. Encumbrances and disbursements on this account should be authorized by H. H. Ransom, President of the Main University. Copies of vouchers (and purchase orders) are to be furnished to the Comptroller.

"This request is not a new one because in Dr. Ransom's memorandum of November 4, 1959, to you he pointed out that the planning of every such library depends in part on the proper provision of paintings, sculpture, and other objects which are not merely decorative but are an integral part of the educational effectiveness of the building. Some of the items will, of course, be furnished through gifts to the University, but it is estimated that an amount of \$190,000 will be required for payment or part payment of the purchase price for furnishings, for appraisals of art objects and collections to be received by the Center, for transportation of such materials, and in some instances the provision for temporary insurance.

"This request does not represent an additional appropriation for the Undergraduate Library and Academic Center since some \$500,000 of the original appropriation of \$4,750,000 was appropriated by the Regents in El Paso to provide additional funds for the financing of the Drama Building, the Institute of Marine Science Buildings, the Computation Center, etc. Dr. Dolley explained to the Board at the December meeting that a request for reinstatement of \$190,000 for the purposes outlined in this letter would be presented for their approval.

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"If you concur in this request, please distribute approved copies of this letter as indicated below with the request that Mr. Sparenberg include this item on his agenda for the Regents' Buildings and Grounds Committee for the January meeting of the Board."

It should be understood that this appropriation does not include provision for any of the movable furniture and equipment normally purchased for a new building. These items will be handled later through the Office of the Comptroller in the usual manner. The balance which was left in the appropriation at the time the contract awards were made includes an amount of \$350,000.00 to cover this movable furniture and equipment.

Main University - Approval of Final Plans and Specifications for Air Conditioning and Remodeling of Attic of Sutton Hall and Air Conditioning and Remodeling of Attic of Taylor Hall. --At the Regents' Meeting held October 3, 1959, authorization was given for the preparation of plans and specifications for the Air Conditioning of Sutton Hall and Taylor Hall and Remodeling of the Attics of those buildings. These plans and specifications have now been prepared by the Physical Plant staff of the Main University and by Zumwalt and Vinther, Engineers for the mechanical portions of the projects, and have been approved by President Ransom, Comptroller Sparenberg, and Chancellor Wilson. It is recommended that they receive the approval of the Board and that authorization be given to Comptroller Sparenberg to advertise for bids to be presented to the Board for consideration at a later meeting.

Main University - Final Application to Housing and Home Finance Agency for Construction of 200 Apartment Units for Married Students. --In accordance with action taken by the Board at the meeting held October 22, 1960, the Comptroller's Office, the Business Manager of the Main University, and the University Attorney are in process of preparing various parts of the final application to cover the loan in the amount of \$1,800,000.00 on the 200 apartment units for married students at the Main University. It is recommended that the Consulting Architect be authorized to prepare the preliminary plans that must be submitted with the final application, and it is further recommended that the money needed to pay the Consulting Architect's fees be advanced from Main University Account No. 4298 - Division of Housing and Food Service - Major Repairs, Remodeling and Replacement, and Operating Reserve, to be repaid when the loan is received from Housing and Home Finance Agency.

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Main University - Award of Contracts on Remodeling of Old Printing Division Building. -- In accordance with authorization given by the Board at the meeting held December 10, 1960, bids were called for and were opened and tabulated on January 12, 1961, as shown on Page 18, for Remodeling of Old Printing Division Building at the Main University for the Radio-Television Department. A deductive alternate was included with the bids for this project which involved omitting all work in the north wing of the building, which is intended to house nearly all of the Radio activities. Below is a comparison of the low bids received, based on the low base bid and on the low base bid less the alternate:

	<u>Low Base Bid</u>	<u>Low Base Bid Less Alternate No. 1</u>
General Contract:		
K. S. Wendler Construction Company, Inc. Austin, Texas	\$ 93,400.00	
D. B. Ware Construction Company, Austin, Texas		\$ 65,983.00
Plumbing Contract:		
P. G. Sosa and Sons, Plumbing and Heating, Austin, Texas	4,488.00	
V. R. Wattinger, Plumbing, Austin, Texas		3,661.00
Heating, Ventilating, and Air Conditioning Contract:		
Young and Pratt, Austin, Texas	58,330.00	48,630.00
Electrical Contract:		
Walter A. Tew Electric, Austin, Texas	<u>19,826.00</u>	<u>14,617.00</u>
Total of Construction Contracts	176,044.00	132,891.00
6% Architects' Fees	10,562.64	7,973.46
Preliminary Expenses, etc.	<u>393.36</u>	<u>135.54</u>
Total Needed	187,000.00	141,000.00
Amount of Appropriation	<u>125,000.00</u>	<u>125,000.00</u>
Additional Needed	<u>\$ 62,000.00</u>	<u>\$ 16,000.00</u>

Contingency Allowances Included in Each Column of Figures:
\$5,000.00.

