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Houston, Texas  
December 2, 1955  
Meeting No. 550

The Board of Regents of The University of Texas met as a Committee of the Whole in Room 151 (Dean's Conference Room), the Dental Branch Building, Texas Medical Center, Houston, Texas, on Friday, December 2, at 10:00 a. m. with the following in attendance:

Present

Chairman Sealy  
Vice-Chairman Voyles  
Regent (Mrs.) Devall  
Regent Jeffers  
Regent Minter  
Regent Oates  
President Wilson

Absent

Regent Johnson  
Regent Lockwood  
Regent Sorrell  
(These three arrived late  
because of inclement  
weather.)

Also in attendance at the meeting were Vice-Presidents Boner, Dolley, and Haskew, Assistant to the President Cox, and Secretary Thedford.

Regents Johnson and Lockwood arrived during the morning session and Regent Sorrell in time for the afternoon meeting.

The Committee as a Whole recessed for lunch and for the dedicatory services of the Dental Branch Building and the unveiling of the portrait of Doctor Walter Scherer and reconvened at 4:00 p. m. with the same membership as at the morning session except Doctor Oates, who was excused from the meeting because of important business.

CENTRAL ADMINISTRATION

POLICY, DEVELOPMENT AND COORDINATION OF THE CLASSIFIED PERSONNEL PROGRAMS. --President Wilson reported that a proposed policy for the development and coordination of the classified personnel programs at The University of Texas had been circulated to all branch heads and had been discussed on December 1 by the Council on Administrative Policy with all in agreement that it is now in satisfactory form. (A copy of this policy was in the documented material for each Regent.)

0 See P.  
396.

Upon recommendation of President Wilson and upon motion of Mr. Lockwood, seconded by Mr. Johnson, the Board approved the following policy:

- I. The Development and Operation of the Branch Personnel Program as Defined in the Duties of the Branch Personnel Officer
  - A. The Administration of the Classified Personnel Program in His Institution
    1. Knows the objectives and all of the details of the program.
    2. Assumes responsibility for recommending all changes in the written program to his chief executive officer.
    3. Interprets the personnel program to his institution--administration, supervisors, and employees.

B. The Classification Plan

1. Recommends on all changes in any existing job classification or the creation of any new job classification.
2. Writes all class specifications.
3. Allocates all jobs to the proper job classification.
4. Assures that no person is appointed in a position in the classified service under a title not included in the Classification Plan.

C. The Pay Plan

1. Recommends all changes in approved salary ranges together with the ranges for all new job classifications.
2. Makes salary studies to determine correctness of existing salary ranges and to substantiate recommendations for new ranges or changes in existing ranges.
3. Assures that no appointment and/or change of salary is made which is:
  - a. Below the minimum salary for the class range (except for a "Trainee").
  - b. Above the maximum salary for the class range.
  - c. Not on a regular step (or fraction thereof if part-time).

D. The Policies and Rules

1. Provides a uniform interpretation of the institution's personnel policy.
2. Advises his chief executive officer of any violation or abuse of this policy.
3. Recommends any necessary change in the written Policies and Rules.

E. Personnel Transactions

1. Approves all budget recommendations, appointments, changes of status, military leaves, leaves without pay, separations or other personnel transactions involving classified employees prior to final consideration by his chief executive officer to assure conformity with all provisions of the Classified Personnel Program.
2. Calls to the attention of his chief executive officer in writing any violation of the program which may be approved outside the channels provided above, with a copy to the President of The University of Texas.

F. Personnel Services

Provides necessary personnel services to departments of his institution as rapidly as time and staff permit. These services should include, as a minimum, the following:

1. Centralized personnel records.
2. A program of interdepartmental promotions.
3. Centralized recruiting for job vacancies.
4. A training program.
5. A program of employee communication.

II. The Development and Coordination of the System-Wide Personnel Program

A. The Classification Plan

1. Coverage: The Classified Service of The University of Texas System shall include all positions on the staff of the University which do not entail significant instructional responsibilities or responsibilities for the administration of instructional or research organizations. The chief executive officer of each component institution shall determine the inclusiveness of the classified service within this general definition, and shall submit upon request to the President a list of those administrative or research positions not included in the classified program.
2. Type of Plan: Uniform use shall be made of the "grading or Job Classification" system of job evaluation. Job specifications shall be prepared according to the Procedure for Writing Class Specifications provided by the Office of the President of The University of Texas.
3. Job Titles: Standardized job titles shall be used for similar job classes common to two or more of the component institutions in order that a particular job title shall describe generally similar work. Classes unique to a component institution shall have suitable descriptive titles.
4. Job Code: A uniform job code entitled the Personnel Classification Code shall be used to designate job classes. This code shall be used on IBM cards to compile statistical information on classified employees.

B. The Pay Plan

1. A uniform system of salary steps providing for an increase of five per cent, to the nearest dollar, above each preceding step shall be used for all pay plans. All salaries shall be on salary steps, or a fractional part thereof.
2. A uniform system for setting forth the salary ranges for each job classification shall be used in the pay plans for each institution.
3. Salary ranges for each job classification shall be dependent upon the competitive labor market situation for each institution, as determined by pay surveys.

C. The Policies and Rules

1. Each institution shall operate its Classified Personnel Program under a policy statement covering the appointment, compensation, and working conditions of classified employees.
2. Uniform policies shall be followed in providing vacation, sick leave, etc., within the limitations imposed by local operating conditions.

D. Classified Personnel Officer

1. The chief executive officer of each component institution shall designate one qualified official who shall be responsible

under the chief executive officer of that institution for the development and operation of the Classified Personnel Program. The Director, Classified Personnel, Main University, shall be available for advice and assistance in the selection of this personnel officer.

2. Functional direction and help on technical personnel matters shall be provided each classified personnel officer by the Office of the President of The University of Texas.

E. Approval of additions to and changes in the Classified Personnel Program

1. Formal approval of the Classification Plan, Pay Plan, and Policies and Rules developed by each institution was obtained from the Board of Regents at the time each program was formally adopted.
2. Changes in the Classification Plan, Pay Plan, and Policies and Rules at each institution must be made upon the recommendation of the branch personnel officer, the chief executive officer of the institution, and the approval of the President and the Board of Regents. Such changes must have the approval of the President prior to inclusion in the Regents' Docket for the institution concerned.

F. Duties of the Director, Classified Personnel, Main University, with respect to the system-wide personnel program

1. Advises the President of the University concerning the operation of, and proposed changes in, the branch personnel programs.
2. Advises the chief executive officers and the personnel officers of the component institutions concerning the local personnel programs and their relation to the system personnel program.

G. Reports

Necessary reports concerning the status and operation of the various classified personnel programs may be required by the President of The University of Texas.

MAIN UNIVERSITY

DEVELOPMENT BOARD, PROPOSED DISTINGUISHED SERVICE AWARDS. --At the request of the Development Board through Mr. Hulon Black, President Wilson presented for action the proposal of the Development Board to give distinguished service awards. Though this proposal had been on the agenda of previous meetings, President Wilson briefly reviewed the material for the benefit of the recent members of the Board. After due consideration, the Board upon motion of Mr. Sorrell, seconded by Mrs. Devall, rejected the proposal of the Development Board that distinguished service awards be made.

POLICY, HOUSING CONTRACTS, MAIN UNIVERSITY. --President Wilson reviewed the existing policy of the Main University regarding housing contracts and called to the attention of the Board the documented material on this matter. After an exchange of ideas, the Board was in unanimous

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agreement that Chairman Sealy appoint a Special Committee to Study the Housing Contracts at the Main University and to report back to the Board with recommendations.

() See Page 755.

RECESS. --The Board as a Committee of the Whole recessed at 5:00 p. m.

\* \* \*

Saturday, December 3, 1955

The Board reconvened as a Committee of the Whole at 9:00 a. m. with the same membership as on December 2. (Doctor Oates was not present.)

Dean Olson, Doctor Clark, Doctor Gill, and President Holcomb, successively, were asked into the meeting to present any matters concerning their respective branches that were not on the agenda and that needed the attention of the Board.

#### M. D. ANDERSON HOSPITAL

APPROVAL OF PRELIMINARY PLANS; AUTHORIZATION FOR FINAL PLANS, ADDITIONS AND ALTERATIONS TO M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE BUILDING. --Doctor Clark furnished each member of the Board material setting out the proposed additions and alterations to the M. D. Anderson Hospital and Tumor Institute Building, functional justification for changes, the estimated costs, and sources of funds as outlined below:

() See P. 246.

