

Austin, Texas, September 18, 1954
Meeting No. 542

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The Board of Regents of The University of Texas met in regular session in the Office of the President of The University of Texas at 3:30 p.m. on Friday September 17, 1954, with the following present: Regents Sealy (Chairman), Warren (Vice-Chairman), Jeffers, Lockwood, Oates, Sorrell, Tobin, Voyles, and Woodward; Acting Chancellor Wilson and Secretary Thedford. Mr. Lockwood attended the Executive Session of the Board, but was unable to attend the meeting on Saturday, September 18, 1954.

APPROVAL OF MINUTES, JULY 17, 1954.--The Board, upon a motion made and duly seconded, approved the Minutes of the meeting held on July 17, 1954, in the form in which they were mimeographed and distributed by the Secretary.

CENTRAL ADMINISTRATION

ADMINISTRATIVE REORGANIZATION.--Mr. Voyles, Chairman of the Executive Committee, presented to the Board the following fifteen recommendations for administrative reorganization, which were in turn acted upon by the Board: | See Page 12

CHANGE OF OFFICE OF CHANCELLOR TO PRESIDENT OF THE UNIVERSITY OF TEXAS AND APPOINTMENT OF DR. LOGAN WILSON.--Mr. Voyles moved that the Office of Chancellor of The University of Texas be changed to President of The University of Texas; that the functions and the authority of the office under the changed designation be the same as heretofore provided for the Office of the Chancellor as defined and approved by the Board of Regents; and that Dr. Logan Wilson be appointed as President of The University of Texas (with academic title of Professor of Sociology), effective October 1, 1954, at an annual salary of \$17,500, plus house and utilities in lieu of \$1,000 allowance for house and utilities as provided in H. B. 111, Acts of the 53rd Legislature. Mr. Sorrell seconded this motion, which carried.

CREATION OF POSITION OF VICE-PRESIDENT OF ACADEMIC AFFAIRS AND OF THE MAIN UNIVERSITY AND APPOINTMENT OF DR. PAUL BONER.-- The Board approved a motion by Mr. Voyles, seconded by Judge Woodward, that the position of Vice-President of Academic Affairs and of the Main University be created, and that Dr. Paul Boner be appointed to this position (with academic title of Professor of Physics), effective October 1, 1954, at an annual salary of \$15,000, plus \$1,000 allowance for house and utilities. (See Page 129.) | See Page 129

POSITION OF DEAN OF THE UNIVERSITY ABOLISHED.--Mr. Voyles moved that the position of Dean of the University be abolished effective October 1, 1954. This motion was seconded by Dr. Oates and carried.

CREATION OF POSITION OF VICE-PRESIDENT FOR FISCAL AFFAIRS.--Mr. Voyles moved that the position of Vice-President for Fiscal Affairs be created with duties and responsibilities subsequently to be defined, and the position to remain unfilled at this time. This motion was duly seconded and carried. | See Page 253

CREATION OF POSITION OF VICE-PRESIDENT FOR DEVELOPMENTAL SERVICES AND APPOINTMENT OF DR. L. D. HASKEW.--Mr. Voyles moved that the position of Vice-President for Developmental Services be created with the duties and responsibilities of directing systematic and continuing studies of the educational needs of the State of Texas in relation to the function of The University of Texas and of aiding the long-range developmental program; and that Dr. L. D. Haskew be appointed to this position, one-third time (with academic title of Professor of Educational Administration), effective October 1, 1954, at a full-time annual salary rate of \$14,000. Judge Woodward seconded this motion which carried.

CHANGE IN APPOINTMENT OF DR. L. D. HASKEW AS DEAN OF THE COLLEGE OF EDUCATION.--The Board approved a motion by Mr. Voyles, seconded by Mrs. Tobin, that the appointment of Dr. L. D. Haskev as Dean of the College of Education be changed from full-time to two-thirds' time for nine months, effective October 1, 1954, at a nine months' full-time salary rate of \$10,500.

POSITION OF ASSISTANT TO THE CHANCELLOR ABOLISHED; POSITION OF ASSISTANT TO THE PRESIDENT CREATED AND APPOINTMENT OF MR. LANIER COX.--Mr. Voyles moved that the position of Assistant to the Chancellor be abolished effective immediately and that the position of Assistant to the President be created with such duties and responsibilities as designated by the President of The University of Texas, and that Mr. Lanier Cox be appointed to the position of Assistant to the President (with academic title of Professor of Business Law), effective October 1, 1954, at an annual salary of \$9,450 for services in this position. This motion was seconded by Dr. Oates and carried.

CREATION OF POSITION OF ASSISTANT TO THE PRESIDENT FOR MEDICAL AFFAIRS.--Mr. Voyles moved that the position of an Assistant for Medical Affairs be created with duties and responsibilities subsequently to be defined and the position to remain unfilled at this time. Mr. Lockwood seconded the motion, which carried.

CREATION OF POSITION OF BUSINESS MANAGER - MAIN UNIVERSITY AND APPOINTMENT OF MR. GRAVES LANDRUM.--The Board approved a motion by Mr. Voyles, seconded by Mr. Warren, that the position of Business Manager - Main University be created, being responsible to the Vice-President of the Main University and having the duties and responsibilities of directing and supervising the business activities of the Main University; and that Mr. Graves Landrum be appointed to this position, effective October 1, 1954, at an annual salary of \$9,500.

CREATION OF POSITION OF DEAN OF STUDENT SERVICES AND APPOINTMENT OF MR. H. Y. MC COWN.--Mr. Voyles moved that the position of Dean of Student Services be created with the duties and responsibilities of over-all supervision of Admissions, Registration, Student Life, Student Health, Testing and Guidance, Athletics, and the student activities, and that Mr. H. Y. McCown be appointed to this position, effective October 1, 1954, at an annual salary of \$10,000. Mr. Sorrell seconded the motion which carried.

Mr. Jeffers asked that the record reflect the following statement: "I oppose that portion of the motion which would include within the position of Dean of Student Services the functions of Student Life. While it is recognized that the Office of the Dean of Student Life will continue in existence and that the Dean of Student Life will continue to function in the present manner insofar as internal organization of the Office of Dean of Student Life is concerned, it is, nevertheless, my view that the Office of the Dean of Student Life is of sufficient paramount importance that instead of being subordinate to and reporting to the Dean of Student Services, it should be established as a separate unit parallel to the Office of the Dean of Student Services reporting directly to the President or Vice-President, as the case may be, just as is proposed for the Dean of Student Services."

A discussion ensued in which Chairman Sealy made the following statement and requested that it be made a part of the record: "While I am not opposed to this motion, I do share somewhat the feeling of Mr. Jeffers as to the importance of the position of the Dean of Student Life. In many ways, it is one of the most important positions filled by anyone in the University of Texas, and I certainly think that in doing this we should very carefully scrutinize - and I know the President will - the operations and the particular functions as exercised by the Dean of Student Services with special reference to the effect that they may have on the Dean of Student Life. And it may very well be that we will want to change this situation and have the Dean of Student Life report to the Vice-President and/or the President, as the case may be."

APPOINTMENT OF DR. HARRY RANSOM AS DEAN OF THE COLLEGE OF ARTS AND SCIENCES.--Upon motion by Mr. Voyles, duly seconded, the Board approved the appointment of Dr. Harry Ransom as Dean of the College of Arts and Sciences at \$5,000 for half-time services for nine months.

ASSISTANT TO THE PRESIDENT IN THE MAIN UNIVERSITY BUDGET CHANGED TO ASSISTANT TO THE VICE-PRESIDENT.--Mr. Voyles moved that the position now entitled Assistant to the President in the Main University Budget be designated as Assistant to the Vice-President and remain unfilled at this time. The motion was seconded by Mrs. Tobin and carried.

EXECUTIVE ASSISTANT TO CHANCELLOR ABOLISHED; PERSONNEL AND APPROPRIATIONS TRANSFERRED FROM OFFICE OF THE CHANCELLOR.--The Board approved a motion by Mr. Voyles, seconded by Mr. Lockwood, that in the Office of the Chancellor the position of Executive Assistant be abolished, effective October 1, 1954, and that the budget appropriations for two Senior Secretaries and for Clerical Assistants, Office and Traveling Expense, Official Entertainment, and Institutional Membership dues be transferred to the Office of the President of The University of Texas.

APPROPRIATION FOR ALTERATION AND RENOVATION AND FOR FURNITURE AND EQUIPMENT, OFFICES IN THE MAIN BUILDING.--Mr. Voyles moved that an appropriation from the Available University Fund in an amount to be approved by the Executive Committee of the Board of Regents be made for alteration and renovation of offices in the Main Building and for furniture and equipment for such offices. The motion was seconded by Mr. Sorrell and carried. See Page 127

ADDITIONAL FUNDS TO ACCOMPLISH ADMINISTRATIVE REORGANIZATION.--Mr. Voyles moved and Dr. Oates seconded the motion, that the President be authorized to create additional classified personnel positions and additional maintenance, equipment and travel accounts necessary to implement the reorganization of administrative offices, and that the funds for these purposes be appropriated from the budgets of Central Administration and Main University, as applicable and available, and that any additional funds necessary to accomplish this reorganization be provided from the Available University Fund Unappropriated Balance.

Mr. Sorrell moved that this motion be amended by adding to the last sentence the following: ". . . by and with the consent and approval of the Executive Committee of the Board of Regents." This amendment was adopted, and the Board approved the motion as amended.

AMENDMENTS, BOARD OF REGENTS' RULES AND REGULATIONS.--Upon motion of Mr. Jeffers, seconded by Mr. Voyles, the Board ordered that the Regents' Rules and Regulations be so amended as to carry into effect, conform with, and be consistent with the fifteen motions adopted on Administrative Reorganization on even date by the Board, such amendments of the Regents' Rules and Regulations to be made in accordance with the provisions of such rules governing their amendments.

INVITATION, AUSTIN CHAMBER OF COMMERCE.--Chairman Sealy reported that he had a letter from the Austin Chamber of Commerce expressing a desire to honor the members of the Board of Regents with a banquet as the Chamber of Commerce has done in previous years. Since the October meeting is the only one to be held in Austin the remainder of this year (the December meeting to be held in Dallas at the time of the dedication of the Basic Science Building of Southwestern Medical School), it was decided Chairman Sealy would notify the Austin Chamber of Commerce that the Board of Regents would be happy for them to tender the invitation for the next meeting, which is to be held October 28, 29, and 30, 1954.

DATE SET FOR JANUARY MEETING.--At this point the Board of Regents set the first meeting of the year 1955, to be held in Austin on January 27, 28, and 29.

MEDICAL COMMITTEE.--

INCLUSIVE SERVICE CHARGE, MEDICAL BRANCH.--Doctors Chauncey D. Leake and G. A. W. Currie came before the Board and discussed recommended rates in the "Inclusive Service Charge" for private patients hospitalized in the Medical Branch Hospitals. They stated it would bring the hospital service rates in line with competing hospitals in the area. Dr. Oates reported to the Board that he went to Galveston early in September and discussed with both Mr. Cappleman and Dr. Currie the justification of increased rates in "Inclusive Service Charge." A general discussion ensued.

On the basis of recommendations of E. N. Cappleman, Business Manager, concurred in by Dr. G. A. W. Currie and Dr. Chauncey D. Leake in a communication to Acting Chancellor Wilson, the motion was made by Dr. Oates, duly seconded, and passed by the Board to revise the "Inclusive Service Charge" for private patients hospitalized in the University hospitals at Galveston as follows:

Number of days in Hospital	PRESENT CHARGES		RECOMMENDED CHARGES	
	Rate for each day	Rate Accumulative	Rate for each day	Rate Accumulative
1	\$13.50	\$13.50	\$15.00	\$15.00
2	8.50	22.00	12.50	27.50
3	6.50	28.50	11.00	38.50
4	5.50	34.00	10.00	48.50
5	5.00	39.00	10.00	58.50
6	4.50	43.50	8.00	66.50
7	4.50	\$48.00	8.00	\$74.50
8	4.00	52.00	6.00	80.50
9	3.50	55.50	6.00	86.50
10	3.50	59.00	6.00	92.50
11	3.00	62.00	5.00	97.50
12	3.00	65.00	5.00	102.50
13	3.00	2nd week 68.00	5.00	2nd week 107.50
14	3.00	\$23.00 71.00	5.00	\$38.00 112.50
15	2.50	73.50	4.00	116.50
16	2.50	76.00	4.00	120.50
17	2.50	78.50	3.00	123.50
18	2.50	81.00	3.00	126.50
19	2.00	83.00	3.00	129.50
20	2.00	3rd week 85.00	3.00	3rd week 132.50
21	2.00	\$16.00 87.00	3.00	\$23.00 135.50

(No change is recommended for obstetrical care and no change is recommended for the allowance of x-ray charges of \$35.00 included in the "inclusive service" charge.)

INCREASE IN ESTIMATED INCOME TO BE CREDITED TO NEWLY-CREATED ACCOUNTS, MEDICAL BRANCH.--Dr. Chauncey D. Leake, in a letter dated August 10, 1954, to Acting Chancellor Wilson, stated that Mr. E. N. Cappleman estimates that the gross increase in revenue for the hospitals for the next fiscal year due to the increases in "Inclusive Services Charges" listed above, based on the current hospital load, will be \$237,000.00. Mr. Cappleman recommended, and the recommendation was concurred in by Doctors Currie and Leake, that the increase in estimated income not be credited to the Unappropriated Balance but that it be credited to newly-created accounts and in amounts as follows, with the understanding that the Reserve of Income Estimates Account of \$179,500.00 will not be utilized until a thorough study is made of the financial condition at November 30, 1954:

Unallocated Salaries	\$ 37,500.00
Unallocated Maintenance, Equipment, etc.	20,000.00
Reserve of Income Estimates	179,500.00

This recommendation was adopted by the Board upon motion of Dr. Oates, duly seconded.