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After careful consideration of these bids, it is recommended by Mr. Schenckan, the Associate Architect, the Consulting Architect, the President's Office, the Comptroller's Office, and the Chancellor's Office that contract awards be made as follows to the low bidders on the basis of the base bids:

General Contract

K. S. Wendler Construction
Company, Inc., Austin,
Texas \$ 93,400.00

Plumbing Contract

P. G. Sosa and Sons, Plumbing
and Heating, Austin, Texas 4,488.00

**Heating, Ventilating, and Air
Conditioning**

Young and Pratt, Austin, Texas 58,330.00

Electrical Contract

Walter A. Tew Electric, Austin,
Texas 19,826.00

**Total Recommended
Contract Awards**

\$176,044.00

As the above comparison of bids shows, an additional amount of \$62,000.00 will be needed if contract awards are made as recommended above. It is, therefore, recommended that \$62,000.00 be appropriated from Available University Fund Account No. 89460 - New Building Construction, Utilities Expansion, and Air Conditioning Projects - Unallocated to Account No. 91300 - Remodeling of Old Printing Division Building - Allotment Account.

The total area to be remodeled adds up to a gross square footage of 24,400 square feet; the recommended awards would give a total cost of \$187,000.00, which, divided by 24,400 square feet, gives a cost per square foot of \$7.66. Even with the increased appropriation recommended, this obviously would be much cheaper than new construction. The recommendation approved by the Board of Regents on November 14, 1959, indicated that this project would cost approximately \$125,000.00, and that the remodeled building would probably be used by Radio-Television for the next eight to ten years. The President's Office, the Comptroller's Office, and the Chancellor's Office now feel that if the additional appropriation recommended is approved, the remodeled building should be used by Radio-Television for a minimum of somewhere between ten and fifteen years. No new building at this particular site was contemplated by the ten-year program approved by the Board at the September 1960 meeting.

In fairness to all of the architects involved, it should be stated that during the development of the working drawings it was repeatedly pointed out to the administration that giving the Radio-Television Department what they considered their minimum needs to operate in this location would involve considerably more money than that appropriated, and that some things have been added which were not included in the original preliminary plans.

Considering all of the factors and problems involved, including the fact that the Radio-Television Department would continue to have a very inefficient and inconvenient arrangement if they had to continue to be separated physically, it is the strong recommendation of Mr. Schenkkan, the President's Office, the Comptroller's Office, and the Chancellor's Office that all of the contemplated area should be remodeled, and not just the approximate two-thirds which was to be devoted primarily to Television. The annual rental cost equivalent per year of this project would still remain approximately the same as originally contemplated (\$12,000.00 to \$13,000.00 a year), if the term of usage is extended from ten years to fifteen years.

Medical Branch - Authorization to Request Permission from Legislature to Accept Small Tract of Land from Sealy and Smith Foundation. -- The Sealy and Smith Foundation has offered to deed to The University of Texas Medical Branch without any monetary consideration the following described land, located in Galveston County adjacent to the Medical Branch Campus:

Beginning at a point, said point being the intersection of the easterly right-of-way boundary of the Galveston County Seawall with the South boundary of Avenue A and the beginning point of this tract, thence South $51^{\circ} 27' 20''$ East a distance of 96.5 feet to a point for a corner, thence North $73^{\circ} 17'$ East a distance of 470 feet to a point for a corner, thence North $16^{\circ} 43'$ West a distance of 70 feet to a point for a corner, thence South $73^{\circ} 17'$ West a distance of 495 feet to a point on South boundary of Avenue A, said point being the tangent point of a curve of the following description: angle $17^{\circ} 00'$, T-70.77 feet, R-533.8 feet, L-158.1 feet, thence along said curve a distance of approximately 23 feet to the point of beginning; containing 0.79 acres of land.

The acquisition of this land will permit the placing of the New Central Water Chilling Station at the best location. It will also provide the Medical Branch with access from

Avenue A to the Central Receiving and Storeroom as well as access to the Central Water Chilling Station.

It is recommended that the Board authorize the Administration to request permission from the Legislature to accept this small tract from The Sealy and Smith Foundation.

Adoption of Report. -- The foregoing report was adopted upon motion of Mr. Thompson, seconded by Mr. Bryan.

Request for Private Funds for Additional Floors, Proposed Danciger Research Laboratories Building. -- Following the adoption of the Buildings and Grounds Committee report, Committee Chairman Thompson moved that the Board recommend to the Development Board Dean Gill's request to raise approximately \$250,000 to match funds of a federal grant in a like amount for the purpose of adding two floors to the proposed Danciger Research Laboratories Building (Minutes of September 1960, Pages 3 and 22). Mrs. Devall seconded the motion which prevailed. This item was likewise approved from the standpoint of the Medical Affairs Committee and is recorded on Page 16.

Main University: Presentation by the Consulting Architect of the Plan for the East Mall Development. -- Mr. Thompson reminded the Board of the report from the Administration at the December 1960 meeting regarding the plan for the East Mall development, Main University (Permanent Minutes, Volume VIII, Page ____). He showed a sketch or plot plan of the East Mall Development by the Consulting Architect and stated that this would come to the Board at a later date.

REPORT OF LAND AND INVESTMENT COMMITTEE (See Page 13 for adoption.) -- Vice-Chairman Johnson reported that the Land and Investment Committee approved for submission to the Board the recommendations of the Administration (Attachment No. 1) and the additional item set out below, which was not on the original agenda. (Attachment No. 1 was furnished to each Regent prior to the meeting.)

Trust and Special Fund--Real Estate Matters. --

Texas Western College - Renewal of Farming Lease to John T. Bean on Acreage in Cotton Estate Acreage in Cotton Addition in El Paso, Texas. -- For several years, the Board of Regents has leased a tract of the Cotton Estate property in Cotton Addition in El Paso to Mr. John T. Bean for farming, each lease being for a period of one year only. The lease covers approximately 106 acres. As rental, Mr. Bean has paid 1/3 of the gross proceeds from all crops, with the Cotton Trust paying the cost of electricity used in pumping water for irrigation and 1/3 cost of fertilizer. To date, approximately \$7,500 has been paid for 1960, and some additional payment is expected.