#### SUMMARY OF ESTIMATED COSTS ADDITIONS AND ALTERATIONS

<u>Area</u>	<u>Number Square Feet</u>	<u>Estimated Cost</u>
Roof Decks	11,250	\$281,250.00
New Supervoltage Area	4,050	81,000.00
Re-allocation of space and additional areas	4,600	192,800.00
North End Additional Space (5 floors - 4,050 sq. ft. per floor)	20,250	<u>405,000.00</u>
Total		\$960,050.00

SUMMARY OF FUNDS AVAILABLE FOR  
ADDITIONS AND ALTERATIONS

<u>Source of Funds</u>	<u>Amount</u>
Plant Funds:	
Allotment Account	\$ 42,400.00
Current Restricted Funds:	
Various Donors for Building and Equipment	165,000.00
James Anderson Fund for Building and Equipment	9,870.00
Current General Funds:	
Unappropriated Surplus (Either Cash in Bank or Legislative Funds)	<u>382,730.00</u>
Total	\$600,000.00

Investments are held for the "Various Donors for Building and Equipment" fund in the amount of \$54,500.00 and the hospital owns a parking lot in downtown Houston. These investments and this property can be sold, if necessary, to provide additional funds.

Additional funds may be made available in savings from current operations by the time contracts can be awarded.

Requests may be made for funds from philanthropic sources.

Comptroller Sparenberg was asked into the meeting.

Vice-President Dolley pointed out that this item is on the agenda of the Developmental Affairs and Public Relations Committee for discussion but is submitted without any recommendations from the Administration.

A general discussion ensued with reference to the source of funds, architect's fees, and increased income and annual operating expenses, arising from these additions and alterations.

At the request of Doctor Clark and upon motion of Doctor Minter, seconded by Mrs. Devall, the Board approved the preliminary plans authorized by the Board of Regents at its meeting, March 12, 1955, and prepared by MacKie and Kamrath for the roof decks and authorized and approved the preliminary plans for the following additions and alterations to the M. D. Anderson Hospital and Tumor Institute Building:

1. 4,050 square feet for the construction of a new supervoltage area,
2. an extension of the loading dock, additional construction on the dock to provide additional lockers and space for Medical Records and Epidemiology; extension of the first floor over the dock for an additional

1,400 square feet to enlarge the clinic area, and the relocation and erection of partitions on the first floor, and

3. 4,050 additional square feet each on the first through the fifth floors on the North end of the building, immediately above the supervoltage area, a total of 20,250 square feet;

and further authorized MacKie and Kamrath to proceed with the working drawings and specifications for the roof decks, new supervoltage area, and the re-allocation of space and additional space on ground and first floor including erection and relocation of partitions; and also to proceed with working drawings and specifications for the additional space on the North end of the first five floors conditioned on the following:

1. Legality of use of General Funds appropriated by the Legislature and private gift funds for these additions and alterations as limited by Article VI, Section 22, H. B. 140, 54th Legislature, R. S., to be approved by Judge Scott Gaines.
2. Limited to 1% fee on Item 3 above if a contract is not let for Item 3 when bids are received (that is if money is not available).
3. Limitation of use of General Funds if they are permitted to be used for these purposes to appropriations made in prior bienniums as distinguished from funds for the present biennium.
4. That no money appropriated by the Legislature for other purposes be used unless it has been specifically authorized by the Legislature;

and instructed Doctor Clark to negotiate with MacKie and Kamrath regarding the architect's fees with the understanding that other than the 1% fee for preliminary plans, the architect would be paid nothing for those working drawings and specifications on which contracts were not awarded; and in no event would the combined fee be in excess of 6% of the contracts awarded.

#### TEXAS WESTERN COLLEGE

STUDENT UNION FEE, TEXAS WESTERN COLLEGE. --President Holcomb requested authority to levy a student union fee at Texas Western College. President Wilson concurred in this recommendation and upon motion of Vice-Chairman Voyles, seconded by Mr. Johnson, the Board in accordance with authority granted by S. B. 359, 54th Legislature, Regular Session, authorized the levy of a student union fee at Texas Western College of The University of Texas not to exceed \$4.00 for any one semester or for any one <sup>summer</sup> ~~long~~ session.

See P. 394.

COMMITTEE TO STUDY FINANCING OF PROPOSED BUILDINGS, TEXAS WESTERN COLLEGE. --At the request of President Holcomb, the Board named a committee, composed of Vice-President Dolley, Business Manager Smith, and Endowment Officer Stewart, to study and make recommendations for the financing of the proposed Women's Dormitory and Student Union Building at Texas Western College of The University of Texas.

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The Board as a Committee of the Whole resolved itself into open session to act on the items referred to the committees, namely the Developmental Affairs and Public Relations Committee and the Land and Investment Committee.

Dean Olson, Director Clark, Dean Taylor, President Holcomb, Dean Gill, Comptroller Sparenberg, Endowment Officer Stewart, Land and Trust Attorney Gaines, and other representatives of The University of Texas came into the meeting.

DEVELOPMENTAL AFFAIRS AND PUBLIC RELATIONS COMMITTEE MATTERS. --

REPORT FOR DEVELOPMENTAL AFFAIRS AND PUBLIC RELATIONS COMMITTEE. --Chairman Sealy called on Comptroller Sparenberg to present the recommendations he had prepared for the Regents' Developmental Affairs and Public Relations Committee.

AWARD OF CONTRACTS FOR CONSTRUCTION OF THE CLINICAL SCIENCE BUILDING AT SOUTHWESTERN MEDICAL SCHOOL. --Comptroller Sparenberg reported that in accordance with authorization given by the Board of Regents at the meeting held October 15, 1955, bids for the construction of the Clinical Science Building on the Campus of Southwestern Medical School were called for and were opened and tabulated on November 29, 1955, as shown on Page 13. These bids have been considered by Dean A. J. Gill, Mark Lemmon, Architect, and Comptroller Sparenberg, and it is the recommendation of all concerned that contract awards be made to the lowest acceptable bidders as listed below:

General Contract

George A. Fuller Company,  
Dallas, Texas

Base Bid		\$ 1,858,206.00	
Deduct Alternate No. 1-B	\$ 8,838.00		
Deduct Alternate No. 1-G	43,304.00		
Deduct Alternate No. 1-I	25,420.00		
Deduct Alternate No. 1-K	20,369.00	- 97,931.00	\$1,760,275.00

Combined Plumbing, Heating, Ventilating, and Air Conditioning Contract

Kieffer Plumbing and Heating Company

Dallas, Texas

Base Bid (Combined Bids Nos. 2, 3, and 4)	989,000.00	
Deduct Alternate No. 2-A	- 375.00	988,625.00

Electrical Contract Ling Electric, Inc. Dallas, Texas		
Base Bid	206,491.00	
Deduct Alternate No. 5-B	<u>- 60.00</u>	206,431.00
Laboratory Equipment Contract Dean Specialty Works, Inc. San Antonio, Texas		
Base Bid	<u>228,420.00</u>	<u>228,420.00</u>
Total Recommended Contract Awards		<u><u>\$3,183,751.00</u></u>

The source of funds for these recommended contract awards is the \$3,500,000 appropriated for this purpose by Senate Bill No. 7, First Called Session, Fifty-third Legislature. According to estimates which have been made by the Architect and approved by representatives of Southwestern Medical School and the Comptroller's Office, this amount will be adequate to cover the recommended contract awards, Architects' Fees thereon, Architectural Supervision, the cost of movable furniture and equipment for the building, and other miscellaneous costs of completing the building.

Comptroller Sparenberg further recommended that the Chairman of the Board be authorized to sign the contract documents covering the awards as recommended.

Upon motion of Vice-Chairman Voyles, seconded by Mrs. Devall, the Board approved the foregoing report and recommendations.

**RATIFICATION OF CONTRACT AWARDS FOR FURNITURE AND EQUIPMENT FOR ENGLISH BUILDING AT MAIN UNIVERSITY.** --Comptroller Sparenberg reported that in accordance with authorization given at the  See P. 250. Regents' meeting held May 14, 1955, bids for movable furniture and equipment and classroom seating for the English Building at the Main University were received, opened, and tabulated on October 20, 1955, as shown on Page 16. After consideration of the bids, Comptroller Sparenberg, in accordance with further authorization given at the May meeting, awarded contracts to the low bidders, as follows:

Furniture and Equipment Contract Suniland Furniture Company, Houston, Texas		\$ 40,321.60
Classroom Seating Contract American Seating Company, Dallas, Texas		<u>21,662.96</u>
Total Contract Awards		<u><u>\$ 61,984.56</u></u>

Comptroller Sparenberg recommended that the contract awards as made by himself be ratified by the Board.

This report and recommendation was approved by the Board upon motion of Vice-Chairman Voyles, seconded by Mr. Jeffers.



by instructions received from the Agency. One of these requirements calls for the furnishing by the Board of Regents of a resolution approving a schedule of Prevailing Wage Rates for construction in the area involved.

It is, therefore, recommended that the following resolution be adopted by the Board:

WHEREAS, The University of Texas (hereinafter called the "College") has caused plans to be prepared for the construction of college housing; and

WHEREAS, it is desirable that the rates of pay for laborers and mechanics engaged in the construction of such project will not be less than the prevailing wage rates for similar work; and

WHEREAS, the governing authority of the College has made an investigation of the wage rates prevailing in the locality where such college housing will be built;

BE IT RESOLVED BY THE GOVERNING BODY OF SAID COLLEGE:

That it is found and determined that the rates shown for the classifications listed on Page 17 marked "Exhibit A" are the prevailing local rates of pay for laborers and mechanics engaged in similar work;

That the Housing and Home Finance Administrator is requested to approve the rates and findings on Page 17.