SOUTHWESTERN MEDICAL SCHOOL

APPOINTMENT OF ACTING DEAN, SOUTHWESTERN MEDICAL SCHOOL.--Acting Chancellor Wilson called to the attention of the Board of Regents the resignation of Dean George N. Aagaard as Dean and Professor of Internal Medicine at the Southwestern Medical School, effective August 31, 1954, as is reflected on Page S-3 of the August 27 Docket of Southwestern Medical School. He further reported that an Executive Committee consisting of Assistant Deans Gill, Lackey and Chapman, with Dr. Gill as Chairman, was appointed to act in an interim capacity until an Acting Dean was designated by the Regents at this (September) meeting. The Board approved and confirmed the appointment of the Interim Committee.

See Item 1, Page 113.

Upon recommendation of Acting Chancellor Wilson and of the Executive Committee and upon motion by Mr. Voyles, seconded by Mr. Lockwood, the Board appointed Dr. A. J. Gill as Acting Dean of Southwestern Medical School.

FACULTY COMMITTEE TO RECOMMEND DEAN, SOUTHWESTERN MEDICAL SCHOOL.--Acting Chancellor Wilson reported that the following committee was elected by the individual faculty vote (votes being addressed to and tabulated in Austin) to recommend a Dean for Southwestern Medical School:

From the Full-Time Faculty:
Dr. Ben Wilson, Chairman
Dr. Gladys Fashena
Dr. Frank Harrison

From the Clinical Faculty:
Dr. Walter Grady Reddick
Dr. Frank Selecman

APPOINTMENT OF REGENTS' COMMITTEE FOR SELECTION OF DEAN, SOUTHWESTERN MEDICAL SCHOOL.--Chairman Sealy appointed as the Regents' Committee for the Selection of a Dean for Southwestern Medical School the members of the Medical Committee (Dr. Oates, Chairman, Mr. Jeffers, and Judge Woodward) and Mr. Voyles, Chairman of the Executive Committee. Chairman Sealy stated that this committee will serve with the assistance of Acting Chancellor Wilson in the selection of a new permanent Dean.

TEXAS WESTERN COLLEGE

APPOINTMENT OF ACTING PRESIDENT, TEXAS WESTERN COLLEGE; SALARY OF ASSISTANT.--Upon a motion duly made and seconded, the Board ratified the action of the Special Regents' Committee concerned with the selection of a new President for Texas Western College in naming A. A. Smith, Business Manager, as Acting President of Texas Western College, effective September 1, 1954, until a President is appointed.

There arose a discussion as to the salary of Mr. Smith and as to the salary of his Assistant Business Manager during the time that Mr. Smith is serving as Acting President. Upon motion of Mr. Jeffers, seconded by Mrs. Tobin, the Board approved the recommendation of Acting Chancellor Wilson that Mr. A. A. Smith be paid on the basis of \$10,000 per year while Acting President; and the Board further authorized Acting Chancellor Wilson to set the salary of the Assistant Business Manager after he has had opportunity to study the situation and the duties that will devolve upon him.

CENTRAL ADMINISTRATION

REPORT ON RECOGNITION PROCEDURE - DISTINGUISHED SERVICE AWARDS.--The report on Recognition Procedure - Distinguished Service Awards was deferred until the next meeting of the Board - October 28, 29, and 30, 1954.

RESIGNATION OF MRS. MARYVENICE E. STEWART, SECRETARY OF THE BOARD OF REGENTS.--Upon motion duly made and seconded, the Board accepted the resignation of Mrs. Maryvenice E. Stewart as Secretary of the Board of

Regents, effective September 27, 1954. The time element involved includes a vacation for 1953-54 and compensatory time. This resignation was accepted with regret.

APPOINTMENT OF BETTY ANNE THEDFORD, SECRETARY OF THE BOARD OF REGENTS.--Upon motion of Mr. Voyles, seconded by Judge Woodward, the Board appointed Betty Anne Theford as Secretary of the Board of Regents at a salary rate of \$4,620 for twelve months, effective September 16, 1954. The additional money needed for the overlapping of these appointments is to come from the Available Fund Unappropriated Balance.

BOARD FOR LEASE OF UNIVERSITY LANDS COMMITTEE.--

BOARD FOR LEASE OF UNIVERSITY LANDS - SPECIAL FUND.--A general discussion ensued with reference to the Board for Lease of University Lands - Special Fund, and it was the suggestion of the Board for Lease of University Lands Committee that the Acting Chancellor and other officers of the administrative staff work out some kind of proposition that will be legal in order that the money in this fund may be converted to a worthwhile use or uses. During the discussion several fields were suggested in which this money might be used. These suggestions are filed with the Board for Lease of University Lands Committee in the Office of the Board of Regents.

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| 744
| and 276

The Board requested that Acting Chancellor Wilson ask Judge Scott Gaines and/or Mr. Rupert Harkrider to advise him before the next meeting of the Board whether or not the Board for Lease of University Lands - Special Fund may be allocated to any places other than those specified in the Act without the consent of the Legislature.

BUILDINGS AND GROUNDS COMMITTEE.--

APPROVAL OF CORNERSTONE INSCRIPTIONS.--Mrs. Tobin, Chairman of the Buildings and Grounds Committee, reported that Comptroller Sparenberg had suggested that the name of Jack G. Taylor, Endowment Officer, be added to the list on the inscriptions for the cornerstones of the Dormitory for Women, the Dormitory for Men and Cafeteria, and the Men's Dormitory for Law and Graduate Students. After a brief discussion and on the recommendation of Comptroller Sparenberg and the Regents' Buildings and Grounds Committee and upon motion of Mr. Warren, seconded by Mrs. Tobin, the Board approved the inscriptions for cornerstones as listed below:

THE UNIVERSITY OF TEXAS

INSCRIPTION FOR CORNERSTONE
DORMITORY FOR WOMEN

Main face:

1954
BOARD OF REGENTS

Tom Sealy, Chairman
David M. Warren, Vice Chairman
Leroy Jeffers
Lee Lockwood
Dr. L. S. Oates
J. R. Sorrell
Mrs. Edgar Tobin
Claude W. Voyles
Dudley K. Woodward, Jr.

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Side face:

Logan Wilson, Acting Chancellor
Charles H. Sparenberg, Comptroller
Jack G. Taylor, Endowment Officer

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Logan Wilson, President, Main University
C. Paul Boner, Dean, Main University
Albert E. Cooper, Chairman Faculty Building Committee

---00---

Mark Lemmon, Consulting Architect
Jessen, Jessen, Millhouse, and Greeven, Architects
Yarbrough Construction Company, General Contractor

THE UNIVERSITY OF TEXAS

INSCRIPTION FOR CORNERSTONE
DORMITORY FOR MEN AND CAFETERIA

Main face:

1954
BOARD OF REGENTS

Tom Sealy, Chairman
David M. Warren, Vice Chairman
Leroy Jeffers
Lee Lockwood
Dr. L. S. Oates
J. R. Sorrell
Mrs. Edgar Tobin
Claude W. Voyles
Dudley K. Woodward, Jr.

Side face:

Logan Wilson, Acting Chancellor
Charles H. Sparenberg, Comptroller
Jack G. Taylor, Endowment Officer

---00---

Logan Wilson, President, Main University
C. Paul Boner, Dean, Main University
Albert E. Cooper, Chairman Faculty Building Committee

---00---

Mark Lemmon, Consulting Architect
Page, Southerland, and Page, Architects
R. P. Farnsworth and Company, Inc., General Contractor

THE UNIVERSITY OF TEXAS

INSCRIPTION FOR CORNERSTONE
MEN'S DORMITORY FOR LAW AND GRADUATE STUDENTS

Main face:

1954
BOARD OF REGENTS

Tom Sealy, Chairman
 David M. Warren, Vice Chairman
 Leroy Jeffers
 Lee Lockwood
 Dr. L. S. Oates
 J. R. Sorrell
 Mrs. Edgar Tobin
 Claude W. Voyles
 Dudley K. Woodward, Jr.

Side face:

Logan Wilson, Acting Chancellor
 Charles H. Sparenberg, Comptroller
 Jack G. Taylor, Endowment Officer

---00---

Logan Wilson, President, Main University
 C. Paul Boner, Dean, Main University
 Albert E. Cooper, Chairman Faculty Building Committee

---00---

Mark Lemmon, Consulting Architect
 Wilson, Morris, and Crain, Architects
 Leslie Crockett Construction Company, General Contractor

THE UNIVERSITY OF TEXAS

INSCRIPTION FOR CORNERSTONE
ENGLISH BUILDING

Main face:

1954
BOARD OF REGENTS

Tom Sealy, Chairman
 David M. Warren, Vice Chairman
 Leroy Jeffers
 Lee Lockwood
 Dr. L. S. Oates
 J. R. Sorrell
 Mrs. Edgar Tobin
 Claude W. Voyles
 Dudley K. Woodward, Jr.

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Side face:

Logan Wilson, Acting Chancellor
Charles H. Sparenberg, Comptroller

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Logan Wilson, President, Main University
C. Paul Boner, Dean, Main University
Albert E. Cooper, Chairman Faculty Building Committee

---00---

Mark Lemmon, Consulting Architect
Broad and Nelson, Architects
J. M. Odom, General Contractor

BUST OF DR. FREDERICK C. ELLIOTT, DENTAL BRANCH.--Mrs. Tobin inquired whether there were any objections to a sculptured bust of Dr. Frederick C. Elliott, who is living, being placed at the Dental Branch and Mrs. Tobin stated there is a niche or place that is appropriate for it. Mrs. Tobin is giving the bust, and the Board expressed appreciation for this gift.

AUDITING AND BUDGET COMMITTEE.--

REAPPROPRIATION, 1954-55, PHYSICAL PLANT PROJECTS; TRANSFER OF APPROPRIATIONS, MEDICAL BRANCH.--Mr. Sorrell, Chairman of the Auditing and Budget Committee, stated that he had examined the correspondence between the Galveston Medical Branch and the Chancellor's Office pertaining to the critical financial situation at Galveston, and he expressed approval of the recommendations of Acting Chancellor Wilson and Comptroller Sparenberg to the following effect:

- I. That the recommendations of Mr. Cappleman and Dr. Leake contained in their letters of September 2, 1954, in regard to the reappropriation of balances at August 31, 1954, in the accounts of the Physical Plant "Minor Improvement Projects" and/or "Special Projects" to be approved as follows:
 - a. Remodeling the Women's Building for Business Office use. Reappropriate balance of \$782.47 for completion of project.
 - b. Remodeling the first floor of the old John Sealy Hospital. Reappropriate unencumbered balance of \$13,030.93 and add to it the sum of \$7,000.00 by reappropriating the unencumbered balance of the project captioned "Construction of Ramp, first floor, New John Sealy Hospital to Old Building". (The remainder of the request was taken care of by the Building Committee. See Page 38.)
 - c. Remodeling the first floor of Children's Hospital. Reappropriate unencumbered balance of \$10,699.77 to complete the project.
 - d. Moving present Medical Clinic in Out-Patient Building to the fourth floor with remodeling of fourth floor as may be necessary. Reappropriate unencumbered balance of \$5,000.00 to complete project.
 - e. Moving Dermatology; Student Health; and Ear, Nose, and Throat Departments from Keiller Building to third floor of old Main Building. Reappropriate unencumbered balance of \$3,000.00 to complete project.

II. That the recommendations contained in the letters of September 14, 1954, from Mr. Cappleman and Dr. Leake be approved as follows:

- a. Transfer the \$15,135.00 appropriation for Telephone Operators in the Mail and Telephone Service as shown on Page 5 of the budget to the appropriation for Unallocated Salaries.
- b. Transfer from the Unallocated Maintenance, Equipment, Etc. Account to the Unallocated Salaries Account \$20,000.00.
- c. Transfer from Unallocated Salaries Account the amount of \$66,368.20 to cover the over-encumbrances to Salary Appropriations as at September 1, 1954, as itemized below:

September 1, 1954

General Administration and Business	
Business Office	
Chief Voucher Clerk	\$ 276.00
Accountant	240.00
General Expense	
Animal Hospital	
Assistants and Technicians	1,078.00
General Stores	
Clerks and Warehousemen	1,272.00
Mail and Telephone Service	
Clerks	768.00
Medical Photography	
Assistants and Technicians	3,048.00
Student Health Service	
Nurses, Assistants and Technicians	276.00
School of Medicine	
Dermatology and Syphilology	
Instructor (part-time) - Dr. Eva Everett	2,400.00
Assistants and Technicians	1,379.00
Internal Medicine	
Assistants and Technicians	3,680.00
Physiology	
Assistants and Technicians	577.20
Preventive Medicine and Public Health	
Assistants and Technicians	73.00
The University of Texas School of Nursing	
Assistants and Technicians	24.00
Department of Vocational Nurse Education	
Assistants and Technicians	80.00
Organized Research	
Surgical Research Laboratory	
Assistants and Technicians	60.00
Hospitals	
Nursing Service	40,000.00
Medical Records	
Clerks and Assistants	4,273.00
Clinical Laboratory	
Technicians, Assistants, Clerks and Aides	3,898.00
Electroencephalography Service	
Assistants and Technicians	252.00
Dental Clinic	
Technicians, Assistants, Clerks and Aides	1,932.00
Personnel Clinic	
Director	600.00
Assistants, Clerks and Technicians	132.00
School Service for Pediatric Patients	
Teachers	50.00
	<hr/>
Total	\$66,368.20

In making the motion that these recommended actions be approved by the Regents, Mr. Sorrell said that he wanted it clearly understood that the Medical Branch would be under instructions to live within its income. The motion was duly seconded and passed.