A proposal has been received from another prospective tenant requesting a farming lease on the property. Some

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parts of the proposal might be of advantage to the Cotton Trust as against Mr. Bean's arrangement. Mr. Bean has proposed a lease for 1961, the same terms as the lease for 1960, as set out on the preceding page.

Pending a report and recommendations from the El Paso Committee on the Cotton Trust, President Ray recommends that Mr. Bean be given a new lease for 1961, and that the Chairman of the Board of Regents be authorized to execute such lease when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

Adoption of Report. -- Upon motion of Mr. Thompson, seconded by Mr. Bryan, the foregoing report of the Land and Investment Committee, which includes the recommendations of the Administration and the foregoing item set out above, was adopted. Attachment No. 1, Pages L-1 through L-9, is appended following Page 20 of the minutes and is made a part of the minutes.

REPORT OF MEDICAL AFFAIRS COMMITTEE (See Page 16 for adoption.) -- Committee Chairman Bryan presented the following report of the Medical Affairs Committee. Each item of the report was adopted by a separate motion.

Medical Branch: Vending Machine Operations, Contract with Ex-Students' Association. -- The Medical Affairs Committee recommends that the Board approve Chancellor Wilson's proposal that a contract be executed with the Ex-Students' Association for the operation of vending machines on the campus of the Medical Branch under the following terms. The agreement is to be in general the same agreement as now exists between the Main University and the Ex-Students' Association as far as it is applicable to the Medical Branch.

1. The University will grant to the Association the exclusive right to operate vending machines on the campus of the Medical Branch.
2. The Association will have the right to contract with a concessionaire to provide and operate the machines, but the Association will be responsible for the over-all management and supervision of all vending machine activities.
3. Vending machines for the sale of soft drinks, coffee, hot chocolate, milk, candy, cookies, crackers, pastries, ice cream, soups, sandwiches, cigarettes, and such other items as may be approved by the University, shall be installed in such locations and places as designated by the University. All machines must be adequate in size and compare favorably in appearance and performance with the best machines available.

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4. The University reserves the right to specify the type of machine, place of installation, items to be vended at each location, and the price of articles to be vended.
5. The Ex-Students' Association agrees to pay to the Medical Branch the following:
 - a. All of the net income received from the operation of vending machines in housing or food service units operated as auxiliary enterprises.
 - b. Seventy-five per cent (75%) of the net income from all other vending machines.
 - c. After satisfying the above obligations, the remaining proceeds realized by the Association shall be held by the Association to be expended for the benefit of The University of Texas in such manner as may be directed by the Chancellor or by the Board of Regents of the University upon recommendation of the Executive Dean and Director of the Medical Branch.
 - d. Sixty per cent (60%) of the gross receipts from all vending machines shall be paid monthly to the Medical Branch, subject to final accounting and payment under the terms of the contract not later than forty-five (45) days after each fiscal year ending August 31.
6. The Association will pay all costs of installation of all vending machines, and the University will furnish necessary electrical energy and water free of cost.
7. The Association will maintain adequate insurance coverage at all times comparable to that customarily carried in business ventures of this type, with the amounts and types of such coverage subject to approval by the University. The Association also agrees to save the University harmless and free from any loss, cost, damage, or expense arising out of any occurrence related to the venture and to indemnify the University against any damage or claim arising from the negligence of its vendor, agents, or employees, or from any damage or claim arising by breach of warranty.
8. This agreement shall become effective immediately upon its execution, and after September 1, 1961, shall remain in effect from year to year from September 1 to August 31 of the following

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year, unless modified in writing by the mutual agreement of the parties hereto or terminated by either party upon giving ninety (90) days written notice to the other party.

9. In accordance with the existing contract, the Association is authorized to assign its responsibilities and obligations under the contract to its wholly owned subsidiary, Campus Services, Incorporated, and there is expressed authority for contracts between the Association (or Campus Services) and vendors or concessionaires, subject to approval of the Medical Branch and Central Administration.

The Association (Campus Services) contemplates nonexclusive contracts for the vending of bottled and cup soft drinks. The Association (Campus Services) contemplates extending its existing contract with Canteen Service of Houston, Incorporated, and Automatic Canteen Company of America to serve the Medical Branch at rates at least as profitable to the University as those existing on the Main University campus. The Medical Branch contemplates the following utilization of the profits received under this contract:

- a. Student organizations and activities have averaged receiving approximately \$5,000 a year during the past five-year period. This amount should be made available for similar student activities, subject to the approval of the Business Manager and the Executive Dean and Director.
 - b. Other income to the Medical Branch would be used to meet the bond service requirements on existing auxiliary enterprise units, or for such other purposes as may be of benefit to the Medical Branch, within the limitations of Legislative and Regental restrictions.
10. The Association (Campus Services) will maintain an office and a part-time employee at the Medical Branch in addition to their Austin staff to provide local supervision of all vending operations.

It is further recommended that Mr. Don Walker, Business Manager of The University of Texas Medical Branch, be authorized to sign this agreement when it has been approved by Vice-Chancellor Cox and Attorney Waldrep.

(This proposal was distributed to each Regent at the meeting in the Supplementary Agenda Material and Documentation.)