This report was adopted upon motion of Mr. Johnson, seconded by Vice-Chairman Voyles.

APPROVAL OF EXECUTION OF CONTRACT WITH N. VY FOR SPECIAL NAVAL INSTALLATIONS IN R. O. T. C. BUILDING AT MAIN UNIVERSITY. --

In connection with the construction of the R. O. T. C. Building at the Main University, the Navy has requested the installation of certain special facilities to serve Navy needs for instruction purposes to be incorporated in our construction contracts, for which the Navy will reimburse the University. A conference has been held between Navy officials, both from the R. O. T. C. Unit at the Main University and from the Eighth Naval District at New Orleans, Louisiana, representatives of the University and Ayres and Ayres, Associate Architect on the building. At this conference an agreement was reached on the items which the Navy desired the University to install at Navy expense, and the Architects were instructed to prepare an estimate of the cost thereof which the Navy officials could use in submitting a request to Washington for funds to cover this work. The present estimate is between \$35,000.00 and \$50,000.00, but the cost of this work cannot be accurately determined until such time as bids are taken for the construction of the building. After satisfactory assurance has been received that the necessary funds have been made available by the Federal Government, and after the architects' estimates are complete, an agreement will be prepared between the Navy Department and the University setting forth the maximum amount to be paid by the Navy on this building. It is recommended that authorization be given to Comptroller Sparenberg to negotiate such a contract with the Navy Department, subject to approval of Judge Scott Gaines and Dr. Dolley, with authority to Chairman Sealy to sign the contract on behalf of the University, in case a formal contract is desired by the Navy. It may be that a letter of intent or agreement from the Navy will be sufficient.

◊ See Page 387.

The Board upon motion of Mr. Johnson, seconded by Mrs. Devall, approved the foregoing report.

APPROVAL OF FINAL CHANGE ORDER TO CONTRACT WITH FINGER FURNITURE COMPANY FOR FURNITURE AND FURNISHINGS AT M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE. --An additional change order No. 17, to the contract with Finger Furniture Company, Inc., for Furniture and Furnishings for the M. D. Anderson Hospital and Tumor Institute Building, adding the sum of \$2,420.63 to the contract price has been written and approved by the Architects, Mackie and Kamrath, and Doctor Clark. This change order provides for price changes on certain items of furniture because of revisions made in selections, which resulted in a small deduction from the contract price, plus additional waiting room seating facilities, additional lamp shades and lamp bowls, and carpeting on the Auditorium stage steps. () See P. 392

It is recommended that the Board of Regents authorize Comptroller Sparenberg to sign this change order as written, with the understanding that it is the final change order to the contract and with these changes the contract will be complete. It is further recommended that the amount of \$2,420.63 needed to cover the cost thereof be appropriated from the account entitled M. D. Anderson Hospital and Tumor Institute-Current Restricted Funds - Various Donors for Building and Equipment.

The Board upon motion of Mr. Sorrell, seconded by Mr. Johnson, approved the foregoing report.

PROPOSAL TO ENGAGE ARCHITECTS FOR REMODELING WORK IN COTTON MEMORIAL BUILDING, TEXAS WESTERN COLLEGE. -- Doctor Holcomb has requested approval to engage the architectural firm of Carroll and Daeuble to assist in planning minor modifications to the Cotton Memorial Building at Texas Western College to provide additional classroom and office space. This proposed remodeling does not involve any addition to the total area of the building, and the estimated cost is between \$5,000.00 and \$10,000.00. It is contemplated that some of the work may be performed by the Physical Plant staff of the College, but it is believed that it would be wise to have architectural assistance in planning the work.

() See Page 583.

On the basis of Doctor Holcomb's request, which has been approved by Comptroller Sparenberg, Doctor Dolley, and President Wilson, it is recommended that approval be given to engage the services of Carroll and Daeuble, Architects of El Paso, Texas, to prepare preliminary plans for the remodeling desired in the Cotton Memorial Building at a fee based on 1% of the estimated cost. It is further recommended that after approval of the preliminary plans by Doctor Holcomb and Business Manager A. A. Smith, the firm be authorized to proceed with working drawings and specifications, at a fee of 5% of the actual cost of the work, including both the preliminary plans and the working drawings and specifications. The money needed to cover these architect's fees, not to exceed \$500.00 is to come from Texas Western College Current Restricted Funds - Cotton Estate - Cotton Memorial Building - Maintenance, Repairs, Utilities, etc.

This report was adopted by the Board of Regents upon motion of Mr. Johnson, seconded by Mr. Sorrell.

TABULATION OF BIDS

A CLINICAL SCIENCE BUILDING AT THE UNIVERSITY OF TEXAS SOUTH-WESTERN MEDICAL SCHOOL, DALLAS, TEXAS

Received November 29, 1955

General Contractors	Bid No. 1 - General Work	Days Needed to Complete Work	Remarks
1. R.F. Ball Constr. Co.	\$ 1,973,985	600	Bond - 5%
2. J.W. Bateson Co. Inc.	1,898,800	580	Bond - 5%
3. T.C. Bateson Constr. Co.	1,939,780	520	2 Bonds - 5% each
4. Henry Beck Co.	2,028,130	650	Bond - 5%
5. J.J. Fritch Co.	2,027,118	635	Bond - 5%
6. George A. Fuller Co.	1,858,206	450	Bond - 5%
7. Knowlton Constr. Co.	2,047,200	720	Bond - 5%
8. Robert McKee Constr. Co.	1,925,800	540	6 Bonds - 5% each
9. J.E. Morgan & Sons	1,998,556	650	Bond - 5%
10. Nathan Wohlfeld Constr. Co.	1,972,618	660	Bond - 5%

Alternate Bids:

1-A	1-B	1-C	1-D	1-E	1-F
1. - \$ 5,810	- \$ 11,709	- \$ 38,200	- \$ 9,771	- \$ 3,500	- \$ 16,310
2. - 4,800	- 11,000	- 24,000	- 10,800	- 10,000	- 4,000
3. - 3,000	- 8,500	- 32,000	- 8,000	- 1,000	- 6,000
4. - 5,500	- 10,000	- 35,000	- 8,800	- 3,500	- 20,000
5. - 6,000	- 10,000	- 36,000	- 9,700	- 1,700	- 10,000
6. - 4,445	- 8,838	- 37,217	- 10,375	- 3,605	- 16,799
7. - 4,200	- 10,000	- 38,500	- 10,000	- 3,300	- 15,300
8. - 4,884	- 12,800	- 40,500	- 11,250	- 1,515	- 9,700
9. - 2,463	- 9,268	- 38,608	- 8,205	- 3,000	- 19,100
10. - 5,558	- 7,805	- 27,510	- 8,589	- 3,500	- 16,310

1-G	1-H	1-I	1-J	1-K
1. - \$ 38,420	- \$ 24,502	- \$ 14,777	- \$ 7,484	- \$ 17,996
2. - 46,000	- 23,000	- 25,000	- 7,000	- 20,000
3. - 40,000	- 19,000	- 20,000	- 5,000	- 16,000
4. - 42,000	- 19,500	- 25,000	- 7,500	- 20,500
5. - 43,000	- 23,000	- 25,000	- 7,000	- 20,000
6. - 43,304	- 23,788	- 25,420	- 7,145	- 20,369
7. - 43,000	- 20,500	- 17,000	- 6,500	- 16,000
8. - 42,600	- 23,300	- 26,500	- 8,100	- 19,400
9. - 41,600	- 22,500	- 25,600	- 7,500	- 20,531
10. - 42,667	- 19,939	- 24,777	- 6,594	- 19,776

- No. 1-A Omit three story unit at Entrance No. 4. Change entrance to alternate scheme.
- No. 1-B Omit entrance from parking area to tunnel.
- No. 1-C Omit entire tunnel and entrance to tunnel.
- No. 1-D Omit tile and stainless steel animal cages in Room C-501-B.
- No. 1-E Natural and gray colored alumilited panels in lieu of gold and blue aluminum colored panels.
- No. 1-F Steel window wall with baked enamel panels in lieu of aluminum.
- No. 1-G Face brick in lieu of limestone ashlar above first floor.
- No. 1-H Omit all driveways, parking area, curbs and walks.
- No. 1-I Sand finish plaster in lieu of ceramic tile wainscot in corridors and stair halls.
- No. 1-J Cement treads in lieu of pre-cast terrazzo treads at stair halls.
- No. 1-K Five foot high ceramic tile wainscot in lieu of 7'-6" high wainscot.