BOOK VALUE, NEW JOHN SEALY HOSPITAL.--Mr. Sorrell reported that in bookkeeping at the Medical Branch it is necessary to set up values on the property that was given to the Board of Regents of The University of Texas by the Sealy and Smith Foundation. Upon recommendation of E. N. Cappleman, Business Manager of The University of Texas Medical Branch, and on motion of Mr. Sorrell, seconded by Judge Woodward, the Board approved the following figures to be used on the books of the Medical Branch. These figures were submitted to E. N. Cappleman by J. W. McCullough, President of the Sealy and Smith Foundation for The John Sealy Hospital:

Installation	\$ 11,159,610.89	
Cost of Land	<u>15,486.46</u>	\$ 11,175,097.35
Deed of Gift Excluded Unit "D" which cost		<u>1,625,907.89</u>
Cost figure for balance of hospital		9,549,189.46

POSTGRADUATE SCHOOL OF MEDICINE

ATTENDANCE OF PHYSICIANS AND SURGEONS OF THE OSTEOPATHIC SCHOOL OF MEDICINE, POSTGRADUATE SCHOOL OF MEDICINE.--Acting Chancellor Wilson reported that Judge Scott Gaines advised that the Postgraduate School of Medicine of The University of Texas is not obligated to furnish the types of instruction as required by Physicians and Surgeons of the Osteopathic School of Medicine. In view of the fact that courses of Osteopathy are different from courses of Medicine and that no credit could be given to Physicians and Surgeons of the Osteopathic School of Medicine for their attendance on the medical lectures, Chairman Sealy stated that Physicians and Surgeons of the Osteopathic School of Medicine would not be permitted to attend courses of training in the Postgraduate School of Medicine.

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CENTRAL ADMINISTRATION

CORRECTION OF ERROR, LEAVE OF ABSENCE OF JACK G. TAYLOR.--Acting Chancellor Wilson called attention to a technical error in the Minutes of July 17, 1954, whereby Mr. Jack G. Taylor, Endowment Officer, was granted a leave of absence with salary for the period August 18 to 31, 1954. In order to comply with the provisions of House Bill 111, Acts 53rd Legislature, Regular Session, 1953, the Biennial Appropriation Bill, Acting Chancellor Wilson recommended that the leave of absence granted to Jack G. Taylor be without salary for the period August 18 through 31, 1954.

Mr. Sorrell moved that the recommendation of Acting Chancellor Wilson be adopted. This motion was seconded by Judge Woodward and carried.

REPORT OF FINANCE COMMITTEE.--

FINANCE COMMITTEE OF THE TEXAS COMMISSION ON HIGHER EDUCATION.--Acting Chancellor Wilson gave a brief report on the Finance Committee of the Texas Commission on Higher Education and expressed the opinion that it is definitely to the best interests of The University of Texas to cooperate with and strongly support the recommended financing program. Under the recommendations of this committee, the University would be put on a formula basis common to all eighteen institutions of higher learning; increases would be based upon previous expenditures rather than previous appropriations; there would be an override for each department offering work leading to the Ph. D. degree; and appropriations for General Administration and Instructional Costs would be based on full-time student

equivalent. Acting Chancellor Wilson expressed the idea that this is an equitable and fair method of financing, that it would keep the University out of legislative financial controversies, that it would protect the University's Available Fund, and that among other things it would provide increased appropriations to cover increased enrollments. It was his thought that the work of this Commission has profound implications for the financing of The University of Texas.

M. D. ANDERSON HOSPITAL

PURCHASE OF ELECTRON MICROSCOPE AT ANDERSON HOSPITAL.--Acting Chancellor Wilson called to the attention of the Regents the fact that the RCA Model Electron Microscope chosen for M. D. Anderson Hospital was underbid by North American Phillips. Dr. Oates expressed the opinion that the decision to accept the RCA microscope was wise in view of the fact that the other model would be obsolete by the time it was installed at M. D. Anderson Hospital. Dr. Oates reported that Dr. R. Lee Clark was attempting to arrange with the Board of Control to purchase the RCA model, but that if he were unsuccessful in his efforts it might be necessary to have some action from the Board of Regents.

MEDICAL BRANCH

COLLECTION AND DISPOSITION OF CERTAIN FEES FOR PROFESSIONAL SERVICES RETAINED BY MEMBERS OF THE MEDICAL STAFF OF THE UNIVERSITY OF TEXAS MEDICAL BRANCH HOSPITALS.--The collection and disposition of certain fees for professional services retained by members of the Medical Staff of The University of Texas Medical Branch Hospitals was passed over to the October, 1954, meeting.

See
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The Board recessed at 5 p.m. until 9 a.m., Saturday, September 18.

Saturday
September 18, 1954

The Board reconvened at 9:00 a.m. on Saturday, September 18, 1954, with all members present except Mr. Lockwood.

The press came in.

Chairman Sealy passed out press releases relative to administrative reorganization at the University. He explained that the reorganization plan follows the basic principles set forth in the report of the Texas Research League and further stated that this plan had been adopted unanimously at the meeting of the Board on Friday. In his concluding remarks to the press relative to the reorganization plan, he described the feeling of each member of the Board in these words: "We have done a very fine thing for the University, and we have placed the matter in the hands of a man who will do a great job."

The press left.

SOUTHWESTERN MEDICAL SCHOOL

CHANGE OF NAME, SOUTHWESTERN MEDICAL SCHOOL.--With the consent of the Board of Regents and by its order, the name of the Southwestern Medical School of The University of Texas was changed to The University of Texas Southwestern Medical School.

MAIN UNIVERSITY

ACCEPTANCE OF GIFT FOR ESTABLISHMENT OF I. M. LEWIS MEMORIAL FUND IN BACTERIOLOGY.--Acting Chancellor Wilson recommended the acceptance of a check in the amount of \$954.33 sent by Dr. S. W. Bohls and Dr. O. B. Williams, Trustees of the money raised by several of Dr. I. M. Lewis' students to establish the I. M. Lewis Memorial Fund, and further recommended that an I. M. Lewis Memorial Fund in Bacteriology be established at the Main University to be used as follows:

The Board of Regents is hereby given full power, from time to time, to invest and reinvest the fund or any part thereof in such securities or property of the kind or character as it may deem to be most suitable for such investment, including, but not by way of limitation, bonds, preferred and common stocks, mortgages, and real or personal property. The Board of Regents, in its discretion, may group this fund with others for the purpose of investment.

The income from this fund, or a portion or all of the principal as well, may be used at the discretion of a University Committee of Award in recognition of work done by students in bacteriology at the Main University and may be in the form of a loan, a prize, or a gift for outstanding work or for any such other use as may seem appropriate to the Committee of Award. An appropriate certificate shall be given each recipient of an award under this fund. The Committee of Award shall have complete discretion in fixing the terms and amounts of the awards, selecting the beneficiaries, reinvesting the income or holding the income over for future awards. If for any reason the purpose of the fund becomes impracticable or unwise, the Board of Regents and the Committee of Award may change the use of such income to a more appropriate purpose.

The Committee of Award shall consist of three members and shall be appointed by the President of the Main University from among bacteriologists who were former students or associates of the late Dr. I. M. Lewis so long as these may be available. The Committee of Award shall recommend to the President for appointment succeeding members of the Committee. Should the Committee of Award fail to recommend succeeding members of the Committee for any reason, then the President of the Main University shall appoint members to fill any existing vacancies therein.

The Board adopted this recommendation upon motion of Mr. Voyles, seconded by Dr. Oates.

CENTRAL ADMINISTRATION

AUTHORIZATION TO COMPTROLLER SPARENBERG TO AMEND CERTAIN EXISTING BANK DEPOSITORY AGREEMENTS AND PREPARE NEW BANK DEPOSITORY AGREEMENT WITH FANNIN STATE BANK, HOUSTON.--Upon recommendation of Comptroller Sparenberg, concurred in by Acting Chancellor Wilson, the Board, upon motion of Mr. Jeffers, seconded by Mr. Voyles, approved the following amendments to Bank Depository Agreements:

1. Amend the Depository Agreement with the First National Bank in Dallas so as to change the Trustee Bank from the Dallas National Bank, Dallas, Texas, to the Fort Worth National Bank, Fort Worth, Texas.
2. Amend the Depository Agreement with the Mercantile National Bank, Dallas, Texas, to increase the maximum limit on time deposits from \$60,000.00 to \$100,000.00;

and authorized Comptroller Sparenberg to have executed a Bank Depository Agreement with the Fannin State Bank, Houston, Texas as Depository, and the Second National Bank of Houston, Houston, Texas, as Trustee, covering a new account to be entitled "M. D. Anderson Hospital for Cancer Research of The University of Texas - Clearing Account" and "any other checking accounts which may be hereafter opened in the name of The University of Texas," this agreement to be in accordance with the standard Bank Depository Agreement forms, to be checked as to legality by University Attorney Judge Scott Gaines, and to be signed on behalf of the Board of Regents by Chairman Tom Sealy.

The main purpose of this arrangement is to avoid the time consumed under the present procedure in making trips to town for making deposits in the First National Bank and the Second National Bank, Houston. The Fannin State Bank has agreed to handle this Clearing Account for us if \$30,000 is transferred to this account and left on deposit continuously. It is planned to transfer this \$30,000 from the General Funds Account in the Second National Bank, Houston.

MEDICAL BRANCH

TEMPORARY DEFERMENT OF RETIREMENT PROVISION FOR 1954-55 FOR MIKE CASTALDI AND JOHN MILLER, MEDICAL BRANCH.--Under the Rules and Regulations of the Board of Regents, Mr. Mike Castaldi, locksmith, and Mr. John Miller, supervisor in the Animal Hospital, both at the Medical Branch, Galveston, would have retired completely from University service effective September 1, 1954. Upon recommendation of Dr. Leake that Mike Castaldi, locksmith, and John Miller, supervisor in the Animal Hospital, be deferred temporarily from retirement September 1, 1954, Acting Chancellor Wilson recommended that Mike Castaldi and John Miller be employed for 1954-55 only and not to exceed one-half time. The Board, upon motion of Judge Woodward, seconded by Mr. Voyles, adopted this recommendation.

DEATH OF MR. HENRY EICKHOFF, JR.--Acting Chancellor Wilson reported to the Board the death of Henry Eickhoff, Jr., in San Francisco, California, on August 12, 1954. Mr. Eickhoff, Jr., represented The University of Texas in the settlement of the McLaughlin Estate, and Acting Chancellor Wilson stated he had called this to the attention of Judge Scott Gaines for his counsel as to whether arrangements should be made in San Francisco with a firm other than Mr. Eickhoff's to look after the interests of the University.

CENTRAL ADMINISTRATION

CERTIFICATION TO STATE COMPTROLLER CONCERNING NEW COURSES. (SECTION 17, CHAPTER V, H. B. 111, 53rd LEGISLATURE, R.S.)--Acting Chancellor Wilson reported that he had received letters from each branch of the University and that he had written one for the Main University certifying that no new courses or programs have been set up since October, 1950, in accordance with the provisions of Paragraph f, Section 17, Chapter V, H. B. 111, 53rd Legislature, R.S. The Board approved the following certification to the State Comptroller:

Pursuant to the provisions of Paragraph f, Section 17, Chapter V of House Bill 111, 53rd Legislature, Regular Session, the Board of Regents of The University of Texas, acting herein by and through Logan Wilson, President and Acting Chancellor of The University of Texas, does certify that each unit of this institution for which an appropriation is made in House Bill 111, including the Main University, which includes the Extramural Divisions and the Texas Memorial Museum; the Medical Branch; Southwestern Medical School; Texas Western College; the School of Dentistry; the Postgraduate School of Medicine; and the M. D. Anderson Hospital for Cancer Research, has fully complied and is complying with the provisions of said Paragraph f, Section 17, Chapter V of House Bill 111, 53rd Legislature, Regular Session.

TEXAS WESTERN COLLEGE

REPORT OF CLASSES WITH LESS THAN TWELVE STUDENTS IN SECOND TERM, SUMMER SESSION, 1954, TEXAS WESTERN COLLEGE.--Acting Chancellor Wilson presented the report, submitted to him by Acting President A. A. Smith, of classes with less than twelve students in the Second Term of the 1954 Summer Session at the Texas Western College which was prepared in accordance with Section 17 (h) of the Special Provisions in H. B. 111, 53rd Legislature, Regular Session. (A copy of this report

is filed in the Office of the Board of Regents.) Upon motion of Mr. Warren, seconded by Mr. Voyles, the Board approved the report.

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MAIN UNIVERSITY

REPORT OF CLASSES WITH LESS THAN TWELVE STUDENTS IN SECOND TERM, SUMMER SESSION, 1954, MAIN UNIVERSITY.--Acting Chancellor Wilson presented a report of classes with less than twelve students, both undergraduate and graduate, in the Second Term of the 1954 Summer Session at the Main University which was prepared in accordance with the provision of Section 17 (h) of the Special Provisions of H. B. 111, 53rd Legislature, Regular Session. (A copy of this report is filed in the Office of Secretary of the Board of Regents.) The general categories into which the small classes fell are:

*Secretary's
Cites, Vol. 2,
Page 2.*

1. Classes which cannot be larger because of equipment and/or space limitations.
2. Highly specialized courses required for professional degrees.
3. Courses in small departments which offer the minimum number of courses consistent with having at least an acceptable, balanced program.
4. Courses which a large department regards as necessary for a rounded program.
5. Courses for which students pay a supplementary fee for individualized Fine Arts instruction.
6. Miscellaneous.

This report was adopted by the Board upon motion of Mr. Warren, seconded by Mr. Voyles.

SOUTHWESTERN MEDICAL SCHOOL

SALARY OF ACTING DEAN A. J. GILL.--Upon motion of Judge Woodward, seconded by Dr. Oates, the Board authorized the salary of Acting Dean A. J. Gill be increased to \$15,000 for twelve months, effective September 18, 1954, for the period of his service as Acting Dean. | See Page 339

M. D. ANDERSON HOSPITAL

COMMUNICATION FROM DR. CLARK RE PLANS ON OCTOBER 23, 1954, DEDICATION.--Acting Chancellor Wilson reported plans of Dr. R. Lee Clark, Jr., Director of the M. D. Anderson Hospital, to have a small buffet luncheon for the Board members, their wives, and some distinguished guests, and afterwards to take the entire group by bus to the Texas-Rice game on October 23, the date set for the dedication of the M. D. Anderson Hospital. Dr. Clark asked if the University band could play at the dedication ceremony, but Acting Chancellor Wilson advised him that the band would not be available at the time of the dedication.