Mr. Bryan moved that the foregoing recommendations of the Medical Affairs Committee be adopted. Mrs. Devall seconded this motion which prevailed.

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Series on Medical Branch, Houston-Post. -- The Medical Affairs Committee discussed the Houston-Post series in issues of January 9-15, 1961, inclusive, on the Medical Branch by Jean Walsh and requested that these be circulated to each Regent.

Southwestern Medical School: Expansion of Research and Teaching Program in Cardiopulmonary Disease and Cardiopulmonary Physiology (Request for Private Funds for Additional Floors, Proposed Danciger Research Laboratories Building). -- At the October 1960 meeting of the Board of Regents in Houston, the Medical Affairs Committee authorized Doctor Gill to explore the possibility of support for a major expansion of the existing teaching and research program in cardiopulmonary disease and cardiopulmonary physiology. Doctor Gill has filed through the Chancellor's Office a request with the National Heart Institute for a sizeable research grant with a provision anticipating substantial increases if additional space becomes available. He has received indications that such a request will be favorably received and he has been encouraged both in Washington and by interested local citizens to take the necessary steps toward realizing this ultimate program level.

The Medical Affairs Committee recommends that Doctor Gill's request for approval of the concept of a substantially expanded program in cardiopulmonary disease and cardiopulmonary physiology be approved by the Board. This would require additions to presently projected physical facilities (proposed Danciger Research Laboratories Building) amounting to approximately \$500,000. The Committee also recommends approval of Doctor Gill's request to submit the project to the University Development Board for their advice and consent. This would entail raising approximately \$250,000 by private solicitation of a very limited number of interested persons to use as matching funds for a Federal grant in a like amount. This item was likewise approved from the standpoint of the Buildings and Grounds Committee and is recorded on Page 12.

The Board upon motion duly made and seconded adopted the foregoing recommendations.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS. -- Mr. Johnson did not attend the meeting of the Board for Lease of University Lands on January 6, 1961. Mr. Heath did attend the meeting but was absent from the Regents' meeting on January 16, 1961. Mr. Madden, who attended the meeting of the Board for Lease of University Lands as a duly interested visitor, reported that an Oil and Gas Lease Sale has been scheduled on Tuesday, March 28, 1961.

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CENTRAL ADMINISTRATION

APPROVAL OF MINUTES, REGULAR MEETING ON DECEMBER 9-10, 1960. -- The Minutes of the regular meeting of the Board of Regents of The University of Texas held in El Paso on December 9-10, 1960, were approved in the form as circulated by the Secretary, upon motion of Mr. Hardie, seconded by Mrs. Devall.

RENEWAL OF BOILER AND MACHINERY INSURANCE WITH HARTFORD STEAM BOILER INSPECTION AND INSURANCE COMPANY, SYSTEM-WIDE. -- In conformity with the Rules and Regulations of the Board of Regents for the Government of The University of Texas, Part Two, Chapter VII, Subsection 5.2, the Board, upon motion of Mr. Hardie, seconded by Mr. Bryan, authorized the renewal of the boiler and machinery insurance with Hartford Steam Boiler Inspection and Insurance Company for a period of three years, effective January 1, 1961, with the understanding that there would be no short-rate cancellation and there would be no increase in the rate.

SCHEDULED MEETING OF THE BOARD. -- The Secretary was instructed to confer with Chairman Minter and Chancellor Wilson as to possible meeting dates during February 1961 and to poll the vote in accordance therewith. (As of this date, January 26, 1961, the next meeting of the Board, as a result of the poll taken, has been scheduled on Saturday, February 18, 1961.)

ITEM FOR THE RECORD. -- The following item was distributed to each Regent in the Material Supporting the Agenda and was ratified upon a motion duly made and seconded:

Ratification of Contract with Erle Stanley Gardner re Gift, Main University. -- At the meeting of July 1960, the gift of Erle Stanley Gardner was reported, and accepted, with the statement that when the papers were executed it would be reported back to the Board. On October 29, 1960, a contract between the Board of Regents of The University of Texas and Erle Stanley Gardner was executed by the Chairman of the Board for the acceptance in its entirety of the Erle Stanley Gardner Collections at Temecula, California, to be given over a period of six years. The official copy of this document will be in the Secretary's Office and a copy will be in the Secretary's Files, Volume VIII, Page 164.

ADJOURNMENT. -- The Board adjourned at 4:00 p. m.

Betty Ann Redford
Secretary

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ADDITIONS AND ALTERATIONS TO THE PRESS BUILDING
 (REMODELING OF OLD PRINTING DIVISION BUILDING)
 MAIN UNIVERSITY OF THE UNIVERSITY OF TEXAS
 AUSTIN, TEXAS

Bids Opened: 2:30 P.M., Thursday, January 12, 1961

GENERAL CONTRACT

<u>Contractor</u>	<u>Base Bid</u>	<u>Alternate No. 1 Deduct</u>
John Broad Construction Co.	\$102,630.00	\$24,890.00
A. W. Bryant Construction Co.	122,000.00	31,697.00
C & H Construction Co., Inc.	103,667.00	26,983.00
J. C. Evans Construction Co., Inc.	95,948.00	22,421.00
Dick Mason Construction Co.	109,297.00	24,677.00
J. M. Odom Construction Co.	100,500.00	28,250.00
D. B. Ware Construction Co.	100,683.00	34,700.00
A. C. Warner Construction Co.	121,875.00	33,781.00
K. S. Wendler Construction Co., Inc.	93,400.00	23,127.00

All bidders submitted with their bids a bidder's bond in the amount of 5% of the total bid.