TABULATION OF BIDS, Continued  
Clinical Science Building at Southwestern Medical School

Mechanical Contractors

1. Brown-Olds Plumbing and Heating Corporation
2. Farwell Company, Incorporated
3. William F. Kaun & Sons
4. Kieffer Plumbing & Heating Company
5. Levy Plumbing Company
6. George Linskie, Incorporated
7. Natkin Company
8. C. Wallace Plumbing Company, Incorporated
9. Sam P. Wallace Company

	<u>Combined Bids Nos. 2, 3, &amp; 4</u>	<u>Working Time after General Contractor</u>	<u>Remarks</u>
1.	\$ 1,025,000	15 days	2 Bonds - 5 % each
2.	1,013,323	15 days	Bond - 5%
3.	1,024,324	15 days	Bond - 5%
4.	989,000	15 days	3 Bonds - 5% each
5.	1,051,632	10 days	Bond - 5%
6.	1,041,842	15 days	Bond - 5%
7.	1,061,499	10 days	Bond - 5%
8.	1,002,000	4 days	Bond - 5%
9.	996,942		Bond - 5%

- Bid No. 2 Plumbing work  
 Bid No. 3 Steam generating systems, heating, utility systems, chilled water and miscellaneous piping systems  
 Bid No. 4 Ventilating and air conditioning systems

Alternate Bids:

	<u>2-A</u>	<u>2-B</u>	<u>2-C</u>	<u>4-A</u>	<u>4-B</u>
1.	- \$ 950.28	- \$ 327.16	- \$ 810.89	- \$ 769.00	- \$ 1,993.80
2.	- 380.00	- 965.00	- 700.00	- 512.00	- 1,994.00
3.	- 305.00	- 800.00	- 1,050.00	- 884.00	- 1,740.00
4.	- 375.00	- 1,085.00	- 830.00	- 665.00	- 2,000.00
5.	- 250.00	- 1,447.00	- 865.00	- 925.00	- 2,517.00
6.	- 400.00	- 1,000.00	- 1,025.00	- 620.00	- 2,100.00
7.	- 230.00	- 1,500.00	- 700.00	- 750.00	- 750.00
8.	- 231.00	- 448.00	- 545.00	- 1,095.00	- 1,225.00
9.	- 506.00	- 1,200.00	- 960.00	- 795.00	- 2,220.00

- No. 2-A Plumbing work omitted in connection with the omission of tunnel entrance  
 No. 2-B Plumbing work omitted in connection with the omission of the entire tunnel  
 No. 2-C Plumbing work omitted in connection with the omission of the animal cages in Room C-501-B  
 No. 4-A Omit ventilating and air conditioning in connection with the omission of 3-story unit at Entrance No. 4  
 No. 4-B Omit ventilating and air conditioning in connection with the omission of the tunnel

TABULATION OF BIDS, Continued  
 Clinical Science Building at Southwestern Medical School

<u>Electrical Contractors</u>	<u>Bid No. 5 Electric Work</u>	<u>Work time after General Contr.</u>	<u>Remarks</u>
1. City Electric Co.	\$ 256,319	30 days (& Equip.)	Bond - 5%
2. Gable Electric Co.	238,000	--	Bond - 5%
3. Gotham Electric Co.	238,334	15 days	Bond - 5%
4. Harman Elec. Constr. Co.	229,000	10 days	Bond - 5%
5. Libecap Elec. Co.	239,853	30 days	Bond - 5%
6. Ling Electric, Inc.	206,491	10 days	Bond - 5%
7. McClure Elec. Co., Inc.	223,672	10 days	Bond - 5%
8. Rob Roy Elec., Inc.	221,980	365 days*	Bond - 5%
9. Sands Electric Co.	244,000	10 days	Bond - 5%
10. Ray Smith Elec. Co.	216,000	30 days	Bond - 5%
11. Southern States Elec. Co.	223,659	5 days	Bond - 5%
12. Shoemaker Elec. Co.	237,000	10 days	Bond - 5%
13. Telkamp Electric Co.	221,167	10 days	Bond - 5%
14. Reynolds Elec. & Eng. Co.	259,224	no extra time req.	Bond - 5%

\*Total time without specification as to General or Equipment Contractor

Alternate Bids:

	<u>5-A</u>	<u>5-B</u>	<u>5-C</u>
1.	- \$ 609	- \$ 105	- \$ 1,256
2.	- 551	- 141	- 1,378
3.	- 452	- 68	- 893
4.	- 331	- 195	- 856
5.	- 562	- 85	- 1,062
6.	- 480	- 60	- 1,020
7.	- 262	- 61	- 983
8.	- 484	- 58	- 1,079
9.	- 741	- 85	- 1,812
10.	- 530	- 75	- 1,200
11.	- 530	- 67	- 1,260
12.	- 850	- 200	- 560
13.	- 320	- 64	- 1,118
14.	- 455	- 143	- 455

No. 5-A Omit electrical work in connection with the omission of 3-story unit at Entrance No. 4

No. 5-B Omit electrical work in connection with the omission of tunnel entrance

No. 5-C Omit electrical work in connection with the omission of entire tunnel

Laboratory Equipment

	<u>Bid No. 6</u>	<u>Alt. Bid No. 6-A</u>	<u>Alt. Bid No. 6-B</u>	<u>Remarks</u>
1. Dean Specialty Works, Inc.*	\$ 228,420	+\$ 7,790	+\$ 7,500	Bond - 5%
2. W. C. Hixon Co. (Kewaunee)	243,276	+ 9,871	+ 9,871	Bond - \$20,000
3. Harry R. Morgan (Lab. Furn.)	224,889	+ 8,039	+ 8,039	Bond - \$25,000

- \* 1. If Alternate 6-A wall cabinets - Type II - add to 6-A - \$1,192.00
- 2. If Alternate 6-B wall cabinets - Type II - add to 6-B - \$1,097.00
- 3. If regular grade Alberene Stone used in lieu of Kenrock or grade 25 Soap Stone, deduct \$10,000.00.



EXHIBIT A  
(See Page 10.)

PREVAILING WAGE RATES  
AUSTIN AND VICINITY  
AS AT NOVEMBER 18, 1955

Not less than the general prevailing rate of per diem wages must be paid to all laborers, workmen, and mechanics directly employed on the work covered by this contract. Overtime shall be paid for all hours worked in excess of eight hours a day in any one day or for all hours worked on Saturdays, Sundays, and/or holidays in accordance with the schedules as shown at the end of the wage scale. The days to be considered holidays are as follows: January 1st, May 30th, July 4th, Labor Day, Thanksgiving Day, and Christmas Day.

The following schedule of wages per diem and per hour prevail as of November 18, 1955, in Austin, Texas, and vicinity. (Footnotes on P. 21 )

<u>CLASSIFICATION</u>	<u>WAGES PER DIEM*</u> \$	<u>WAGES PER HOUR</u> \$
<b>ASBESTOS WORKERS (1)</b>		
Foreman	26.00	3.25
Journeyman	24.00	3.00
<b>BRICKLAYERS (1)</b>		
Foreman	30.00	3.75
Journeyman	28.00	3.50
Stone Masons	28.00	3.50
Marble Setters	24.00	3.00
<b>CARPENTERS (5)</b>		
Foreman	22.60	2.825
Journeyman	20.60	2.575
Foreman (Jan. 1, 1956)	23.20	2.90
Journeyman (Jan. 1, 1956)	21.20	2.65
Power Tool Operator - \$1.00 per day in addition to Journeyman's Wages		
Apprentices		
1st 6 mos.		50%
2nd 6 mos.		55%
3rd 6 mos.		60%
4th 6 mos.		65%
5th 6 mos.		75%
6th 6 mos.		80%
7th 6 mos.		85%
8th 6 mos.		90%
Millwright Foreman	24.60	3.075
Millwright Journeyman	22.60	2.825
Millwright Foreman (Jan. 1, 1956)	25.20	3.15
Millwright Journeyman (Jan. 1, 1956)	23.20	2.90
<b>CEMENT FINISHERS (2)</b>		
Foreman	22.00	2.75
Journeyman	20.00	2.50

<u>CLASSIFICATION</u>	<u>WAGES PER DIEM*</u> \$	<u>WAGES PER HOUR</u> \$
<b>ELECTRICIANS (3)</b>		
Foreman	26.00	3.25
Journeyman	24.00	3.00
Apprentices		
1st 6 mos.		35%
2nd 6 mos.		40%
3rd 6 mos.		50%
4th 6 mos.		55%
5th 6 mos.		60%
6th 6 mos.		65%
7th 6 mos.		70%
8th 6 mos.		75%
Lineman	24.00	3.00
Cable Splicer	26.00	3.25
<b>HOD CARRIERS AND COMMON LABORERS (2)</b>		
Common Labor including excavation, concrete work, reinforcing, shoring, digging, loading, and unloading materials, carpenter helper and all construction labor except that here- inafter classified:	10.00	1.25
Air tool operator and vibrator; Mason Tender (excluding mason handler and wheeler handling material from stockpile to hoist or to stockpile on floor); Cement mason tender; Pipe layer (non- metallic); Concrete pipe (handling and laying); Power buggy operator; Sand Blaster; and Wagon Drill Operator	10.80	1.35
Plaster Tender and Hod Carrier; Lath Tender; and Mortar Mixer	12.00	1.50
Well Driller; Blaster; Gunite Worker	13.20	1.65
<b>IRON WORKERS (1)</b>		
Foreman	26.00	3.25
Structural, Rigging, Ornamental	24.00	3.00
Rodman	21.80	2.725
<b>**LATHERS (1)</b>		
Foreman (residential)	26.40	3.30
Foreman (other)	27.40	3.425
Journeyman	25.40	3.175
<b>OPERATORS, HOISTING AND PORTABLE (1)</b>		
Foreman	25.20	3.15
Heavy Duty Mechanic	23.20	2.90