The Board asked Acting Chancellor Wilson to inform Dr. Clark that the Board would be delighted to attend the luncheon and game as he had planned.

CENTRAL ADMINISTRATION

DOCKET, CENTRAL ADMINISTRATION.--Acting Chancellor Wilson presented for approval his docket recommendations of the Central Administration. Upon motion by Mrs. Tobin, seconded by Mr. Warren, the Board approved the recommendations. (A copy of this Docket is attached hereto and made a part of these Minutes. Page 40.)

MAIN UNIVERSITY

DOCKET, MAIN UNIVERSITY AND EXTRAMURAL DIVISIONS.--Mrs. Tobin moved that the Docket for the Main University and Extramural Divisions, as prepared and presented by Acting Chancellor Wilson with his recommendation for approval, be approved. This motion was duly seconded.

Mr. Warren moved that this Docket be corrected on Page M-31 under the topical head Names for New Cafeteria and Dormitories by deleting "Janzen Cafeteria - New Cafeteria" and that this matter be referred back to the Faculty Committee, in view of the fact that it violated a Regents' rule prohibiting a building from being named in honor of anyone who has been deceased less than ten years. This amendment was adopted, and the Board approved the Docket as amended. (A copy of this Docket is attached hereto and made a part of the Minutes. Page 43.)

TEXAS WESTERN COLLEGE

DOCKET, TEXAS WESTERN COLLEGE.--Acting Chancellor Wilson presented with his recommendation for approval the docket recommendations of Texas Western College as submitted by A. A. Smith, Business Manager. Upon motion of Mrs. Tobin, seconded by Mr. Warren, the Board approved the Docket. (A copy of this Docket is attached hereto and made a part of the Minutes. Page 80.)

MEDICAL BRANCH

DOCKET, MEDICAL BRANCH.--Acting Chancellor Wilson presented with his recommendation for approval the docket recommendations of the Medical Branch as submitted by Dr. Chauncey D. Leake, Executive Director, and incorporating a change in Item 2, Page G-10, by adding "with travel expenses paid to Washington and return." Upon motion of Mrs. Tobin, seconded by Mr. Warren, the Board approved the Docket with this change included. (A copy of this Docket is attached hereto and made a part of the Minutes. Page 83.)

DENTAL BRANCH

DOCKET, DENTAL BRANCH.--Acting Chancellor Wilson presented with his recommendation for approval the docket recommendations of the Dental Branch as submitted by Dr. J. V. Olson, Dean. Upon motion by Mrs. Tobin, seconded by Mr. Warren, the Board approved the recommendations. (A copy of this Docket is attached hereto and made a part of these Minutes. Page 101.)

M. D. ANDERSON HOSPITAL

DOCKET, M. D. ANDERSON HOSPITAL.--Acting Chancellor Wilson presented with his recommendation for approval the docket recommendations of the M. D. Anderson Hospital, as presented by Dr. R. Lee Clark, Jr., Director. Upon motion by Mrs. Tobin, seconded by Mr. Warren, the Board approved the recommendations. (A copy of this Docket is attached hereto and made a part of the Minutes. Page 105.)

SOUTHWESTERN MEDICAL SCHOOL

DOCKET, ~~SOUTHWESTERN~~ MEDICAL SCHOOL.--Acting Chancellor Wilson presented with his recommendation for approval the docket recommendations of Southwestern Medical School, as submitted by Dr. A. J. Gill, Chairman of the Executive Committee. Upon motion of Mrs. Tobin, seconded by Mr. Warren, the Board approved the recommendations. (A copy of this Docket is attached hereto and made a part of the Minutes. Page 111.)

POSTGRADUATE SCHOOL OF MEDICINE

DOCKET, POSTGRADUATE SCHOOL OF MEDICINE.--Acting Chancellor Wilson presented with his recommendation for approval the docket recommendations of the Postgraduate School of Medicine, as submitted by Dr. Grant Taylor, Dean. Upon motion of Mrs. Tobin, seconded by Mr. Warren, the Board approved the recommendations. (A copy of this docket is attached hereto and made a part of the Minutes. Page 119.)

SPECIAL COMMITTEE ON WEST TEXAS LANDS.--

REVISION OF GRAZING LEASE POLICY.--Endowment Officer Taylor presented the following report of the Special Committee on West Texas Lands:

Effective on January 1, 1955, a number of University grazing leases will be up for renewal. In connection therewith, negotiations will shortly be started by Mr. E. J. Compton, University Land Agent, with various grazing lessees for renewal of their leases. Your Special Committee on West Texas Lands has reviewed the present grazing lease policy on West Texas Lands both at the May and July meeting and at the present meeting and recommends that the following revised policy be adopted by the Board of Regents:

1. Renewal of Leases.--Assuming satisfactory relations in the past and satisfactory negotiated renewal rental rates, it is recommended that present leaseholders be given first preference in the renewal of their grazing leases. All such renewals are to be worked out at least ninety days in advance of the expiration date of the old lease. The University Land Agent, however, is to be free at all times to negotiate with any prospective grazing leaseholder.
2. Length of New Grazing Lease.--It is recommended that the present ten-year lease period be changed to a five-year lease period with a fixed rental rate, with an option to renew for another five-year period with terms to be agreed upon. Failing a mutually satisfactory renegotiation of terms, including the rental rate for the second five-year period, the lease would expire at the end of the first five-year period.
3. Live Stock Limits.--It is recommended that the present policy of limiting the number of live stock units to so many head per section be continued, with the specific limitations to be set at the time the lease is negotiated. A further general statement about overstocking should be included in the new grazing lease form, and abuses of the land by present lessees should be taken into consideration when negotiating lease renewals.
4. Rental Rates.--It is recommended that rental rates continue to be a matter of negotiation, the rates to take into consideration all circumstances involved, including such things as the amount of live stock units the range would run under normal conditions. The rate should be calculated to be economically sound over the period of the lease, making allowances for the lessee to carry over during a drought period or a period of depressed prices. Efforts should be made to equalize rates in one general area though, of necessity, this will not be entirely possible due to differences of beginning dates of the leases and other factors.
5. Size of Leases.--It is recommended that no specific size of a lease be required but that a general policy be adopted by the Board to the effect that the University Land Agent is authorized to work out with any leaseholder on a voluntary basis for the orderly breakup of any unduly large area into smaller but still economically efficient units. Any such released acreage would be subject to lease to non-related parties.
6. Oil Fields.--It is recommended that in the discretion of the University Land Agent that either the grazing area containing sizeable oil fields be removed from the basic grazing lease, or, as an alternative, that the rental rate for such a grazing lease be cut by one-quarter on the acreage involved in the oil field area, with the further provision that the grazing lessee receiving such cut in rental rate shall not collect any damages from the oil companies in the area on which rent was reduced for damage to the land. The grazing lessee would continue to collect damages from the oil companies for loss of live stock in the oil field area for which loss the companies are liable by reason of their negligent operations.

7. Farming.--It is recommended that the present policy be continued of not permitting substantial dry land farming on grazing lands, it being felt that such practice would destroy the land in the grazing area. It is further recommended, however, that irrigated farming be permitted in those areas where water is or can be made available but that a separate lease shall be made for such acreage used for irrigated farming. Provision also shall be made in the grazing lease form to permit separation of such irrigated farming acreage from the basic grazing lease without the permission of the grazing lessee.

8. Ingress and Egress.--It is recommended that the new grazing lease form be drafted so as to allow the University to permit its oil lessees and geophysical exploration and other permittees the right of ingress and egress over non-University land, owned by the holder of a University grazing lease adjacent thereto, on which such oil lease operators and permittees are working. Further, the University, its oil lease operators and other permittees should have reserved the right to open roads, put in gates and cattle guards, and to cross any grazing lease to get to another lease for the same purpose.

9. Assignment of Grazing Leases.--It is recommended that the grazing lease form continue to carry a provision which requires the University's permission to assign or sublet a grazing lease. The present policy should be continued of holding assignments and subletting of grazing leases to a minimum. The provision should be made in the grazing lease form that the University shall receive at least one-half of any bonuses or increased rentals paid by the assignee or sublettee of the grazing lease for such assignment or sublet privilege.

It is recommended that Endowment Officer Taylor be authorized to have drawn up a revised grazing lease form incorporating the above-outlined policy, such form to be approved by the University's Land and Trust Attorneys.

Upon motion of Mr. Jeffers, seconded by Mr. Warren, the Board adopted the Grazing Lease Policy as set out in the report.

LAND AND FINANCE COMMITTEE REPORT.--

Endowment Officer Taylor presented the following report which had been adopted by the Land and Finance Committee: (See Page 24.)

PERMANENT UNIVERSITY FUND--INVESTMENT MATTERS.--

REPORT OF PURCHASES OF SECURITIES.--The following purchases of securities have been made for the Permanent University Fund since the report of July 16, 1954. We ask that the Board ratify and approve these transactions:

UNITED STATES GOVERNMENT BONDS PURCHASED

Issue	Par Value	Purchase Price	Yield Basis	Principal Cost	Date of Delivery
3-1/4% Treas. Bonds due 6/15/83-78	\$ 400,000	111.18750	2.60%*	\$ 444,750.00	7/22/54
Ditto	500,000	111.65625	2.59 *	558,281.25	8/12/54
Ditto	500,000	110.9375	2.62 *	554,687.50	9/10/54
2.76% Savings Bonds Series K, due 8/1/66	200,000	100.00	2.76 #	200,000.00	8/10/54
Totals	<u>\$1,600,000</u>			<u>\$1,757,718.75</u>	

*Yield to first option date. #Yield to maturity date.

WAIVER OF PREFERENTIAL RIGHT OF PURCHASE OF VETERANS LAND BONDS FOR PERMANENT UNIVERSITY FUND.--On September 9, 1954, the Veterans Land Board offered for sale \$10,000,000.00 par value State of Texas Veterans Land Bonds (General Obligations), Series 1954-A, dated September 1,

1954, due serially each year June 1, 1960, through June 1, 1989, both inclusive, with all bonds of the last eight maturities optional on June 1, 1964, and on any interest payment date thereafter at par and accrued interest plus a premium of 1-1/2%, such premium to be reduced to 1%, effective June 1, 1969, reduced to one-half of 1%, effective June 1, 1974, and reduced to zero on June 1, 1979. These bonds are the remaining part of a total authorized amount of \$100,000,000.00, a total of \$90,000,000.00 par value of this authorized amount having already been sold. Under the provisions of the Constitution and laws of the State of Texas, a preferential right of purchase is given to the administrators of the Permanent University Fund, the Permanent Free School Fund and the various State Retirement Funds. By statute, any bid in excess of 3% is prohibited. The Veterans Land Board accepted a low bid of 2.0970% for the \$10,000,000.00 par value offered on September 9. Pursuant to authorization from the majority of the members of the Board of Regents by letter, Endowment Officer Taylor waived the Permanent University Fund's preferential right of purchase. We ask that the Board ratify and approve this waiver.

PERMANENT UNIVERSITY FUND--LAND MATTERS.--

LEASES AND EASEMENTS.--Endowment Officer Taylor reported for the Land and Finance Committee that consideration had been given to the following applications for various leases and easements on University Lands. All are at the standard rate unless otherwise stated, are on the University's standard forms, and have been approved as to content by the University Endowment Officer and as to form by the University Land and Trust Attorney. Mr. Taylor has asked that the Board approve these applications and authorize the Chairman of the Board to execute the instruments involved:

PIPE LINE EASEMENT NO. 655, TEXAS-NEW MEXICO PIPE LINE COMPANY IN CROCKETT COUNTY, TEXAS.--This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 3,003 rods of 6-5/8" line at \$0.75 per rod, in Block 30, Sections 35 and 36, and Block 31, Sections 2, 3, 4, 8, 9, 17, 20, 29, and 32, University Lands in Crockett County, Texas, for a 10-year period beginning September 1, 1954, and ending August 31, 1964. The full consideration for 10-year period in the amount of \$2,252.25 has been tendered with the application. (Renewal of Easement No. 220, which expired August 31, 1954.)

PIPE LINE EASEMENT NO. 656, STANOLIND OIL AND GAS COMPANY IN ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to Stanolind Oil and Gas Company covers 175.76 rods of 6-1/2" gathering line at \$0.75 per rod, in Block 13, Sections 19 and 30, University Lands in Andrews County, Texas, for a 10-year period beginning July 1, 1954, and ending June 30, 1964. The full consideration in the amount of \$131.82 has been tendered with the application.

CAMP SITE EASEMENT NO. 657, PHILLIPS PETROLEUM COMPANY IN ANDREWS COUNTY, TEXAS.--This application for a camp site easement to Phillips Petroleum Company covers a 5-acre tract in Block 5, Section 42, University Lands in Andrews County, Texas, for a 20-year period, beginning July 1, 1954, and ending June 30, 1974. The full consideration for the 20-year period in the amount of \$1,000.00, at the rate of \$10.00 per acre per year, has been tendered with the application.

CAMP SITE EASEMENT NO. 658, PHILLIPS PETROLEUM COMPANY IN ANDREWS COUNTY, TEXAS.--This application for a camp site easement to Phillips Petroleum Company covers a 5-acre tract in Block 10, Section 3, University Lands in Andrews County, Texas, for a 10-year period beginning July 1, 1954, and ending June 30, 1964. The full consideration in the amount of \$500.00 for the 10-year period, at the rate of \$10.00 per acre per year, has been tendered with the application.

CAMP SITE EASEMENT NO. 659, FULLERTON OIL AND GAS CORPORATION IN ANDREWS COUNTY, TEXAS.--This application for a camp site easement to Fullerton Oil and Gas Corporation covers an 0.86-acre tract in Block 13, Section 30, University Lands in Andrews County, Texas, for a period of

one year beginning July 1, 1954, and ending June 30, 1955, with an option to extend and renew the lease from year to year, but not to exceed a total period of 10 years from July 1, 1954, by payment in advance of the annual rental of \$50.00. The full minimum consideration for the first year's rental in the amount of \$50.00 has been tendered with the application.