All of the bidders are located in Austin, Texas.

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BIDS ON ADDITIONS AND ALTERATIONS TO THE PRESS BUILDING
(REMODELING OF OLD PRINTING DIVISION BUILDING) CONTINUED

PLUMBING CONTRACT

<u>Contractor</u>	<u>Base Bid</u>	<u>Alternate No. 1 Deduct</u>
Fox-Schmidt	\$6,811.00	\$2,167.00
C. G. Puryear	4,840.00	930.00
P. G. Sosa & Sons Plumbing & Heating	4,488.00	748.00
V. R. Wattering Plumbing	5,334.00	1,673.00

All bidders submitted with their bids a bidder's bond in the amount of 5% of the total bid.

All of the bidders are located in Austin, Texas.

HEATING, VENTILATING, AND AIR CONDITIONING CONTRACT

<u>Contractor</u>	<u>Base Bid</u>	<u>Alternate No. 1 Deduct</u>
Strandtmann Air Conditioning Company	\$59,983.00	\$9,860.00
Young and Pratt	58,330.00	9,700.00

All bidders submitted with their bids a bidder's bond in the amount of 5% of the total bid.

All of the bidders are located in Austin, Texas.

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BIDS ON ADDITIONS AND ALTERATIONS TO THE PRESS BUILDING
(REMODELING OF OLD PRINTING DIVISION BUILDING) CONTINUED

ELECTRICAL CONTRACT

<u>Contractor</u>	<u>Base Bid</u>	<u>Alternate No. 1 Deduct</u>	<u>Bidder's Bond or Cashier's Check</u>
B & B Electric Company	\$24,995.00	\$4,095.00	\$1,249.75 Cashier's Check
O. H. Cummins Electric Company	20,862.00	5,121.00	5% Bond
Fox-Schmidt	22,604.00	5,456.00	5% Bond
Grimes Electric Company of Austin, Inc.	22,495.00	6,200.00	5% Bond
W. K. Jennings Electric Company, Inc.	26,263.00	6,589.00	5% Bond
Dean Johnston, Inc.	23,800.00	6,729.00	5% Bond
Walter A. Tew Electric	19,826.00	5,209.00	5% Bond

All of the bidders are located in Austin, Texas.

ATTACHMENT NO. 1

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PERMANENT UNIVERSITY FUND -- INVESTMENT MATTERS.--

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REPORT OF PURCHASES AND SALES OF SECURITIES.--The following purchases and sales securities have been made for the Permanent University Fund since the meeting of December 1960. We ask that the Board ratify and approve these transactions:

PURCHASES OF SECURITIES

CORPORATE BONDS

Security	Par Value of Bonds Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
Consolidated Edison Company of New York Inc., First & Refunding Mortgage Bonds, 5% Series S, dated 12/1/60, due 12/1/90	\$100,000	102.00 Net	\$ 102,000.00	4.87%
Potomac Electric Power Company First Mortgage Bonds, 5% Series, dated 12/15/60, due 12/15/95	250,000	100.827 Net	252,067.50	4.95
Total Corporate Bonds Purchased	\$350,000		354,067.50	4.93

COMMON STOCKS

Security	No. of Shares Purchased	Market Price	Total Principal Cost*	Indicated Current Yield on Cost**
Household Finance Corporation Common Stock	1,600	33-1/2(400) 33-1/4(200) 33 (300) 34 (300) 34-1/2(300) 34-1/8(100)	\$ 54,486.07	3.52%
United States Steel Corporation Common Capital Stock	600	74-5/8(200) 74 (200) 73-7/8(100) 73-3/4(100)	44,765.99	4.02
Johns-Manville Corporation Common Stock	900	54-1/2(100) 54-1/4(100) 54 (200) 54-1/8(100) 54-3/4(100) 54-7/8(100) 55-3/8(100) 55 (100)	49,487.60	3.64
Oklahoma Gas & Electric Company Common Stock	1,600	33-1/2(200) 34 (100) 34-1/4(200) 34-3/8(700) 35 (300) 34-1/2(100)	55,541.34	3.46
Chas. Pfizer & Company, Inc., Common Stock	1,500	30-3/8(200) 30-1/4(200) 30 (200) 29-3/4(200) 29-5/8(500) 30-1/8(200)	45,422.07	2.64

Includes brokerage commissions paid.

Yield to maturity on bonds; yield at present indicated dividend rate for stocks.

COMMON STOCKS (Continued)