<u>CLASSIFICATION</u>	<u>WAGES PER DIEM*</u> \$	<u>WAGES PER HOUR</u> \$
<b>OPERATORS, HOISTING, AND PORTABLE (Continued)</b>		
<u>Heavy Equipment</u>		
Heavy Duty Mechanic; Blade Grader, self-propelled; Bull Clam; Back Filler; Derricks, Power operated, all types; Dragline; Push Cat Operator; Euclid Operator; Bull Dozer and all types Cat Tractors; Cable-Way; Back Hoe; Crane, Power Operated, all types; Elevating Grader, Self-propelled; Hoist, Motor Driven, Two Drums or more; Mix Mobile; High-Lifts and Loaders, over 1/3 cu. yd. cap.; Fork-Lifts, over 1500# cap.; Winch Truck; Locomotive Mixer, 14 cu. ft. or over; Paving Mixer, all sizes; Piledriver; Scraper; Trenching Machine, all sizes; Gradall; Foundation Boring Machine; Scoopmobile; Shovel, Power Operated; Pump Crete Machine; Clam Shell Operator; Rock Crusher operated on job	23.20	2.90
<u>Light Equipment</u>		
Air Compressor; Blade Grader, Towed; Flex Plane; Form Grader; Mixer, less than 14 cu. ft.; Pulsometer; Truck Crane Driver and Oiler, Combination Man; Gasoline and Diesel Driven Welding Machine; Hoist, Single Drum; Pump; Pneumatic Roller; High-Lifts and Loaders, 1/3 cu. yd. or less; Fork-Lifts, 1500# or less	20.40	2.55
Firemen	18.00	2.25
Oilers	16.80	2.10
<b>PAINTERS (2)</b>		
Foreman	21.00	2.625
Journeyman - brush	19.00	2.375
Journeyman - spray	21.00	2.625
Glaziers	19.00	2.375
<b>PLASTERS (1)</b>		
Foreman (residential)	26.40	3.30
Foreman (other)	27.40	3.425
Journeyman	25.40	3.175

<u>CLASSIFICATION</u>	<u>WAGES PER DIEM*</u> \$	<u>WAGES PER HOUR</u> \$
<b>PLUMBERS (4)</b>		
General Foreman	27.40	3.425
Foreman	25.40	3.175
Journeyman	23.40	2.925
Apprentices		
1st 6 mos.		35%
2nd 6 mos.		38%
3rd 6 mos.		41%
4th 6 mos.		44%
5th 6 mos.		47%
6th 6 mos.		50%
7th 6 mos.		56%
8th 6 mos.		72%
9th 6 mos.		84%
10th 6 mos.		100%
<b>ROOFERS</b>		
Leadman - slate and tile	19.20	2.40
Journeyman - slate and tile	17.60	2.20
Leadman - built-up	16.40	2.05
Journeyman - built-up	14.80	1.85
<b>SHEET METAL WORKERS (5)</b>		
Foreman	26.00	3.25
Journeyman	24.00	3.00
<b>STEAM FITTERS (4)</b>		
General Foreman	27.40	3.425
Foreman	25.40	3.175
Journeyman	23.40	2.925
Apprentices - same rate as Plumbers		
<b>TILE LAYERS (1)</b>		
Foreman	26.00	3.25
Journeyman Tile Setters	24.00	3.00
<b>TRUCK DRIVERS</b>		
Driver	6.80	0.85
	to	to
	10.00	1.25
<b>WELDERS</b>		
Journeyman - Rate applicable to craft where work is performed		

\* Based on eight hours per day

\*\* Negotiating at present with A. G. C. for increase. Feeling at present is that some increase will be approved, probably 12.5¢ on January 1, 1956.

- (1) Overtime rate double the prevailing hourly wage rate.
- (2) Overtime rate 1-1/2 times the prevailing hourly wage rate.
- (3) Overtime rate as follows: 5:00 p.m. to 9:00 p.m. and Saturday, 1-1/2 times the prevailing hourly wage rate; 9:00 p.m. to 8:00 a.m., Sunday and Holidays, double the prevailing wage rate.
- (4) Overtime rate as follows: 5:00 p.m. to 12:00 p.m. and Saturday, 1-1/2 times the prevailing hourly wage rate; 12:00 p.m. to 8:00 a.m., Sunday and Holidays, double the prevailing hourly wage rate.
- (5) Overtime rate as follows: First three hours 1-1/2 times the prevailing hourly wage rate; after that, before 8:00 a.m., Saturday, Sunday and Holidays, double the prevailing hourly wage rate.

Wage Rates as given above compiled from Prevailing Wage Rates as recognized by Associated General Contractors of Austin, Texas.

LAND AND INVESTMENT COMMITTEE MATTERS. --Chairman Sealy called on Mr. Jeffers to present the matters referred to the Land and Investment Committee.

MISCELLANEOUS LAND AND INVESTMENT MATTERS. --(This report was adopted by the Board as reflected on Page 33.)

Mr. Jeffers presented to the Committee as a Whole the following report and recommendations that Endowment Officer Stewart had prepared for the Land and Investment Committee.

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 October 13, 1955. 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
U.S. Treas., due 2/15/95	\$ 1,000,000	100.046875	3.00%	\$ 1,000,468.75	10/7/55
Ditto	500,000	100.046875	3.00	500,234.38	10/25/55
Ditto	600,000	100.53125	2.98	603,187.50	11/7/55
Ditto	400,000	100.09375	3.00	400,375.00	11/23/55
Totals	<u>\$2,500,000</u>			<u>\$ 2,504,265.63</u>	

\*Yield to maturity

PERMANENT UNIVERSITY FUND--LAND MATTERS. --

LEASES AND EASEMENTS. --Consideration has 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 form by the University Land and Trust Attorney and as to content by the University Endowment Officer. It is recommended that the Board approve these applications and authorize the Chairman of the Board to execute the instruments involved:

PIPE LINE EASEMENT NO. 741, TEXAS-NEW MEXICO PIPE LINE COMPANY, ANDREWS AND MARTIN COUNTIES, TEXAS. -- This application for pipe line easement to Texas-New Mexico Pipe Line Company covers 369.9 rods of 4-1/2-inch line at \$0.50 per rod and 2,209 rods of 6-5/8-inch line at \$0.75 per rod in Block 7, Sections 3, 4, and 12; Block 6, Sections 22, 23, 33, 34, 38, 39, and 46; Block 5, Section 24; and Block 12, Section 15, University Lands in Andrews and Martin Counties, Texas, for a ten-year period beginning November 1, 1955, and ending October 31, 1965. The full consideration in the amount of \$1,841.70 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 742, GULF REFINING COMPANY, CRANE AND ECTOR COUNTIES, TEXAS. -- This application for a pipe line easement to Gulf Refining Company covers 2,195 rods of 6-inch line at \$0.50 per rod in Block 35, Sections 2, 3, 4, 5, 6, 9, 10, 11, and 12, University Lands in Crane and Ector Counties, Texas, for a ten-year period beginning December 1, 1955, and ending November 30, 1965. The full consideration in the amount of \$1,097.50 for the ten-year period has been tendered with the application. (Renewal of Easement No. 254)

PIPE LINE EASEMENT NO. 743, TEXAS-NEW MEXICO PIPE LINE COMPANY, CRANE AND UPTON COUNTIES, TEXAS. -- This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 961.9 rods of 4-1/2-inch line at \$0.50 per rod in Block 30, Sections 41, 42, 43, 44, and 48, University Lands in Crane and Upton Counties, Texas, for a ten-year period beginning November 1, 1955, and ending October 31, 1965. The full consideration in the amount of \$480.95 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 744, TEXAS-NEW MEXICO PIPE LINE COMPANY, CROCKETT COUNTY, TEXAS. -- This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 125.81 rods of 2-1/2-inch line at \$0.25 per rod and 174.7 rods of 4-1/2-inch line at \$0.50 per rod in Block 46, Sections 27 and 28, University Lands in Crockett County, Texas, for a ten-year period beginning July 1, 1954, and ending June 30, 1964. The full consideration in the amount of \$118.80 for the ten-year period has been tendered with the application.