BUSINESS SITE EASEMENT NO. 660, CARL B. BEWICK IN REAGAN COUNTY, TEXAS.--This application for a business site easement to Carl B. Bewick covers a lot 200 feet square in Block 11, Section 7, University Lands in Reagan County, Texas, to be used as a trucking lot. This easement is for a period of one year beginning August 1, 1954, and ending July 31, 1955, with an option to extend and renew the lease from year to year, but not to exceed a total period of 10 years from August 1, 1954, by payment in advance of the annual rental of \$150.00. The consideration for the first year's rental in the amount of \$150.00 has been tendered with the application.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 661, TEXAS STATE HIGHWAY COMMISSION IN HUDSPETH COUNTY, TEXAS.--This application for a right-of-way easement to the Texas State Highway Commission in Block L, Section 1, University Lands in Hudspeth County, Texas, covers a 15.232-acre strip of land of which 9.467 acres are occupied by the present right-of-way of U. S. Highway No. 62 and No. 180, and the remaining 5.765 acres are for additional right-of-way lying parallel and adjacent to the present right-of-way. No consideration is involved in the easement.

PUMP STATION SITE EASEMENT NO. 662, SHELL PIPE LINE CORPORATION IN ANDREWS COUNTY, TEXAS.--This application for a pump station site easement to Shell Pipe Line Corporation covers a 5-acre tract in Block 1, Section 19, University Lands in Andrews County, Texas, for a period of one year beginning May 1, 1954, and ending April 30, 1955, with the option to extend and renew said lease from year to year, but not to exceed a total period of 10 years from May 1, 1954, by payment in advance of the annual rental of \$50.00 per year. The consideration for the first year's rental in the amount of \$50.00 has been tendered with the application.

ASSIGNMENT OF BUSINESS SITE EASEMENT NO. 540 FROM W. W. DUNIHOO TO H. H. CALLEY IN REAGAN COUNTY, TEXAS.--This assignment of Business Site Easement No. 540 from W. W. Duniho to H. H. Calley covers use for a welding shop of a 200 foot by 200 foot parcel of land in Block 11, Section 7, University Lands in Reagan County, Texas. This assignment has been effectuated by means of a Bill of Sale recorded in Reagan County, Texas, August 3, 1954, but reserving to the Board of Regents the annual rental of \$150.00 as well as all other provisions set forth in the original lease. The terms of this easement give the lessee the right to assign the easement provided a copy of the assignment is furnished the lessor. The original easement is for a period of one year beginning September 1, 1952, and ending August 31, 1953, with an option to extend and renew said lease from year to year, not to exceed a total period of ten years from September 1, 1952, by payment in advance of the annual rental of \$150.00.

BUSINESS SITE EASEMENT NO. 663, W. A. GLASSCOCK IN REAGAN COUNTY, TEXAS.--This application for a business site easement to W. A. Glasscock covers a lot 200 feet square in Block 11, Section 7, University Lands in Reagan County, Texas, to be used as a wrecking yard. The easement is for a period of one year beginning October 1, 1954, and ending September 30, 1955, with an option to extend and renew the lease from year to year, but not to exceed a total period of ten years from October 1, 1954, by payment in advance of the annual rental of \$150.00. The consideration for the first year's rental in the amount of \$150.00 has been tendered with the application.

PIPE LINE EASEMENT NO. 664, SHELL PIPE LINE CORPORATION IN WARD AND WINKLER COUNTIES, TEXAS.--This application for a pipe line easement to Shell Pipe Line Corporation covers 5,241 rods of 6-5/8" line at \$0.75 per rod, in Block 21, Sections 13, 24, 25, 26, 34, 35, 39, 45 and 46, and Block 17, Section 11 and part of Section 30, University Lands in Ward County, Texas; Block 17, part of Section 30 and all of Sections 29, 32, 33 and 34, and Block 18, Sections 5, 12, 21, 28, 32, and 39, University Lands in Winkler County, Texas. The easement is for a ten-year period beginning August 1, 1954, and ending July 31, 1964. The full consideration for the 10-year period in the amount of \$3,930.75 has been tendered with the application.

TANK FARM EASEMENT NO. 665, SINCLAIR OIL AND GAS COMPANY IN CROCKETT COUNTY, TEXAS.--This application for a tank farm easement to the Sinclair Oil and Gas Company covers a site located in the W/2 of Section 26, Block 45, University Lands in Crockett County, Texas. The easement is for a period of one year, beginning August 1, 1954, and ending July 31, 1955, with an option to renew from year to year, but not to exceed a total period of ten years from August 1, 1954, by payment in advance of the annual rental of \$50.00. The consideration for the first year's rental in the amount of \$50.00 has been tendered with the application.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 666, TEXAS STATE HIGHWAY COMMISSION, FOR FARM-TO-MARKET ROAD 1233 IN CRANE COUNTY, TEXAS.--This application for a right-of-way easement to the Texas State Highway Commission covers the granting of a right-of-way containing 121.449 acres, more or less, out of Sections 1, 2, 3, and 4, Block 31 (47.753 acres), and Sections 4, 5, 6, 10, 11, and 14, Block 30 (73.696 acres), University Lands in Crane County, Texas. The easement also covers two borrow sources and a caliche pit out of Blocks 30 and 31, University Lands in Crane County, Texas, said borrow pits containing 4.123 acres each and the caliche pit 8.264 acres, more or less. The right-of-way is to be used to construct Farm-to-Market Road 1233 to connect F. M. 1601 to State Highway 51. No consideration is involved in the easement.

TRUST AND SPECIAL FUNDS--INVESTMENT MATTERS.--

REPORT OF PURCHASES AND REDEMPTION OF SECURITIES.--The following purchases and redemption of securities have been made for the Trust and Special Funds since the report of July 16, 1954. We ask that the Board ratify and approve these transactions:

Date	PURCHASES Security	Total Cost
7/19/54	\$40,000 par value United States Savings Bonds, Series K, dated July 1, 1954 (Archer M. Huntington Museum Fund)	\$40,000.00
	\$26,000 par value United States Savings Bonds, Series K, dated July 1, 1954 (Student Property Deposit Scholarship Fund)	26,000.00
	\$1,500 par value United States Savings Bonds, Series K, dated July 1, 1954 (Littlefield Fund for Southern History - No. 1)	1,500.00
7/23/54	200 Shares Radio Corporation of America Common Stock (Funds Grouped for Investment)	6,487.12
	50 Shares Gulf Oil Corporation Capital Stock (Wilbur S. Davidson Educational Fund)	2,689.17
	50 Shares Gulf Oil Corporation Capital Stock	2,689.17
	50 Shares Union Carbide and Carbon Corporation Capital Stock (Will Rogers Memorial Scholarship Fund)	4,299.81
Date	REDEMPTION Security	Total Proceeds
9/1/54	\$5,000 maturity value United States Savings Bond, Series G, due April 1, 1956 (Alfred B. Wolters Scholarship Fund)	4,895.00

AUTHORIZATION FOR ENDOWMENT OFFICER TAYLOR TO FILE A FINAL APPLICATION WITH THE HOUSING AND HOME FINANCE AGENCY TO FINANCE THE CONSTRUCTION OF THE PROPOSED WOMEN'S DORMITORY FOR THE KINSOLVING SITE.-- Upon the informal agreement of the Board of Regents at the May 28, 1954, meeting, Endowment Officer Taylor submitted a preliminary application to the Housing and Home Finance Agency for a loan commitment to finance the construction of the proposed 776-capacity women's dormitory contemplated to be put on the Kinsolving Site at the Main University, this action having been ratified by the Board at its July 17 meeting. Both the Washington and Fort Worth Offices of the HHFA have tentatively agreed to grant the Main University a loan commitment of \$3,960,000 provided the University sell to private investors the \$3,402,000 par value of dormitory revenue bonds needed to finance Project Tex. 41-CH-12 now under construction at the Main University and further provided that the University repay with interest the advances made by the HHFA under Project Tex. 41-CH-12. The final application for the Kinsolving Site dormitory, designated by the HHFA as Project Tex. 41-CH-26, must be filed within ninety days from July 9, 1954.

The \$3,402,000 par value Board of Regents of The University of Texas Dormitory Revenue Bonds, Series 1954, dated September 1, 1954, were delivered through The Austin National Bank of Austin, Texas, on September 2, 1954, to the purchasers, White, Weld and Company and The First Boston Corporation of New York, upon payment to the University of the bid price of par plus a premium of \$12,757.50 plus one day's accrued interest, a total payment of \$3,415,047.60.

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The total advances in the amount of \$525,000.00 made by the Housing and Home Finance Agency to the University under its loan commitment for Project Tex. 41-CH-12 were repaid with interest to September 3, 1954, a total payment of \$530,219.16, out of the proceeds of the bond issue sold for the project.

It is recommended that Endowment Officer Taylor be authorized to file a final application with the Housing and Home Finance Agency for a loan commitment in the amount of \$3,960,000 to finance the construction of the proposed 776-capacity women's dormitory on the Kinsolving Site, known as Project Tex. 41-CH-26, the application to be in accordance with the schematic plans approved by the Board of Regents at the July 17 meeting.

ESTATE OF LILA BELLE ETTER, DECEASED - RECOMMENDATION RE APPROVAL OF IMMEDIATE DISTRIBUTION OF SPECIFIC LEGACIES UNDER THE WILL.-- The Republic National Bank of Dallas as executor and trustee under the will of Lila Belle Etter, deceased, has requested advice as to whether or not the Board of Regents would be willing to have the specific legacies under the will distributed immediately as has been requested by the legatees. The University could ask that such distribution be deferred until one full year after death or until April 27, 1955, at which time, it might be possible that the market value of the securities held in the estate could decrease to such an extent that no Federal Estate Tax would be due. The bank estimates that the specific bequests amount to somewhere between \$75,000 and \$80,000 and that the tax for Federal Estate Tax purposes would amount at this time to approximately \$1,200.00 which would have to be borne out of the University's residue share of the estate. Taking into consideration the good will aspect involved and the uncertainty of the trend of market prices for the securities by April 27, 1955, it is recommended by your Land and Finance Committee that Endowment Officer Taylor be authorized to advise the Republic National Bank that the Board of Regents is willing to have the specific legacies distributed immediately.

W. J. BRYAN PRIZE IN GOVERNMENT - RECOMMENDATION RE USE OF THE INCOME.--The terms of the gift to establish the W. J. Bryan Prize in Government stated the following:

Enclosed please find (\$250) Two Hundred and Fifty Dollars, the same to be invested by the University and the income used for an annual prize for the best essay on the science of government.

Under date of December 30, 1935, Dr. H. Y. Benedict, then President of the University, requested the following disposition of the accumulated income in the fund and also future income to be received:

1. That \$200 be added to the principal of this fund.
2. That the interest which accumulated during the remainder of the present fiscal year be also added to the principal.
3. That thereafter, as long as the income so warrants or until further change is made, a prize of \$25.00 be awarded annually under the rules as at present constituted, the remainder of the interest each year to be added to the principal.

The above procedure has been followed since that time with the result that the W. J. Bryan Prize in Government endowment fund, held in Funds Grouped for Investment, contains \$1,402.28, the income from which amounts annually to approximately \$60.00. The Department of Government would like to increase the size of the prize, such prize to be awarded to the writer of the best essay on a political science subject which is deemed worthy by the Department of Government of being submitted for national competition in the honorary political science fraternity, Pi Sigma Alpha. It is recommended that a prize of \$50.00 out of the W. J. Bryan Prize in Government income account be set aside at the beginning of each fiscal year and that the members of the Department of Government be designated as a Committee of Award to choose, in its discretion, the best essay submitted and its suitability for national competition, such selection to be then submitted to the President of the Main University for his approval and reporting thereof to the Board of Regents. It is further recommended that any interest income over and above such \$50.00 prize set aside be placed at the end of each fiscal year in the endowment fund account; and if no paper submitted within a given fiscal year is deemed worthy of such a prize, then it is also recommended that the money set aside for the prize in that fiscal year be added to the endowment fund account.

TRUST AND SPECIAL FUNDS--REAL ESTATE MATTERS.--

HUNTINGTON LANDS - PROPOSED EXPLORATION PERMIT TO THE TEXAS COMPANY.--The Texas Company has applied for permission to conduct geophysical exploration operations on the Huntington Lands in the H. B. Littlefield and Samuel C. Bundick Surveys in Galveston County, Texas, comprising a total of 3,695 acres, more or less, owned by the Archer M. Huntington Museum Fund. The company would like to have permission from the University to conduct its seismic work on both the 2214 acres now under mineral lease to John W. Mecom, the five-year primary terms of this lease expiring October 21, 1954, and the 1481 acres which are not under mineral lease at the present time. Mr. Mecom has authorized The Texas Company, insofar as his interest is concerned, to conduct geophysical exploration operations on the acreage under mineral lease to him on the Huntington Lands, provided that the Company secure permission from the land owner and any other interested parties, indemnify Mr. Mecom, and furnish Mr. Mecom with a plat showing shot points.

A mineral lease was originally given to Dan J. Harrison and Dan J. Harrison, Jr., on October 21, 1949, for a primary term of five years, on the then 3,995-acre tract in the Huntington Fund, the lease calling for a bonus of \$5.00 per acre and delay rentals of \$5.00 per acre per year. Drilling operations were carried on by the lessees, several dry holes being drilled, until October 21, 1952, at which time delay rental was paid for the year beginning October 21, 1952, and ending October 21, 1953, on 3,995 acres. The lease was subsequently turned over to John W. Mecom who released 1481 acres prior to October 21, 1953, and who paid delay rental on the unreleased acreage for the year ending October 21, 1954, at the rate of \$5.00 per acre.

The 3,695 acres at present in the tract are also under grazing lease to Joe M. and H. C. Robinson at \$1.00 per acre per year on a year to year basis, the rental having been paid up to May 15, 1955. The Texas Company has made arrangements with the grazing lessees for the exploration work if granted by the University and is willing to pay damages to the surface lessees in accordance with the schedule of damages as set out in the rules and regulations now in effect for the Permanent University Fund Lands.