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Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
Standard Oil Company of California Capital Stock	1,100	45-7/8(500) 45-1/2(100) 45-3/8(100) 45 (100) 46 (100) 45-3/4(200)	\$ 50,735.40	4.34%
50 Eastman Kodak Company Common Stock	400	113-1/4	45,501.32	1.85
50 International Paper Company Common Stock	500	96-1/2	48,493.25	3.25
50 Virginia Electric & Power Company Common Stock	1,100	49-1/2	54,931.25	2.40
0 Bank of America National Trust & Savings Association Common Capital Stock	400	47-1/2 Net	19,000.00	4.21
50 Chemical Bank New York Trust Company Capital Stock	400	58 Net	23,200.00	4.48
0 Federal Insurance Company Common Capital Stock	300	57 Net	17,100.00	1.75
0 Federated Department Stores, Inc., Common Stock	1,400	39 (800) 38-7/8(200)	54,963.12	2.80
0 Minneapolis-Honeywell Regulator Company Common Stock	300	38-5/8(400) 134-3/4	40,582.44	1.48
0 National Dairy Products Corporation Common Stock	800	62-5/8(100) 62-1/2(700)	50,374.51	3.18
0 R. J. Reynolds Tobacco Company Common Stock	500	93-1/2	46,991.75	2.77
60 E. I. du Pont de Nemours & Company Common Stock	300	183-1/2	55,222.05	3.67
60 The Firestone Tire & Rubber Company Common Stock	1,500	34-1/4	51,916.95	2.89
60 Continental Oil Company (Delaware) Capital Stock	900	56	50,801.40	3.01
60 Libbey-Owens-Ford Glass Company Common Stock	1,000	54 (400) 53-3/4(400) 53-1/2(200)	54,243.82	4.70
60 American Electric Power Company Common Stock	1,000	58 (500) 57-1/2(500)	58,197.75	3.23
60 Florida Power & Light Company Common Stock	900	62-3/8(200) 60 (700)	54,880.48	1.64

*Includes brokerage commissions paid.
**at present indicated dividend rate.

COMMON STOCKS (Continued)

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of Use	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
60	The Chase Manhattan Bank Capital Stock	400	62-5/8 Net	\$ 25,050.00	3.83%
60	The First National Bank of Boston Capital Stock	300	71-1/2N(200) 71 N(100)	21,400.00	4.21
60	The National Life & Accident Insurance Company Capital Stock	200	112-3/4 Net	22,550.00	0.53
	Total Common Stocks Purchased	<u>19,900</u>		<u>1,095,838.56</u>	<u>3.11</u>
	TOTAL CORPORATE SECURITIES PURCHASED			<u>\$1,449,906.06</u>	<u>3.56%</u>

Includes brokerage commissions paid.
Yield at present indicated dividend rate.

SALES OF CORPORATE SECURITIES

	Security Sold	Net Sales Proceeds#
60	80/125ths fractional interest in share of Commonwealth Edison Company Common Stock due from 2.4% stock dividend	\$40.67
60	27/50ths fractional interest in share of The Firestone Tire & Rubber Company Common Stock due from 2% stock dividend	18.29
60	76/100ths fractional interest in share of Addressograph-Multigraph Corporation Common Stock due from 2% stock dividend	64.56
60	20/25ths fractional interest in share of Household Finance Corporation Common Stock due from 4% stock dividend	27.30

received deposited to principal endowment and holding of stock involved written down
same amount.

PERMANENT UNIVERSITY FUND--LAND MATTERS.--

1-16-61

LEASES AND EASEMENTS.--The Land and Investment Committee has given consideration to the following applications for various leases and easements on University Lands. All are at the standard rates, unless otherwise stated, are on the University's standard forms, with grazing leases carrying provision for renewal for an additional five years at negotiated terms. Payments for easements and caliche permits have been received in advance. All have been approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer. Approval of the applications and execution of the instrument involved by the Chairman of the Board is recommended.

PIPE LINE EASEMENT NO. 1546, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement covers two $4\frac{1}{2}$ -inch natural gas pipe lines in Sections 16 and 26, Block 1, Andrews County for a total distance of 16.897 rods for the period January 1, 1961 through December 31, 1970. Total minimum consideration of \$50 has been received.

WATER CONTRACT NO. 91, B. H. MANSELL, CRANE COUNTY, TEXAS.--The contract with B. H. Mansell Brine Sales for Mineral Lease No. 2 provides for the production of water in connection with the production of brine. The lease covers the period of 1 year from August 1, 1960 without right of relinquishment and thereafter so long as production of brine is at a rate sufficient for minimum monthly royalty to the University of \$100 or until the lease is relinquished by the lessee.

To facilitate accounting procedures for the water production separate from the brine sales, this number has been assigned but no instrument will be needed. Such a procedure has been followed in previous years.

GRAZING LEASE NO. 832, D. B. THREADGILL, COOKE COUNTY, TEXAS, PORTION OF 50-LEAGUE TRACT.--The proposed lease covers 86.5 acres of University land described as the E/2 of Subdivision 2, Section 8, League 76, Abstract 1711, Cooke County, a part of the University's 50-League tract in East Texas. It will be for a period of 5 years beginning January 1, 1961 and terminating December 31, 1965 at 50 cents per acre per year, a total of \$43.25 payable annually in advance. This acreage has not been under lease for several years and adjoins property owned by Mr. Threadgill in Cooke County.