POWER LINE EASEMENT NO. 745, TEXAS ELECTRIC SERVICE COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a power line easement to Texas Electric Service Company covers 3,213 rods of power line at 5¢ per rod per year in Block 11, Sections 8, 9, 10, 11, 12, 16, 17, 18, and 19; and Block 10, Sections 3, 4, 5, 6, and 7, University Lands in Andrews County, Texas, for a ten-year period beginning November 1, 1955, and ending October 31, 1965. The full consideration in the amount of \$1,606.50 for the ten-year period has been tendered with the application.

POWER LINE EASEMENT NO. 746, TEXAS ELECTRIC SERVICE COMPANY, CRANE AND ECTOR COUNTIES, TEXAS. -- This application for a power line easement to Texas Electric Service Company covers 276 rods of power line at 5¢ per rod per year in Block 31, Section 33; and Block 35, Section 1, University Lands in Crane and Ector Counties, Texas, for a ten-year period beginning November 1, 1955, and ending October 31, 1965. The full consideration in the amount of \$138.00 for the ten-year period has been tendered with the application.

POWER LINE EASEMENT NO. 747, TEXAS ELECTRIC SERVICE COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a power line easement to Texas Electric Service Company covers 4,071 rods of power line at 5¢ per rod per year in Block 3, Sections 1, 2, 3, 4, 5, 6, and 12; Block 8, Section 6; Block 11, Sections 1 and 12; Block 13, Sections 17, 18, 19, 20, 25, and 36; and Block 14, Sections 1, 2, and 17, University Lands in Andrews County, Texas, for a ten-year period beginning November 1, 1955, and ending October 31, 1965. The full consideration in the amount of \$2,035.50 for the ten-year period has been tendered with the application.

POWER LINE EASEMENT NO. 748, AMERICAN TELEPHONE AND TELEGRAPH COMPANY, HUDSPETH COUNTY, TEXAS. -- This application for a power line easement to the American Telephone & Telegraph Company covers 8,459 rods of communication systems upon, over, and under a strip of land forty feet in width, at 5¢ per rod per year in Block D, Sections 25, 26, 27, 28, 29, 30, and 19; Block E, Sections 24, 23, 22, 14, 15, 16, 17, 18, and 7; Block F, Sections 12, 11, 14, 15, 16, 17, 20, and 19; and Block L, Sections 1, 2, 3, 4, 5, and 6, University Lands in Hudspeth County, Texas, for a ten-year period beginning February 1, 1956, and terminating January 31, 1966. The full consideration in the amount of \$4,229.50 for the ten-year period has been tendered with the application. (Renewal of Easement No. 262.)

WATER LEASE CONTRACT NO. 64, MAGNOLIA PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a water lease contract to Magnolia Petroleum Company covers a request for permission to use water from Block 5, Sections 36 and 37, and Block 6, Section 49, University Lands in Andrews County, Texas, for use only in connection with the drilling of oil wells in Block 8, Sections 7, 8, 9, 16, 17, and 18, University Lands in Andrews County, Texas, and in other adjacent non-University Lands on which Magnolia Petroleum Company is the owner of oil and gas leases. The permit would be for a period of three years from October 29, 1955, and provides for a payment of \$250.00 for each oil well drilled on University Lands for water produced and used and of \$500.00 for each oil well drilled on non-University Lands for water produced and used. (Renewal of Water Lease Contract No. 58)

ASSIGNMENT OF BOOSTER AND PUMP STATION SITE EASEMENT NO. 671 FROM TEXON GAS, INC., TO CONTINENTAL SUPPLY COMPANY, REAGAN COUNTY, TEXAS. -- Under date of October 29, 1954, the Board of Regents granted a pump and booster station site easement to Texon Gas, Inc., on a 10-acre site in Block 2, Sections 1 and 12, University Lands in Reagan County, Texas, for a period of one year beginning October 1, 1954, and ending September 30, 1955, with an option to renew from year to year not to exceed a total period of ten years for the easement by payment in advance of the annual rental of \$100.00. A gasoline

plant has now been constructed on the site by Continental Supply Company who furnished the materials and plant fixtures at a total cost of \$313,334.53, the plant having been constructed for and on behalf of Texon Gas, Inc., which company has secured payment of a promissory note in the amount of \$313,334.53, due serially May 25, 1956, through October 25, 1956, by deed of trust from Texon Gas, Inc., to Continental Supply Company, covering all of Texon's interest in the leasehold or easement. Therefore, Texon Gas, Inc., has requested approval by the Board of Regents of such assignment under the deed of trust. It is recommended that the Board grant such approval and authorize the Chairman of the Board to execute the necessary instrument therefor upon its approval as to form by the University Land and Trust Attorney and as to content by the University Endowment Officer.

PIPE LINE EASEMENT NO. 749, STANOLIND OIL AND GAS COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Stanolind Oil and Gas Company covers 1,424 rods of 3-1/2-inch line at \$0.25 per rod, 15.76 rods of 4-1/2-inch line at \$0.50 per rod, 330.61 rods of 6-5/8-inch line at \$0.75 per rod, 528.24 rods of 8-5/8-inch line at \$1.00 per rod, 519.89 rods of 10-3/4-inch line at \$1.00 per rod, and 83.15 rods of 16-inch line at \$1.50 per rod in Block 13, Sections 2, 3, 6, 7, 9, 10, 16, 17, and 18, University Lands in Andrews County, Texas, for a ten-year period beginning December 1, 1955, and ending November 30, 1965. The full consideration in the amount of \$1,784.70 for the ten-year period has been tendered with the application. (Renewal of Easements Nos. 256 and 257 to Phillips Petroleum Company, with change in total rods due to removal of part of original lines.)

ASSIGNMENT OF PART OF GRAZING LEASE NO. 700 FROM J. FARRIS BAKER TO ALVA CARPENTER, PECOS COUNTY, TEXAS. -- This application for assignment of part of Grazing Lease No. 700 from J. Farris Baker to Alva Carpenter covers assignment of 2,374.9 acres in Sections 3, 4, 5, 7, 8, 9, 10, 16, 17, and 18, Block 18, Pecos County, Texas, the terms of the lease for the assigned acreage to be the same. Rental due to be paid by Alva Carpenter in semiannual installments on the assigned acreage is as follows: \$326.55 on January 1, 1956, and July 1, 1956; and \$415.61 on the first day of January and July of each succeeding year until and including January 1, 1960, with corresponding reductions in rental due from J. Farris Baker for the 13,712.91 acres retained under grazing Lease No. 700. The grazing lease also carries a provision for farming a portion of the acreage at an additional rental of \$5.00 per acre per year for all land under cultivation, payable in semiannual installments of \$2.50 per acre. The standard assignment fee of \$25.00 and the \$1.00 General Land Office filing fee having been tendered with the application for assignment.

GRAZING LEASE NO. 705, LEE CHILDRESS, W. A. CHILDRESS AND JAMES R. CHILDRESS, CROCKETT COUNTY, TEXAS. -- This application for renewal of Grazing Lease No. 562, held by Lee Childress, covers 22,680 acres of land in Block 29, Sections 13, 23 to 27, inclusive, 34 to 36 inclusive and part of Sections 14, 15, 22, 28, 21, and 33; Block 3, Sections 4 to 10, inclusive, 31 to 24, inclusive, 28, and part of Sections 27, 29, 30, 2, 3, 12, and 11, University Lands in Crockett County, Texas, for a period of five years beginning January 1, 1956, and ending December 31, 1960, with an option to renew the lease for another period of five years at negotiated terms. Rental is at the rate of 38¢ per acre for the first year and 50¢ per acre for the remaining four years, aggregate sum of which is in the amount of \$53,978.40, to be paid in

semiannual installments as follows: \$4,309.20 on January 1, 1956, and July 1, 1956; and \$5,670.00 on January 1 and July 1 of each succeeding year until and including July 1, 1960. (Renewal of Grazing Lease No. 562)

GRAZING LEASE NO. 706, CHARLES J. COX AND H. W. HARRIS, PECOS COUNTY, TEXAS. -- This application for renewal of Grazing Lease No. 573, held by Charles J. Cox, covers 5,762.5 acres of land in Block 27, Sections 28, 29, 31, 32, and part of Sections 25, 26, 27, 30, 33, and 34; Block 28, part of Sections 7, 17, 18, and 19; in the James Campbell Survey No. 1, part of Tract No. 1 and all of Tract No. 2; and Block 165, part of Section 1, University Lands in Pecos County, Texas, for a period of five years beginning January 1, 1956, and ending December 31, 1960, with an option to renew the lease for another period of five years at negotiated terms. Rental is at the rate of 22¢ per acre for the first year and 30¢ per acre for the remaining four years, aggregate sum of which is in the amount of \$8,182.80, to be paid in semiannual installments as follows: \$633.88 on January 1, 1956, and July 1, 1956; and \$864.38 on January 1 and July 1 of each succeeding year until and including July 1, 1960. (Renewal of Grazing Lease No. 573)