In view of the experience of the Harrisons in drilling dry holes on the land and based on the fact that a future mineral lease or leases with active drilling on the land would probably depend on the findings of geophysical exploration work, it is recommended that a geophysical exploration permit be granted to The Texas Company for a period of 180 days, beginning October 4, 1954, and expiring April 1, 1955, the fee to be \$150.00 for each two weeks of work. The fee for the first two weeks period has been tendered with the application. It is further recommended that the Chairman of the Board of Regents be authorized to execute the instrument involved, such instrument to be generally in line with our geophysical exploration permits on Permanent University Fund Lands and to be approved as to form by the University's Land and Trust Attorney and as to content by the University Endowment Officer.

HOGG FOUNDATION: W. C. HOGG ESTATE - RATIFICATION OF EXECUTION OF DIVISION ORDER ON THE W. S. THOMPSON MINERAL LEASE TO W. S. RYAN IN COLEMAN COUNTY, TEXAS.--Under date of May 28, 1954, the Board of Regents approved the granting of a mineral lease to W. S. Ryan, covering a 63-acre tract out of Block 1 in the A. Quigley Survey No. 739 in Coleman County, Texas, being a part of the W. S. Thompson Mineral Property. The University's interest in the tract is 1/16 or a little less than four mineral acres. A similar lease was executed on this acreage by the Hogg Family interests. Endowment Officer Taylor has now executed a division order under this lease to Sinclair Crude Oil Company. It is recommended that the Board ratify and approve this action.

HOGG FOUNDATION: VARNER PROPERTIES - OFFER FOR PROPERTY AT MAIN AND GRAY IN HOUSTON, TEXAS.--Mr. Harvey W. Draper, as trustee, has made a firm offer for the property owned by the Hogg Foundation: Varner Properties on the southwest corner of Main and Gray in the City of Houston, Texas. This property, known as the Magnolia Property, consists of Lots 3, 4, 5 and 11, Block 442 SSBB, and fronts approximately 129.5 feet on Main Street and 60 feet on Gray Avenue. Mr. Draper has offered a total of \$116,550.00 for the property with a cash payment of \$26,550.00, the remainder to be paid not less than \$9,000.00 a year plus 4% interest on the unpaid balance over a ten-year period. He accompanied his offer with a \$5,000.00 cashier's check to be placed in escrow and used as a part of the cash payment when and if his offer is accepted and the sale negotiated by him consummated. If his offer is accepted, Mr. Draper is to receive from the University a commission of 5% of the total sales price, payable at the closing of the transaction. The property is held on the books of the University at \$86,950.00 and is unimproved except for an old filling station building. This property was appraised by Harry E. Richards on August 31, 1951, at \$80,200.00, the land being appraised at \$77,700.00, and improvements at \$2,500.00. The property was appraised by Mr. C. E. Woodall in 1951 at \$89,200.00, the land being appraised at \$84,700.00 and the improvements at \$4,500.00. Under date of April 20, 1953, Mr. Paul E. Wise stated that this property tied to the adjoining Main Street frontage of the Sternenberg Leasehold gave the property a potential selling price of around \$150,000.00 to \$190,000.00. Mr. Draper stated that he had an option to purchase enough frontage on Gray Avenue adjacent to the Magnolia Property that together with the Magnolia Property he would have approximately 125 feet by 125 feet for his prospective client. The Magnolia Property together with the adjoining property known as the Sternenberg Leasehold is now under lease on the Main Street frontage to the Texas Transportation Company for a period of three years ending June 30, 1956, at \$1,500.00 per month (estimated at \$500.00 per month for the Magnolia Property and \$1,000.00 per month for the Sternenberg Leasehold Property). The lessor has the right to cancel this lease in the event of a sale or long-term lease of the property on sixty days' written notice.

It is recommended that the offer be declined and that Endowment Officer Taylor be authorized to advise Mr. Draper that the Board of Regents does not wish to sell the property.

Upon motion of Mr. Jeffers, seconded by Dr. Oates, the Board ratified the actions and approved the recommendations in the foregoing report.

REPORT OF COMMUNICATION WITH DR. SNYDER, LOS ANGELES; REFERRED TO WALTER ELY.--Endowment Officer Taylor reported that he had received from G. A. Snyder, M. D., of Los Angeles, California, a letter stating that one of his patients, a seventy-five-year old man in very poor health and almost constant pain, wished to bequeath his farm assets, estimated at a value of approximately \$100,000, to the University.

The Board instructed Mr. Taylor to send to Mr. Walter Ely, a graduate of the Law School of The University of Texas, now practicing in Los Angeles, the letter from Dr. Snyder and request him to contact Dr. Snyder and make the necessary arrangements for the drawing up of a will which would give the Board of Regents the broadest possible discretion in the matter.

RESOLUTION TERMINATING THE LOAN AGREEMENT WITH THE HOUSING AND HOME FINANCE AGENCY FOR PROJECT TEX. 41-CH-12 - MAIN UNIVERSITY.-- Endowment Officer Taylor gave the following report for the Regents' Land and Finance Committee:

The legal counsel for the Housing and Home Finance Agency of Fort Worth, Texas, has requested that the Board of Regents adopt a formal resolution terminating the loan agreement in the amount of \$3,402,000.00 for Project Tex. 41-CH-12 - Main University. The terms of the loan agreement provide that upon sale of the bonds to a source other than the Government and repayment by the University out of the proceeds thereof of the advances made by the Housing and Home Finance Agency under the loan agreement that the agreement would be automatically terminated. However, the legal counsel has requested that a formal resolution of termination be adopted by the Board in view of the University's pending application under Project Tex. 41-CH-26 - Main University for a loan commitment from the Housing and Home Finance Agency in the amount of \$3,960,000.00 to finance the construction of a 776-capacity women's dormitory on the Kinsolving Site.

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It is recommended that the attached resolution terminating the loan agreement under Project Tex. 41-CH-12 - Main University be adopted by the Board.

Upon motion of Judge Woodward, duly seconded, the Board adopted the following resolution:

WHEREAS, a loan agreement was entered into on April 1, 1953, and amended on July 28, 1953, between the Board of Regents of The University of Texas, called the "Borrower," and the Housing and Home Finance Agency of the United States of America, called the "Government," said agreement being known as Contract H-164, whereby the Government agreed to lend to the Borrower a total sum of \$3,402,000 to finance the construction of housing and food facilities, known as Project No. Tex. 41-CH-12, at the Main University in Austin, Texas; and

WHEREAS, under the aforesaid agreement, as amended, the Borrower agreed to sell and the Government agreed to purchase \$3,402,000 par value Board of Regents of The University of Texas Dormitory Revenue Bonds, consisting of \$3,000,000 par value Series "A" Bonds and

\$402,000 par value Series "B" Bonds, the Government's bid being at the rate of 3.01% for the Series "A" Bonds and 3-1/8% for the Series "B" Bonds; and

WHEREAS, the aforesaid loan agreement further provided that the Borrower should call for bids from sources other than the Government and that should any bidder or bidders offer to purchase all of the bonds or any portion thereof at an interest cost of not more than 1/10 of 1% per annum higher than the Government bid, then the bonds or any such portion thereof should be sold to any such bidder or bidders; and

WHEREAS, the Borrower received a bid from private investors at an effective interest rate of 2.985% for the total issue of \$3,402,000 par value Board of Regents of The University of Texas Dormitory Revenue Bonds and Borrower did then sell the bonds to such private investors at the price bid and did deliver the bonds and receive payment in full therefor on September 2, 1954; and

WHEREAS, under the aforesaid loan agreement, the Government did advance to the Borrower prior to the sale of the bonds the sum of \$525,000 to aid in the construction of Project Tex. 41-CH-12, and the Borrower paid back to the Government out of the proceeds of the sale of the bonds the sum of \$525,000 with accrued interest from the date of each advance to September 3, 1954; and

WHEREAS, the aforesaid loan agreement provided that in the event of a sale of all the bonds to a purchaser or purchasers other than the Government, then the aforesaid agreement should terminate except with respect to obligations thereunder between the Borrower and the Government as of the date of the sale of such bonds;

NOW, THEREFORE, BE IT RESOLVED That in accordance with the aforesaid agreement that the Board of Regents of The University of Texas as Borrower does hereby terminate such agreement as of September 3, 1954, the date on which the Borrower repaid the advances made by the Government under said agreement.

BUILDINGS AND GROUNDS COMMITTEE REPORT.--

At the request of Mrs. Tobin, Chairman of the Buildings and Grounds Committee, Comptroller Sparenberg presented the following report; (All recommendations contained herein having been approved by the Regents' Buildings and Grounds Committee)

SELECTION OF ASSOCIATE ARCHITECT FOR DORMITORY FOR WOMEN ON KINSOLVING TRACT.--At the Regents' meeting held July 17, 1954, authorization was given to Chairman Tom Sealy to select the architectural firm or firms to serve as Associate Architect on the Dormitory for Women to be constructed on the Kinsolving Tract. Upon instructions from Chairman Sealy, a contract was prepared by Comptroller Sparenberg and approved as to legal form by the University Attorney between the Board of Regents of The University of Texas and the firm of Kuehne, Brooks, and Barr of Austin, Texas, naming this firm as Associate Architect for the new Dormitory. This contract follows very closely the form approved by the Board at the meeting held February 6, 1953, and specifies a fee of 5% for the Associate Architect. Signatures have been obtained on behalf of the architectural firm and the Board of Regents, and delivery has been made of the executed contract.

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Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board ratified and approved the action taken as outlined above.

SELECTION OF ARCHITECTS TO PREPARE PRELIMINARY PLANS AND COST ESTIMATES FOR PROPOSED NEW BUILDINGS AT TEXAS WESTERN COLLEGE.--Mr. A. A. Smith, Acting President and Business Manager of Texas Western College, has made certain recommendations, in which Comptroller Sparenberg concurs, concerning the engaging of architects to prepare preliminary plans and make cost estimates for certain proposed new buildings at Texas Western College. It is, therefore, recommended that these recommendations as set out below be approved by the Board and that the Chairman of the Board be authorized to sign a contract with the Architects as named in each case:

ADDITION TO BENEDICT HALL (MEN'S DORMITORY).--It is recommended that the firm of Carroll and Daeuble, Architects, of El Paso, Texas, be engaged to draw preliminary plans and make cost estimates for an addition to Benedict Hall that will accommodate 50 to 60 men, with a fee of 1% to be paid for this work out of the account entitled Auxiliary Enterprises - Dormitory and Dining Room Account. The exact method of financing this addition has not been determined as yet, but it might be through the Housing and Home Finance Agency, and it is, therefore, recommended that permission be granted to Mr. Smith to sign a preliminary application to Housing and Home Finance Agency should it be decided later to use this method of financing.

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NEW ADMINISTRATION BUILDING AND CONVERSION OF PRESENT LIBRARY-ADMINISTRATION BUILDING TO A LIBRARY BUILDING.--At the Regents' meeting held April 10, 1954, authorization was given for investigation of the possibility of the construction of a new Administration Building and the remodeling and enlarging of the present Library-Administration Building in order to convert it into a Library Building only. This investigation has now been made, and since the plan appears feasible, it is recommended that the architectural firms as listed below be engaged to draw preliminary plans and make cost estimates for these two projects, with the fee in each case to be 1% to be appropriated from the account entitled Current Funds General - Unappropriated Surplus:

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Davis and Foster, Architects and Engineers, of El Paso, Texas, for the proposed new Administration Building.

Carroll and Daeuble, Architects, of El Paso, Texas, for the conversion of the present Library-Administration Building to a Library Building.

It is contemplated that the proposed new building and the conversion of the present one will both be financed from funds to be derived from the proposed issuance of additional Constitutional Tax Building Bonds or Notes for Texas Western College under Section 17, Article VII, of the State Constitution.

FOUR APARTMENT BUILDINGS.--At the Regents' meeting held April 10, 1954, authorization was given to Mr. Smith to sign a preliminary application to Housing and Home Finance Agency covering construction of apartment buildings to house married students and faculty members at Texas Western College. In connection with this housing, it is now recommended that the firm of Carroll and Daeuble, Architects, of El Paso, Texas, be engaged to draw preliminary plans and make cost estimates for four apartment buildings of eight apartments each, with a fee of 1% to be paid for this work out of the account entitled Auxiliary Enterprises - Housing Account.

Mrs. Tobin moved, and Judge Woodward seconded the motion, that the Board approve the above recommendations. The motion carried.

APPROVAL OF PRELIMINARY PLANS AND COST ESTIMATES FOR NEW DORMITORY FOR WOMEN AT TEXAS WESTERN COLLEGE.--Pursuant to authorization given at the Regents' meeting of July 17, 1954, the firm of Monroe, Licht, and Higgins, Architects and Engineers, of El Paso, Texas, was engaged for the purpose of drawing preliminary plans and making cost estimates for a new dormitory for 100 women at Texas Western College. These plans have now been prepared, and an estimate made of \$289,200.00 for the construction of the building. The plans have been approved by the Faculty Building Committee of the College, by Mr. A. A. Smith, Acting President and Business Manager of the College, by Comptroller Sparenberg, and by Acting Chancellor Wilson. It is, therefore, recommended that these preliminary plans be approved by the Board and that authorization be given to pay the firm of Monroe, Licht, and Higgins, the fee due that firm as approved at the meeting of July 17, namely 1% of the estimated cost of the building. The exact method of financing this proposed new dormitory has not been determined as yet, but it might be through the Housing and Home Finance Agency, and it is, therefore, recommended that permission be granted to Mr. Smith to sign a preliminary application to Housing and Home Finance Agency should it be decided later to use this method of financing.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the foregoing recommendations.