TRUST AND SPECIAL FUNDS -- INVESTMENT MATTERS.--

1-16-61

REPORT OF PURCHASES AND SALES OF SECURITIES.--The following purchases and sales securities have been made for the Trust and Special Funds since the meeting of December, 1960. We ask that the Board ratify and approve these transactions:

PURCHASES OF SECURITIES

	Security	Principal Cost
0	1-86/125ths shares Commonwealth Edison Company Common Stock to complete 2 extra shares received in 2.4% stock dividend (Hogg Foundation: W. C. Hogg Estate Fund)	\$ 107.27
60	\$10,000 par value City of Austin, Texas, Electric Light and Power, Waterworks and Sewer System, 3.40% Revenue Bonds, Series 1960, dated 4/1/60, due 4/1/82-75, purchased at 98.504837 Net to yield 3.50% to maturity	9,850.48
	\$25,000 par value Houston Independent School District, Texas, 3-1/2% Bonds, dated 4/10/57, due 4/10/83, purchased at 97.720942 Net to yield 3.65% to maturity (Albert Sidney Burlinson Loan-Scholarship Fund)	24,430.24

SALES OF SECURITIES

	Security	Net Proceeds
60	420 shares Addressograph-Multigraph Corporation Common Stock, sold 100 shares at 88-3/4, 100 shares at 88-1/2, 100 shares at 88-1/4, and 120 shares at 88 (Gain over book value \$11,731.64) (Temporary Investments - Human Genetics Fund Grant)	\$36,863.64
60	56/125ths fractional interest in share of Commonwealth Edison Company Common Stock received in 2.4% stock dividend (Funds Grouped for Investment)	28.47
	99/125ths Ditto (Hogg Foundation: Varner Properties)	50.33
	56/125ths Ditto (E. D. Farmer International Scholarship Fund)	28.47
	112/125ths Ditto (Wilbur S. Davidson Educational Fund)	56.94
0	24/100ths fractional interest in share of Addressograph-Multigraph Corporation Common Stock received in 2% stock dividend (Temporary Investments - Human Genetics Fund Grant)	20.39
60	200 Shares Consolidated Edison Company of New York, Inc., Common Stock, sold at 65 (Gain over book value \$1,394.29) (Funds Grouped for Investment)	12,895.54

TRUST AND SPECIAL FUNDS--GIFT, REQUEST AND ESTATE MATTERS.--

MAIN UNIVERSITY - REPORT ON AND RECOMMENDATION FOR ACCEPTANCE OF BEQUEST UNDER THE WILL OF BESS HEFLIN, DECEASED.--The University has been notified by the law firm of Powell, Rauhut, McGinnis, Reavley and Lochridge on behalf of Mrs. Rex G. Baker, sister of Miss Bess Heflin and Independent Executrix of the Estate, of the bequest under Miss Heflin's will to the Board of Regents as Trustee of the following common stocks: 200 shares of Bethlehem Steel Corporation, 450 shares of North American Aviation, Inc., and 620 shares of Standard Oil Company (New Jersey). Miss Heflin, Professor Emeritus of Home Economics at the University, died on November 13, 1960. The total value of the stock is approximately \$53,000, and, at current dividend rates, should provide an annual income of approximately \$2,770.

The will provides that the bequest is for the establishment of the Bess Heflin Fellowship, pertinent provisions of the will being as follows:

"The main purpose of the trust to be carried out by the trustees shall be the installation, establishment, support and maintenance of one graduate fellowship (or more than one, if the income from the trust fund is large enough to provide more than one fellowship of at least \$2500.00 each per annum) in the Graduate School of The University of Texas, preferably in the biological or social sciences, to be awarded each school year to a worthy student in need of financial assistance, of good moral character and of sufficient intelligence and scholastic attainments to give reasonable assurance of doing graduate work in The University of Texas of a high order; provided, however, that should there be no qualified applicant for a fellowship or if for any other valid reason a fellowship is not awarded hereunder during any school year, the trustees are requested for such a year to award out of the available income of this trust suitable stipends to worthy Junior Fellows pursuing courses in the prescribed subjects who meet the qualifications stated above; and the awarding of such stipends shall be considered as a secondary purpose of this trust."

"The award of a stipend for a fellowship or a scholarship hereunder shall be on an annual basis, but shall not be made to a single individual for more than three years."

"The trustees are requested to give first consideration to one of my blood relatives, if any, who in any particular year may be an applicant for a stipend hereunder, provided he or she otherwise meets the prescribed qualifications."

The Board of Regents is given broad investment and management powers.

It is recommended that the Board of Regents accept this bequest and authorize the Endowment Officer to execute receipts for the stock when, in due course, the administration of the Estate has progressed to the point where the stock can be transferred and delivered to the University.

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MAIN UNIVERSITY - BEQUEST UNDER THE WILL OF LOURANIA MILLER, DECEASED.--The University has been notified by Mr. Fowler Roberts of Dallas, attorney for the Estate, of a bequest under the will of Lourania Miller who died in Dallas a short time ago. Miss Miller received the BA degree at the University in 1898. The will has been probated in the Probate Court of Dallas County, and Mr. Jim Box Huggins serves as Independent Executor. Paragraph 14 of the will is as follows:

"After the payment of my just debts, including expenses of last sickness, funeral expenses, legal and other expenses connected with the administration of my estate, the payment of all case bequests and the delivery to the respective donees personal property mentioned and described in paragraph "13" of this, my will, I give, devise and bequeath to the University of Texas, at Austin, all the rest and residue of my estate, real personal or mixed, seized and possessed by me or in which I have an interest, for the specific purpose of awarding each year to a boy or a girl, a Greek or Latin Scholarship of \$250.00. Such scholarship may be awarded to the same person more than once."

It appears that the residue estate coming to the University will consist of a piece of real estate at 2543 Gladstone Drive, Dallas, worth about \$7,000, and a small amount of cash, and the question of disposition of the real estate has been raised.