GRAZING LEASE NO. 707, H. F. NEAL, UPTON COUNTY, TEXAS. -- This application for renewal of Grazing Lease No. 563 covers 7,522.5 acres of land in Block 3, Sections 1, 12, 13, 24, and part of Sections 2, 11, and 25; and Block 58, Sections 4, 5, 6, 7, 8, 9, and part of Section 3, University Lands in Upton County, Texas, for a period of five years beginning January 1, 1956, and ending December 31, 1960, with an option to renew the lease for another period of five years at negotiated terms. Rental is at the rate of 33¢ per acre for the first year and 40¢ per acre for the remaining four years, aggregate sum of which is in the amount of \$14,518.42, to be paid in semiannual installments as follows: \$1,241.21 on January 1, 1956, and July 1, 1956; and \$1,504.50 on January 1 and July 1 of each succeeding year until and including July 1, 1960. (Renewal of Grazing Lease No. 563)

GRAZING LEASE NO. 708, DOW PUCKETT, PECOS COUNTY, TEXAS. -- This application for renewal of Grazing Lease No. 572 covers 4,655.64 acres of land in Block 27, Sections 8, 9, 24, and part of Sections 7, 10, 23, 25, 26, and 30; and part of Tract No. 1, James Campbell Survey No. 1, University Lands in Pecos County, Texas for a period of five years beginning January 1, 1956, and ending December 31, 1960, with an option to renew the lease for another period of five years at negotiated terms. Rental is at the rate of 22¢ per acre for the first year and 30¢ per acre for the remaining four years, aggregate sum of which is in the amount of \$6,611.04, to be paid in semiannual installments as follows: \$512.12 on January 1, 1956, and July 1, 1956; and \$698.35 on January 1 and July 1 of each succeeding year until and including July 1, 1960. (Renewal of Grazing Lease No. 572)

PROPOSED EARTH REMOVAL PERMIT NO. 77, E. P. CHAPMAN, JR., AND JOHN A. WOOD ON 1,143.69 ACRES, UNIVERSITY BLOCK 35, ECTOR COUNTY, TEXAS. -- As authorized by the Board of Regents on October 13, 1955, the Endowment Officer, the Geologist in Charge of University Lands, and the University Land Agent have negotiated further with Messrs. E. P. Chapman, Jr., and John A. Wood, Geologists and Mining Engineers of Albuquerque, New Mexico, on their proposal for an earth removal lease for the purpose of recovery of diatomaceous earth. The following revised proposal has now been submitted by Messrs. Chapman and Wood:

1. Bonus of \$2.50 per acre, or a total bonus of \$2,859.22, for lease with primary term of five years and as long thereafter as digging and removal operations are conducted but to terminate in two years unless maintained by digging and removal.

2. Guaranteed annual royalty of \$1.00 per acre after the first year.

3. The following royalty on all substances dug and removed, based on the gross sales price received by lessees:

On the first 12,000 tons sold during any calendar year:

<u>Selling Price per Ton</u>	<u>Royalty % of Gross Sales</u>
\$10 or less to 14.99	2-1/2%
15 to 19.99	5
20 to 24.99	7-1/2
25 and over	10

On all sales in excess of 12,000 tons in any one calendar year:

<u>Selling Price per Ton</u>	<u>Royalty % of Gross Sales</u>
\$10 or less to 14.99	5%
15 to 19.99	7-1/2
20 to 24.99	10
25 and over	12-1/2

4. Lease will be subject to all outstanding oil and gas leases, grazing leases and easements.

5. Adequate indemnification provisions against damage.

6. Lessees will have right to construct roads and railroad necessary or convenient for operations.

It is recommended that the Board approve an earth removal permit on these terms and authorize execution by the Chairman upon approval as to content by the Endowment Officer and as to form by the University Land and Trust Attorney.

SALE OF OLD OFFICE BUILDING AT TEXON, TEXAS. --Mr. E. J. Compton, University Land Agent, with the approval of the Endowment Officer, has advertised for sale the old frame, three-room office building, formerly used by University Lands at Texon. Two bids, one for \$105 and the other for \$300, were received, and the building has been sold to the high bidder, Mr. Len Lester. The building was constructed in 1923 at a cost of \$1,800, has been moved two times and was in poor condition generally. A new office building for University Lands having been constructed in Texon, the University had no further use for the old building. It is recommended that the sale be ratified and approved by the Board and the proceeds from the sale credited to the Available University Fund unappropriated balance.

MICROWAVE STATION SITE EASEMENT NO. 751 AND POWER LINE EASEMENT NO. 752, MIDESSA TELEVISION COMPANY, INC., ANDREWS COUNTY, TEXAS. --Midessa Television Company, Inc., operators of Station KMID-TV, Midland, has applied for an easement for the construction of a 250-foot microwave tower on the NW/4 of the NW/4 of Section 10, Block 3, University Lands in Andrews County, for relaying television signals from Lubbock to Midland and for a power line easement running to this station from the south boundary of Section 3, Block 3. The company has written permission from the grazing Lessee. The tower will be set on a concrete base with a building approximately twelve by twelve feet at the base. There will be three guy wires anchored approximately 210 feet radially from the tower. Rental for the station easement will be \$100 annually, payable annually in advance, and for the power line easement will be 5¢ per rod per year, the latter to be paid in advance for the entire period. Both easements will be for a ten-year period. It is recommended that granting of these easements be approved and execution by the Chairman authorized after the instruments have been approved by the Endowment Officer as to content and by the University Land and Trust Attorney as to form.

TRUST AND SPECIAL FUNDS--INVESTMENT MATTERS. --

REPORT OF PURCHASES AND SALES OF SECURITIES. --The following purchases and sales of securities have been made for the Trust and Special Funds since the report of October 13, 1955. We ask that the Board ratify and approve these transactions:

Date	PURCHASES Security	Total Cost
9/12/55	\$1,200.00 par value American Telephone & Telegraph Company 12-Year 3-7/8% Convertible Debentures, due October 13, 1967, purchased @ \$100 and 8 stock rights per \$100 (Hogg Foundation: W. C. Hogg Fund)	\$ 1,200.00
	\$1,200.00 par value, Ditto (Funds Grouped for Investment)	1,200.00
10/27/55	100 Shares American Smelting and Refining Company Common Stock, purchased at 47-5/8 per share	4,801.31
	200 Shares The Detroit Edison Company Capital Stock, purchased at 35-3/8 per share	7,140.38
	100 Shares General Mills, Inc., Common Stock, purchased at 69-3/4 per share	7,016.98
	100 Shares International Harvester Company Common Stock, purchased at 36-3/8 per share	3,670.69
	200 Shares National Dairy Products Corporation Common Stock, purchased at 38-5/8 per share	7,793.62
	100 Shares The Procter & Gamble Company Common Stock, purchased at 98-1/2 per share	9,894.85

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Date	PURCHASES (Continued) Security	Total Cost
10/27/55	100 Shares Standard Oil Company of California Capital Stock, purchased at 85 per share (Hogg Foundation: Varner Properties)	\$ 8,543.50
	100 Shares The Detroit Edison Company Capital Stock, purchased at 35-3/8 per share	3,570.19
	100 Shares National Biscuit Company Common Stock, purchased at 39-1/4 per share	3,959.63
	100 Shares Norfolk & Western Railway Company Common Stock, purchased at 58 per share (Will Rogers Memorial Scholarship Fund)	5,840.80
	100 Shares National Biscuit Company Common Stock, purchased at 39-1/4 per share	3,959.63
	100 Shares Phelps Dodge Corporation Capital Stock, purchased at 53 per share (E. D. Farmer International Scholarship Fund)	5,340.30
	100 Shares Phelps Dodge Corporation Capital Stock, purchased at 53 per share (Wilbur S. Davidson Educational Fund)	5,340.30
	100 Shares The International Nickel Company of Canada, Ltd., Common Stock, purchased at 75-1/8 per share	7,555.01
	100 Shares Parke, Davis & Company Capital Stock, purchased at 38-7/8 per share	3,921.94
	100 Shares Standard Oil Company of California Capital Stock, purchased at 85 per share	8,543.50
	90 Shares Union Pacific Railroad Company Common Stock, purchased at 158-1/4 per share (William Heuermann Fund for Cancer Research)	14,292.44
10/28/55	100 Shares The Chase-Manhattan Bank Capital Stock, purchased at 50 per share (William Heuermann Fund for Cancer Research)	5,040.00
	100 Shares Owens-Illinois Glass Company Common Stock, purchased at 61 per share	6,141.10
	200 Shares Pacific Lighting Corporation Common Stock, purchased at 39 per share (Hogg Foundation: Varner Properties)	7,869.00
	\$7,000.00 par value Philadelphia Electric Company 1st & Refunding Mortgage Bonds 3-1/8%, due April 1, 1985, purchased at 99-1/4 to yield 3.16% to maturity. Interest paid to November 2, 1955 (Funds Grouped for Investment)	6,966.54