ACCEPTANCE OF DUPLEX RESIDENCE AT TEXAS WESTERN COLLEGE.--Information has been received from Mr. A. A. Smith, Acting President and Business Manager of Texas Western College, that the construction of the duplex residence at Texas Western College has been completed. A letter has also been received from Carroll and Daeuble, Architects on the project, stating that the building is ready for acceptance and final payment, and Mr. Smith concurs in this opinion. Upon motion of Mrs. Tobin, seconded by Judge Woodward, the Board approved the recommendation that the building be accepted and final payment be made upon the statements of the Architects and Mr. Smith that the work has been completed satisfactorily.

At this point a discussion ensued relative to the four apartment buildings and the duplex at Texas Western College, and Mr. Warren raised the question as to whether a precedent was being set by allowing faculty members to be housed in these buildings. It was Mrs. Tobin's idea that the people who are to live in the duplex are those

who take care of the physical plant and who are on twenty-four hour duty. Mr. Sorrell concurred in the idea advanced by Mr. Warren and expressed his approval of the buildings for the housing of students but not for the housing of faculty members. Acting Chancellor Wilson said that former President Elkins had in mind that the faculty might live in these buildings when there were not enough students to fill them.

Upon motion of Mrs. Tobin, seconded by Mr. Sorrell, it was ordered by the Board that the housing accommodations are provided merely for students; that the students have priority at all times and that faculty members will only be considered after all the housing needs of the students are satisfied.

The Board then instructed Acting Chancellor Wilson to notify Acting President Smith of this action.

PLANS AND SPECIFICATIONS FOR VENETIAN BLINDS AND BUILT-IN FURNITURE FOR DORMITORIES AND APARTMENT BUILDING AT MEDICAL BRANCH.-- The total of the contracts for the construction of the three dormitories and apartment building at the Medical Branch in Galveston was less than the amount of money available from the H. H. F. A. loan for this construction. Since no built-in furniture had been included in these plans, it was felt that it would be wise to utilize this money for the purpose of adding certain built-in furniture rather than to be under the necessity of furnishing the buildings entirely with movable furniture out of funds other than the loan. Permission was secured from H. H. F. A. to proceed with plans for this additional work, with the understanding that bids would be taken for this work, as was done for the original contracts, rather than issuing a change order to the present General Contract for the construction.

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Plans and specifications for built-in furniture for the three dormitories and also for venetian blinds for all four buildings have been completed by Cameron Fairchild, Associate Architect on the project, and these plans and specifications have been approved by the proper officers of the Medical Branch, by Mark Lemmon, Consulting Architect, by Comptroller Sparenberg, and by Logan Wilson, Acting Chancellor. It is therefore recommended that the plans and specifications be approved by the Board and that authorization be given to advertise for bids to be considered at the next meeting of the Board.

The Board adopted this recommendation upon motion of Mrs. Tobin, seconded by Judge Woodward.

APPROPRIATION FOR MOVABLE FURNITURE AND EQUIPMENT FOR THREE DORMITORIES AND APARTMENT BUILDING AT MEDICAL BRANCH.--In order to place in operation the new dormitories and apartment building now under construction at the Medical Branch, it will be necessary to purchase certain movable furniture and equipment. No appropriation has heretofore been made for this furniture and equipment, and in order for specifications to be prepared and advertisements for bids to be placed, it will be necessary at this time to appropriate sufficient funds to cover these purchases. Estimates of the cost of these items, totaling over \$63,000.00, have been made by the Business Office of the Medical Branch, and have been approved by the Comptroller's Office. It is, therefore, recommended that an appropriation of \$64,000 be made for Movable Furniture and Equipment for the three dormitories and apartment building now under construction at the Medical Branch, that Comptroller Sparenberg be authorized to advertise for bids and make contract awards, and that Chairman Tom Sealy be authorized to sign the contracts.

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After discussions between Comptroller Sparenberg and Mr. Cappleman, Acting Chancellor Wilson, and Chairman Tom Sealy, and on instructions from Dr. Wilson and Mr. Sealy, it is recommended that this \$64,000.00 be appropriated from Medical Branch Auxiliary Enterprises balances. This appropriation will cause an overdraft in the

Auxiliary Enterprises Section of the Medical Branch Funds for some time to come, but Mr. Cappelman has stated that the Medical Branch might be able to cover this overdraft by August 31, 1955, with profits from the Cafeteria and the Hospitality Shop. According to the latest Medical Branch Trial Balance that we have on file, dated July 31, 1954, the Auxiliary Enterprises balances total \$49,763.36 as at that date. This recommendation is made with the understanding that should the cash to pay for this furniture and equipment not be available at the time it is needed, the necessary amounts will be paid from the Available University Fund, as a loan, to be repaid later from the Auxiliary Enterprises funds.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendations.

SELECTION OF ARCHITECTS FOR CLINICAL SCIENCE BUILDING AT SOUTHWESTERN MEDICAL SCHOOL AT DALLAS.--At the Regents' meeting held July 17, 1954, a Committee was appointed to discuss the matter of selecting a Consulting Architect for the new Clinical Science Building at the Southwestern Medical School from the four firms listed in the Minutes. Those appointed to this Committee were: Chairman Sealy, Judge Woodward, Dr. Aagaard, and Mr. Lemmon. Upon instructions from Mr. Sealy, Chairman of this Committee, a contract has been prepared by Comptroller Sparenberg and approved as to legal form by Judge Scott Gaines and has been signed. This contract, which is between the Board of Regents and Mark Lemmon, names Mark Lemmon as Architect for the building and the firm of Edward D. Stone of New York City as Consultant. Fees of 5% for the Architect and of not more than 1% for the Consultant are specified. The contract between the University and Edward D. Stone as Special Consultant provides for a cash fee of \$15,000.00 plus reasonable travel expense while absent from New York in connection with his employment.

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It is recommended that the Board ratify and approve the action taken as outlined above, including the signature of the contract with Mr. Lemmon by the Chairman of the Board. It is further recommended that the Chairman of the Board be authorized to sign a contract with Edward D. Stone as Special Consultant upon the terms above stated.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board ratified and approved the above recommendations.

H. H. F. A. PROJECT TEX 41-CH-12 - MAIN UNIVERSITY: TEMPORARY LOAN FROM GENERAL FUNDS TO DORMITORY CONSTRUCTION ACCOUNT.--The following is a quotation from a recommendation by Comptroller Sparenberg to Acting Chancellor Wilson dated July 29, 1954, which recommendation was approved by Dr. Wilson, Chairman Tom Sealy, and Mr. Rupert R. Harkrider, Assistant University Attorney:

"Herewith I hand you a copy of a telegram received this morning from Mr. W. H. Sindt, Regional Representative, Housing and Home Finance Agency, Fort Worth, Texas. The Requisition forms and the Certificate of Purposes forms signed partly by Mr. Sealy and partly by me, asking for an additional advance of \$350,000.00, were filed in an attempt to get sufficient money to cover our estimated needs for payments to Contractors, Architects, etc., coming due August 1, 1954 and September 1, 1954. According to our information, the sale of the \$3,402,000.00 Dormitory Revenue Bonds on this project to private bond firms was approved by the Board of Regents at the July meeting, but the actual cash money will not be available to us until approximately the middle of September, 1954. We all agree, of course, that we have a good deal on the sale of the bonds, but the time required to bring it about, plus the provisions of the loan agreement in regard to advances, make additional steps necessary to take care of our temporary needs for cash.

"We were all afraid that the situation indicated by the telegram received this morning from Housing and Home Finance Agency might come to pass, but after discussing the circumstances with Mr. Sindt and other representatives of Housing and Home Finance Agency, we decided to give it a try anyway.

"In view of the present situation and in order to take care of our needs for the next two months, I hereby recommend that we be authorized to use whatever amounts are necessary to pay Contractors' Estimates, Architects' Fees, etc., from Main University Cash in Bank - General Funds, the necessary amounts to be transferred from the General Funds bank account or accounts to an account in The Austin National Bank entitled 'The University of Texas Dormitory Construction Account (Series 1954).' We estimate that the amount needed to cover payments due August 1, 1954 and September 1, 1954 will total somewhere between \$300,000.00 and \$350,000.00. The amounts so advanced will, of course, be redeposited in the General Funds bank account or accounts when the money is received from the sale of the bonds.

"I further recommend that 'Due From' and 'Due To' accounts to cover these advances be set up on the Auditor's books in the section entitled 'Current Funds - Auxiliary Enterprises' and the section entitled 'Unexpended Plant Funds - Other Projects.' According to the June 30, 1954 Monthly Financial Report, we have cash and invested balances totaling over \$800,000.00 in the Auxiliary Enterprises section for Housing and Food Service enterprises, which could be considered as a sort of a 'backlog' or 'cushion' or 'safety margin' to support this recommendation, to guard against any future unforeseen contingencies."

Telegram referred to reads as follows:

"We are in receipt of the following telegram from the Commissioner, CR&SO today: 'Texas 41-CH-12 Assistant General Counsel has ruled that upon Board-approval of sale of bonds to private purchasers, provisions of section 3 of loan agreement respecting termination became effective and no further advances may be made. Will expect your recommendation for formal rescission following repayment of funds already advanced.' This ruling precludes approval of your requisition dated July 10, 1954 for an additional advance in the amount of \$350,000."

In accordance with the Comptroller's recommendation and the approvals received, \$100,000.00 was transferred from General Funds to the Dormitory Construction Account at The Austin National Bank on August 9, 1954. The proceeds from the \$3,402,000.00 Dormitory Revenue Bonds were received sooner than expected on September 2, 1954, and on that same date the advance was repaid from the Dormitory Construction Account to General Funds.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board ratified and approved these actions.

AWARD OF CONTRACTS FOR DENTAL EQUIPMENT FOR THE NEW BUILDING AT THE DENTAL BRANCH.--Pursuant to authorization given by the Board of Regents at the meeting held April 10, 1954, bids on Dental Equipment for the new building at the Dental Branch were received, opened, and tabulated on September 14, 1954, as shown on the tabulation sheet. (P. 32). These bids have been considered by Dean Olson and Comptroller Spareberg, and it is their recommendation that contract awards be made to the bidders as listed below, with authorization to the Chairman of the Board to sign the various contracts involved:

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TABULATION OF BIDS FOR DENTAL EQUIPMENT - DENTAL BRANCH
September 14, 1954

Bidders	Check or Bond	Bid No. 1	Bid No. 2	Bid No. 3	Bid No. 4	Bid No. 5	Bid No. 6	Bid No. 7
A. F. Cary Company, The	Bond-5%	\$98,921.25	\$114,198.59	\$7,140.00	\$5,610.00	\$1,305.00	\$21,532.50	\$69,930.00
Pendleton & Arto, Inc.	Check \$15,064.68	76,140.00	114,386.14	7,140.00	5,610.00	1,605.00	26,482.50	69,930.00
Pelton & Crane Co., The	Bond \$1,214.06	(BOND NOT SIGNED BY PRINCIPAL)			---	1,387.50	22,893.75	---
Ritter Company, Inc.	Check \$12,046.09	62,550.90	89,896.95*	6,068.56	4,934.08	1,255.50	20,715.75	55,500.00
**Weber Dental Mfg. Co., The	Bond \$12,500.00	80,604.45	83,894.14	5,165.52	---	---	---	47,341.50
S.S. White Dental Mfg. Co.	Bond \$11,082.72	69,828.75	92,923.70	---	5,521.00	---	---	53,380.90
Wilmot Castle Company	Check \$1,128.75	---	---	---	---	1,290.00	21,285.00	---
X-Ray Mfg. Corporation of America, Inc.	Check \$303.00	---	---	6,060.00	---	---	---	---

* Alternate Bid in the amount of \$83,957.06 if Owner installs sub-base.
 ** Two per cent discount if awarded entire order - 2% of \$209,972.61=\$4,199.45
 *** Owner to install sub-base and install unit

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Ritter Company, Inc., Rochester, New York	
Bid No. 1, Dental Chairs	\$62,550.90
Bid No. 4, Dental Lathes	4,934.08
Bid No. 5, Dental Operating Lights (Wall Mount-Bracket)	1,255.50
Bid No. 6, Dental Operating Lights (Unit)	<u>20,715.75</u>
Total Recommended Award to Ritter Company, Inc.	\$89,456.23
The Weber Dental Manufacturing Company, Canton, Ohio	
Bid No. 2, Dental Units	\$83,894.14
Bid No. 3, Dental X-Ray Units	5,165.52
Bid No. 7, Laboratory Engines	<u>34,546.50</u>
Total Recommended Award to The Weber Dental Manufacturing Company	<u>\$123,606.16</u>
Total Recommended Contract Awards	<u>\$213,062.39</u>

The award recommended to be made to the Weber Dental Manufacturing Company for Bid No. 7, Laboratory Engines, involves deletion, on the basis of the unit price quoted in the bid, of sixty Engines from the total of 212 originally specified; therefore, the award recommended for Bid No. 7 is \$12,795.00 less than the base bid of \$47,341.50.

All the recommended awards are to the low bidders on each item of equipment and the total of the recommended awards is approximately \$25,000.00 under the estimated cost.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendations.

ADDITIONAL APPROPRIATIONS FROM THE AVAILABLE UNIVERSITY FUND UNAPPROPRIATED BALANCE FOR THE FISCAL YEAR 1954-55.--The purpose of this recommendation is to get the official approval of the Regents' Buildings and Grounds Committee and the Board of Regents as a whole, for certain appropriations for Physical Plant Construction and Major Repairs and Rehabilitation projects, from the Available University Fund Unappropriated Balance for the Fiscal Year 1954-55. Most of these items were discussed at some length by the Board of Regents at the July, 1954 meeting, but the official Minutes of that meeting indicate that no final action was taken on them. The discussions at the July, 1954 meeting and these recommendations have been based on the original reports from Zumwalt and Vinther, Consulting Engineers, Dallas, Texas, in regard to air conditioning work on the Main University Campus, additional information obtained from Zumwalt and Vinther by the Comptroller's Office since the July, 1954 meeting, and the budget requests submitted to the Legislative Budget Board in regard to the Available University Fund for the Fiscal Year 1954-55, which were approved by Dr. Logan Wilson, Acting Chancellor, and the Board of Regents at the July, 1954 meeting.