It is recommended that the Board of Regents accept the bequest and authorize the Independent Executor to proceed with efforts to sell the real estate, and that the Chairman of the Board of Regents be authorized to join in a conveyance of the property, if required for such liquidation, after approval of the instrument as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

HOGG FOUNDATION: W. C. HOGG FUND - PROPOSAL FROM A. MILTON VANCE, TRUSTEE, AND COUNTER PROPOSAL FROM BOARD OF REGENTS FOR SALE OF MAIN AND BELL (WHITE) PROPERTY, HOUSTON, TEXAS.--In response to an offer from A. Milton Vance, Trustee, to purchase the Hogg Foundation's property at Main and Bell in Houston for \$625,000, the Board of Regents on October 22, 1960, offered to sell the property to Mr. Vance for \$750,000 cash, subject to deposit of 5 per cent earnest money with the University on or before November 22. On November 22, Mr. Arthur Noodleman, the agent, notified the University that the purchasers were not accepting the Board's proposal. Mr. Noodleman said that he intended to work on the matter further, but he understands that there is no commitment to sell property for \$750,000.

BRACKENRIDGE TRACT: EXTENSION TO CITY OF AUSTIN FOR USE OF SMALL TRACT ON ENFIELD ROAD.--At the meeting of July 23, 1958, permission was given to the City of Austin for use of a plot of ground approximately 15' x 20' on Enfield Road near the intersection of Robinhood, for the location of a step-down transformer bank for the City's electric power facilities for a 2-year period, ending July 22, 1960 without rental. Due to the nature of the transaction and various delays in the City offices, no formal agreement was signed covering this arrangement. The extension of this permission for an additional 2-year period, July 23, 1960 through July 22, 1962 has been requested by the City and is recommended with the Chairman to be authorized to execute the appropriate instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

HOGG FOUNDATION - VARNER PROPERTIES - MITCHELL PROPERTY - ASSIGNMENT OF LEASE FROM W. E. GIBSON COMPANY TO BROOKS SYSTEM SANDWICH SHOPS.-- By lease dated February 14, 1938 with the Varner Company, space at 1021 Capitol Avenue, Houston is under lease to The W. E. Gibson Company for a term of twenty-five years for the period July 1, 1938 through June 30, 1963, the present monthly rental being \$850. Application has been made for assignment of the lease from The W. E. Gibson Company to Brooks System Sandwich Shops, a related corporation, effective January 1, 1961. Approval of such assignment is recommended with the Chairman of the Board authorized to execute the appropriate instrument when approved as to form by the University Attorney and as to content by the Endowment Officer.

TEXAS WESTERN COLLEGE - GROUND LEASE TO PEYTON PACKING COMPANY, COTTON ESTATE PROPERTY, EL PASO, TEXAS.--Approximately 6.217 acres of Cotton Estate Property in the Cotton Addition in El Paso is currently under lease to Peyton Packing Company for the period March 1, 1956 through February 28, 1961 at an annual rental of \$1,500 and is being used for hay storage. Negotiations for an extension or a new lease have been instituted by the Company with President Joseph M. Ray of Texas Western College. Pending decisions on future use or disposition of Cotton Estate property, under consideration by the Cotton Estate Advisory Committee, it is recommended that the lease be extended on a month-to-month basis, effective March 1, 1961 at the present rate, \$125 per month, payable in advance on the first of each month, the University reserving the right to cancel the arrangement upon 90 days' written notice to the lessee. Such an arrangement is satisfactory to the Company. It is further recommended that the appropriate instrument be signed by the Chairman of the Board of Regents after approval as to form by the University Attorney and as to content by the Endowment Officer.

1-16-61

ESTATE OF DeROSSETTE THOMAS, DECEASED.--Miss DeRossette Thomas of San Antonio died in 1956 leaving, after certain specific bequests, the greater part of her estate to the Board of Regents of The University of Texas as Trustee, to be administered through the Hogg Foundation, for establishing the Asa Mitchell Guidance Center in the City of San Antonio. However, the will provided for the use of the proceeds from a piece of Laredo property for similar work in that area should a mental health center under the general guidance of the Hogg Foundation be established in Laredo. The Laredo property was sold, and the proceeds amounting to approximately \$25,000 invested in Funds Grouped for Investment, pending further developments as to the use of the money in the Laredo area.

Miss Thomas' home at 217 South Presa Street was turned over by the Board of Regents to the Community Guidance Center of Bexar County for use as the Asa Mitchell Guidance Center, and approximately \$8,000 was expended from cash in the estate for repairs and remodeling. Under the supervision of Dr. Robert L. Sutherland, Director of the Hogg Foundation for Mental Health, income in the total amount of \$3,400 has been remitted to the Guidance Center for operating purposes.

The Community Guidance Center of Bexar County has now determined that expansion of its facilities is necessary, and that such expansion can be achieved more economically and with better use of the facilities by moving to a new location. The Center reports that it has a tentative offer of \$26,500 for the South Presa Street location, which is on the University's books at \$27,500, and proposes that the Board of Regents authorize the sale of this property with the proceeds, together with approximately \$7,500 invested at the University in Funds Grouped for Investment, but not including proceeds from the Laredo property, be made available for purchase and/or construction of a new Guidance Center. They estimate that the new Center will cost in the neighborhood of \$50,000 and believe that they will be able to raise locally the additional amount of money required.

It is recommended that the Board of Regents express to the Guidance Center its willingness to proceed with this plan, subject to obtaining a price for the South Presa Street property satisfactory to the Guidance Center Board and to the Board of Regents, and subject to satisfactory arrangements as to title to the new property and satisfaction of the University's Attorney as to any other legal problems involved.