The additional appropriations for 1954-55 from the Available University Fund Unappropriated Balance, as listed below, are recommended by Comptroller Sparenberg and approved by Acting Chancellor Logan Wilson and Chairman Tom Sealy in accordance with information and instructions from the sources above indicated:

1. For Air Conditioning Work to be done by or under Zumwalt and Vinther, in accordance with the Regents' action 7-17-54 and instructions from Chairman Tom Sealy:

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(a) Revision of Utility Lines and addition of Chilled Water Lines between Central Water Chilling Station in Experimental Science Building and Hogg Auditorium. (Includes an estimate of \$101,140.00 to cover the cost of this work, plus related work caused by this work, plus Zumwalt and Vinther's fees thereon.) \$ 106,702.70

(b) Fees to Zumwalt and Vinther for "Design Phase" (detailed plans and specifications) on the following projects:

Additional Unit Installations at Existing Central Water Chilling Station in Experimental Science Building, to bring this station up to maximum capacity, to service present load, plus Hogg Auditorium, Main Building, and Kinsolving Dormitory (Estimated cost \$275,000.00 per Zumwalt and Vinther)

Revision of Utility Lines and Addition of Chilled Water Lines to service Main Building (Estimated cost \$12,560.00 per Zumwalt and Vinther)

Total of Zumwalt and Vinther's fees on the two items of estimated cost shown above 15,815.80

- 2. R. O. T. C. Building 1,000,000.00 | See Page | 488
- 3. Tie-in with City Power Plant, Plus Necessary revisions of Electrical Distribution System 150,000.00 | See Page | 343
- 4. Major Repairs and Rehabilitation Projects:
 - (a) Replacing Brick Tunnel West from old Press Building to Main Building 58,550.00
 - (b) Replacing Expansion devices in underground steam and water systems 61,400.00
 - (c) Main Building - Alteration and Refinishing (No expenditures should be made against this appropriation until after the final decision has been made on air conditioning of the Main Building.) 50,000.00
 - (d) Extending Campus Lighting System on 21st, 23rd, and 24th Streets 25,000.00
 - (e) Parking Lot between Stadium and University Junior High School - Grading, Leveling, Filling, and Rolling (This proposed parking lot is bounded by the following streets: San Jacinto Boulevard, 20 1/2 Street, Red River Street, and 20th Street.) 11,450.00

TOTAL RECOMMENDED APPROPRIATIONS FROM AVAILABLE UNIVERSITY FUND (All for Main University) \$1,478,918.50

These recommendations, if approved, will leave a balance of approximately \$307,000.00 in the Available University Fund Un-appropriated Balance Account for 1954-55, to serve as a "cushion" or "backlog" to take care of present and future emergencies and contingencies. The estimated Unappropriated Balance for 1954-55, according to the budget adopted by the Board of Regents April 10, 1954, was \$2,215,918.46. The following appropriations have been made by the Regents from this balance between April 10, 1954 and August 31, 1954:

For purchase of Miller Property on Red River Street	\$ 90,000.00	
For purchase of Eddie Joseph Property on Red River Street	105,000.00	
For Air Conditioning Work:		
Air Conditioning Hogg Auditorium	200,000.00	See Page 133
Fees to Zumwalt and Vinther, Consulting Engineers, for "Design Phase" (detailed plans and specifications) for air conditioning Main Building	<u>34,784.50</u>	See Page 758
TOTAL APPROPRIATIONS FROM AVAILABLE UNIVERSITY FUND APRIL 10, 1954 THROUGH AUGUST 31, 1954	<u>\$429,784.50</u>	

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendations.

APPROVAL OF CHANGE ORDER NO. 13 TO CONTRACT WITH FINGER FURNITURE COMPANY, INC., FOR FURNITURE AND FURNISHINGS AT M. D. ANDERSON HOSPITAL FOR CANCER RESEARCH.--At the Regents' meeting held February 6, 1953, approval was given for the award of several contracts for furniture and furnishings for the M. D. Anderson Hospital for Cancer Research, in the total amount of \$236,241.75. At that time funds were appropriated to cover the total amount of these contracts by use of the sum of \$164,904.36 already appropriated for Furniture and Equipment, with the balance of the amount needed coming from donations made by various individuals for specific memorialization purposes. Approval was also given to providing in each contract that deletions and additions at unit prices quoted in the bid might be made by appropriate change order to the contract. A number of change orders have been written to the contracts for deletions and additions under these provisions, all within the sum of money originally provided.

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A change order has now been written and approved by the Architects and Dr. Clark, which provides for an addition of \$20,962.20 to the contract with Finger Furniture Company, Inc., which increases the total amount of the contracts by \$9,750.54. Also, the prices as quoted by the company for use in making up this change order are higher than the original unit prices. According to the Architects, this increase is due to less than carload shipments, extra handling, and the lack of production quantity.

It is recommended that the Board authorize Comptroller Sparenberg to sign this change order on the basis of prices quoted by the company, and that the amount of \$9,750.54 be appropriated from the Trust Funds of M. D. Anderson Hospital (Donations for Furniture and Equipment) to cover the additional amount needed.

Mrs. Tobin moved that this recommendation be adopted. The motion was seconded by Judge Woodward and carried.

PROPOSAL FOR EXTRA ARCHITECTURAL SERVICES BY MACKIE AND KAMRATH, HOUSTON, TEXAS, ON THE M. D. ANDERSON HOSPITAL FOR CANCER RESEARCH BUILDING.--The following two paragraphs are quoted from a letter dated August 10, 1954, from Dr. R. Lee Clark, Jr. to Dr. Logan Wilson, Acting Chancellor:

Complete Architectural services will be needed during the remaining part of this Biennium to make some alterations in the M. D. Anderson Hospital building. After operating in the new building, it has been determined that some changes will make the building more useful as well as to protect property of the hospital. At the present time, there is no one on the staff of the hospital to take care of the needed architectural work. One of the needed changes is partitioning of the stock room and installation of air conditioning to eliminate condensation causing mildew of some stock items. Another change is installation of vacuum in additional areas to provide additional bed space for the surgical floor.

It is my recommendation that the firm of MacKie and Kamrath be engaged for complete Architectural services for the balance of this Biennium to run concurrent with their supervision and work during the year guarantee period on the building. This firm is familiar with the changes that will be necessary. In line with this recommendation, the Architectural fees would be governed by Section #21 of Article VI, General provisions of HB No. 111, Acts of the 53rd Legislature, Regular Session. No project would exceed a cost of \$20,000.00 on which Architectural fees would be paid. The Architectural fee would be 6% for production of detail drawings, plans and specifications and supervision of the work on alterations to the building.

Dr. Clark later recommended that in those cases where no actual construction work was involved, such as installation of equipment already purchased, the architects be paid, in lieu of the 6% fee, the direct cost in labor and materials of producing drawings, blueprints, etc., plus 100%.

As indicated by Dr. Clark's recommendation, this arrangement would be terminated on August 31, 1955. This recommendation has been approved by Acting Chancellor Logan Wilson and it is recommended that it be approved by the Board of Regents.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendation.

APPROVAL OF PAYMENT OF 95% OF ALL COMPLETED ITEMS ON GENERAL CONTRACT FOR DENTAL BRANCH BUILDING.--Because of certain recent change orders which have been added to the contract for the construction of the Dental Branch Building, it has been necessary to grant an extension of time for completion of the building, and although a number of items are 100% complete, the building as a whole is not substantially complete. Under the usual procedure, the Contractor could not receive 95% payment of any part of the contract until the entire building was substantially complete. Since the change orders were issued at the request of the University and the Architects and the delay is not the fault of the Contractor, it is believed that some provision should be made in order to make a 95% payment on all completed items. It is, therefore, recommended that approval of the Board be given to the following procedure:

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1. That as items become 100% complete, the Contractor be allowed a 95% payment on these items, after approval by the Architects and Dr. Olson. The usual affidavit covering payment of all material and labor bills must accompany each estimate calling for any 95% payment.
2. That, as approved by the Board at the meeting held February 27, 1954, when the building is 100% complete with the exception of Alternates 8-G and 9-G, a payment be allowed which would reduce the retainage on the completed part of the building from 5% to 1½%.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendations.

INSCRIPTION OF PLAQUE FOR DENTAL BRANCH BUILDING.--It is recommended by Dean Olson and Comptroller Sparenberg that the inscription as set out below be approved for the plaque to be placed in the new Dental Branch Building. This inscription follows the standard pattern approved by the Regents for cornerstones on new buildings.

THE UNIVERSITY OF TEXAS

DENTAL BRANCH

1952

BOARD OF REGENTS

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DENTAL BRANCH

MackIE AND KAMRATH
ARCHITECTS

MANHATTAN CONSTRUCTION COMPANY
GENERAL CONTRACTOR

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendation.

RESOLUTION OF APPRECIATION TO THE RETIRING FACULTY BUILDING COMMITTEE OF THE MAIN UNIVERSITY.--The Regents' Buildings and Grounds Committee recommends that a resolution of appreciation by the Board of Regents be sent to the retiring Faculty Building Committee of the Main University in view of the excellent service rendered the University by this Committee, which was composed of Dr. Albert E. Cooper, Chairman; Dr. O. B. Williams, Secretary; and Dr. M. J. Thompson. Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendation.

(This resolution as written will be made a part of the Minutes of October, 1954.)

SELECTION OF ASSOCIATE ARCHITECT FOR ADDITIONAL HOUSING AT MEDICAL BRANCH.--It is recommended that the firm of Cameron Fairchild and Associates, of Houston, Texas, be selected as the Associate Architect for the three additional dormitories and the building to be used for a Cafeteria, Lounge, and Faculty Housing to be constructed at the Medical Branch under a loan agreement with Housing and Home Finance Agency, under terms as set out in Mr. Fairchild's letter of April 9, 1954, as follows:

"We propose to perform architectural services for the University of Texas Medical Branch, Galveston, Texas in connection with the proposed three (3) additional dormitories and the cafeteria, lounge and faculty housing building for the following fees:

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- A. Plans, specifications and supervision of three (3) dormitories to be built in accordance with the plans and specifications previously prepared by this office for the three dormitories now under construction for a fee of 2 1/2% of the cost of the work.
- B. Plans, specifications and supervision for a fee of 5% of the following work:
 - 1. The cafeteria, lounge and faculty housing building.
 - 2. Addition to the power plant now under construction.
 - 3. Plot plan for the project.

"These services will be rendered under the terms of the present contract between the Board of Regents and Cameron Fairchild and Associates."

It is further recommended that authorization be given to the Chairman of the Board to sign a contract with this firm, the contract to be prepared by Comptroller Sparenberg and approved as to legal form by the University Attorney.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendations.

APPROVAL OF AWARD OF CONTRACTS FOR REPAIR AND REMODELING WORK IN THE OLD JOHN SEALY HOSPITAL MAIN BUILDING AT THE MEDICAL BRANCH, GALVESTON.--In accordance with approval given by the Board at the meeting of May 28, 1954, bids were called for on repair and remodeling work on the first and second floors of the old John Sealy Hospital Main Building. After consideration of the bids received, it was recommended by Dr. Leake to Acting Chancellor Logan Wilson that the low bids as listed below be accepted:

<u>Contract</u>	<u>Low Bidder</u>	<u>Low Bid</u>
General Contract	Adolph Johnson	\$13,400.00
Electrical Contract	Pfeiffer Electric Company	8,480.00
Mechanical Contract	A. J. Warren Plumbing and Heating Company	<u>22,700.00</u>
	Total	<u>\$44,580.00</u>

(See Dr. Leake's letter to Dr. Wilson dated September 15, 1954.)
In files of President's Office-

Comptroller Sparenberg called attention to the fact that The Sealy and Smith Foundation has agreed to provide the sum of \$28,000.00 towards this work, and it is expected to secure the balance of the funds needed by the reappropriation of unencumbered balances in certain "Minor Improvement Projects" at August 31, 1954, which has been recommended in another communication being considered by the Auditing and Budget Committee.

Upon recommendation of Dr. Leake and Comptroller Sparenberg, the Regents' Buildings and Grounds Committee recommends that the Board approve the award of contracts to the low bidders as listed above, with authority to the Business Manager of the Medical Branch to sign these contracts, subject to receipt of the money from The Sealy and Smith Foundation and the approval by the Board of the reappropriation of the balances in the "Minor Improvement Projects" referred to above.

Upon motion by Mrs. Tobin, seconded by Judge Woodward, the Board approved the above recommendations.

WORDS OF COMMENDATION.--At the close of the reports of the Land and Finance Committee and the Buildings and Grounds Committee, Judge Woodward said these were excellent reports and that he wanted to repeat that he thought Endowment Officer Taylor had done a fine job in negotiating the sale of the \$3,402,000 Dormitory Revenue Bonds.

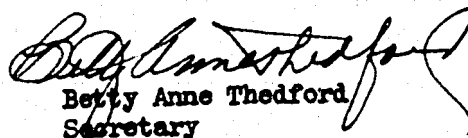
Mrs. Tobin, Chairman of the Regents' Buildings and Grounds Committee, stated that she wanted the Board to know the report of that committee just presented by Comptroller Sparenberg represented a tremendous volume of work by Comptroller Sparenberg and that she thought a splendid job had been done.

CENTRAL ADMINISTRATION

PROPOSAL FOR MAKING INSURANCE SURVEY.--In view of the fact the Regents' Special Committee to Study Insurance and Surety Bonds, composed of Mr. Jeffers, Chairman, Mr. Lockwood, Mr. Sorrell, Mr. Warren, and Dr. Oates, had not met, the matter of the insurance survey for The University of Texas system was deferred until the October meeting. However, upon motion of Mr. Voyles, seconded by Mr. Sorrell, the Board authorized Comptroller Sparenberg to advise with the business managers of the Main University and of all of its branches and to get all the information he needs to work out a Fidelity Bond for the entire system.

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ADJOURNMENT.--The Board adjourned at 11 a.m., until its next meeting date, October 28, 1954.


Betty Anne Thedford
Secretary