Date	PURCHASES (Continued) Security	Total Cost
10/27/55	\$10,000.00 par value U. S. Treasury 3% Bonds, due February 15, 1995, purchased at 100.34375 to yield 2.98% to maturity. Interest paid to October 28, 1955 (George W. Brackenridge Loan Fund)	\$10,034.38
	\$5,000.00 par value Pacific Telephone & Telegraph Company Debentures, Series 3-5/8%, due August 15, 1991, purchased at 105.125 to yield 3.38% to maturity. Interest paid to November 2, 1955 (E. D. Farmer International Scholarship Fund)	5,256.25
	\$5,000.00 par value, Ditto (Will Rogers Memorial Scholarship Fund)	5,256.25
	\$150,000.00 par value U. S. Treasury 2-3/8% Bonds, due June 15, 1958, purchased at 99.50 to yield 2.57% to maturity. Interest paid to October 28, 1955	149,250.00
	\$10,000.00 par value Allied Chemical and Dye Corporation 3-1/2% 25-Year Debentures, due April 1, 1978, purchased at 103.125 to yield 3.34% to maturity. Interest paid to November 2, 1955	10,312.50
	\$10,000.00 par value Consolidated Edison Company of N. Y., Inc., 1st & Refunding Mortgage Bonds, Series I 3-1/2% due February 1, 1983, purchased at 105 to yield 3.23% to maturity. Interest paid to November 2, 1955	10,500.00
	\$10,000.00 par value The Detroit Edison Company First Mortgage Bonds, Series O 3-1/4%, due May 15, 1980, purchased at 100.875 to yield 3.20% to maturity. Interest paid to November 2, 1955	10,087.50
	\$10,000.00 par value General Motors Corpora- tion 25-Year 3-1/4% Debentures, due January 1, 1979, purchased at 101.75 to yield 3.14% to maturity. Interest paid to November 2, 1955	10,175.00
	\$10,000.00 par value Pacific Telephone & Tele- graph Company Debentures, Series 3-5/8%, due August 15, 1991, purchased at 105.125 to yield 3.38% to maturity. Interest paid to November 2, 1955	10,512.50
	\$10,000.00 par value Philadelphia Electric Company 1st & Refunding Mortgage Bonds 3-1/8%, due April 1, 1985, purchased at 99 to yield 3.18% to maturity. Interest paid to November 2, 1955	9,900.00
	\$10,000.00 par value Texas Electric Service Company First Mortgage Bonds, 3-1/4% Series, due March 1, 1985, purchased at 101.375 to yield 3.18% to maturity. Interest paid to November 2, 1955	10,137.50

PURCHASES (Continued)		
Date	Security	Total Cost
10/27/55	\$10,000.00 par value Virginia Electric & Power Company 1st & Refunding Mortgage Bonds, Series L 3-1/4%, due June 1, 1985, purchased at 101.25 to yield 3.18% to maturity. Interest paid to November 2, 1955 (Hogg Foundation: Varner Properties)	10,125.00
11/9/55	100 Shares Consolidated Edison Company of New York, Inc., Common Stock, purchased at 49 per share (William Heuermann Fund for Cancer Research)	4,939.50
11/10/55	26 Shares Commonwealth Edison Company Common Stock, purchased at \$37.50 plus 15 stock rights per share (Hogg Foundation: W. C. Hogg Fund)	975.00
	6 Shares, Ditto (Hogg Foundation: Varner Properties)	225.00
	50 Shares R. J. Reynolds Tobacco Company Cumulative Preferred Stock, 3.60% Series, purchased at 89-1/2 per share (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	4,513.38
SALES		
Date	Security	Net Proceeds
11/15/55	1,625 shares Cresson Gold Mining and Milling Company Common Stock, sold at 10/32nds per share (Hogg Foundation: W. C. Hogg Fund)	\$ 458.21
	21 Shares Western Natural Gas Company Common Stock, sold at 9-7/8 per share (Hogg Foundation: W. C. Hogg Fund)	202.41
	5 Shares, Ditto (Funds Grouped for Investment)	48.20
	2 Shares, Ditto (Wilbur S. Davidson Educational Fund)	19.28
	34 Shares St. Louis-San Francisco Railway Company Common Stock, sold at 29-1/8 per share (E. D. Farmer International Scholarship Fund)	973.93
11/ /55	10 Rights for Commonwealth Edison Company Common Stock (Hogg Foundation: W. C. Hogg Fund)	
	10 Rights, Ditto (Hogg Foundation: Varner Properties)	

PROJECT TEX. 41-CH-26 - MAIN UNIVERSITY, KINSOLVING DORMITORY--HHFA WAIVER AMENDMENT TO ORIGINAL LOAN AGREEMENT AND AUTHORIZATION TO OFFER FOR SALE \$4,150,000 DORMITORY REVENUE BONDS TO FINANCE PROJECT.-- The loan agreement dated December 1, 1954, between the Government and the Board of Regents of The University of Texas for Project Tex. 41-CH-26 (Contract No. H-274), provides that the interest rate on the \$4,150,000 par value Dormitory Revenue Bonds to be purchased by the Government shall be at the rate of 3-1/4% per year, with the further provision that if any other bidder or bidders should offer to purchase one or more blocks or all of the bonds at an interest cost of not more than 1/4% higher than the Government's bid, such bonds would be sold to such bidder or bidders. Under date of October 10, 1955, the Housing and Home Finance Administrator forwarded an executed waiver to the original loan agreement which waiver has the effect of amending such agreement to the extent that the Government has agreed to purchase the bonds at an interest rate of 2-3/4% per annum in accordance with Public Law 345, enacted by the 84th Congress. The Waiver amendment further provides that any part of or all of the bonds shall be awarded to private bidders only when their bid or bids shall specify an interest cost of not more than 2-3/4% per annum for such part of or all of the bonds.

() See Page 381.

It is recommended that the following procedure be followed in the marketing of the revenue bonds to finance the subject project:

1. That the Endowment Officer be authorized to make exploratory inquiries of the three syndicate heads who submitted bids in July, 1955, for the Medical Branch Dormitory Revenue Bonds, in order to determine whether or not the syndicates would be interested in competing with the Government's bid of 2-3/4% per annum for any part of or all of the bonds.
2. That the Endowment Officer be authorized to advertise for sealed competitive bids on the bonds, the extent of such advertisement to be indicated by the results of the exploratory inquiries, the form of the advertisement to be subject to the approval of the Housing and Home Finance Agency, the Vice-President for Fiscal Affairs, and the University's legal counsel for the bonds, McCall, Parkhurst and Crowe (approved by the Board of Regents at the January 29, 1955, meeting.)
3. That the sealed bids on the bonds be called for on Thursday morning, February 2, 1956; and that contingent upon construction awards being made on either Thursday morning or Thursday afternoon, February 2, 1956, the bids received for the bonds be submitted to the Board of Regents also on February 2, 1956, and a firm commitment for the bonds made by the Board at that time.
4. That the bonds be dated April 1, 1956, and if sold to private bidders, delivered as soon thereafter as practicable; and further, that if the bonds are sold to the Government, either part of or all of the bonds, the bonds be delivered in installments as construction money is needed with adjustments made for accrued interest at the time of delivery of any of the bonds.

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

HOGG FOUNDATION: THOMAS E. HOGG ESTATE - PROPOSED JOINDER BY BOARD OF REGENTS IN MINERAL LEASE TO FRANCIS A. CALLERY ON 523 ACRES IN THE JESSE THOMPSON SURVEY, BRAZORIA COUNTY, TEXAS.--Mr. Wm. B. Ferguson has submitted an oil, gas and mineral lease contract, dated October 28, 1955, from Margaret Wells Hogg, Life Tenant under the will of Thomas E. Hogg, deceased, and the Board of Regents of The University of Texas, Trustee of the Hogg Foundation, Remainderman, as lessors, to Francis A. Callery, as lessee, covering 523 acres of land situated in the Jesse Thompson Survey, Abstract 132, Brazoria County, Texas. The interest involved is an undivided 1/32nd of all the oil, gas and other minerals in and under the land involved, comprising 16.34 mineral acres. The bonus consideration being paid for the lease is the sum of \$817.00 computed at the rate of \$50.00 per full mineral acre. The annual lease rental stipulated in the amount of \$163.40 is computed at the rate of \$10.00 per full mineral acre. Such consideration will be payable to Mrs. Hogg as Life Tenant in accordance with the provisions of the distribution deed, dated April 16, 1954, approved by the Board of Regents January 21, 1954. It is recommended that the Board of Regents approve this lease and authorize the Chairman to execute it upon approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer. ( See Page 570.

HOGG FOUNDATION: THOMAS E. HOGG ESTATE - PROPOSED JOINDER BY BOARD OF REGENTS IN MINERAL LEASE TO FRANCIS A. CALLERY ON 350 ACRES IN THE JESSE THOMPSON SURVEY, BRAZORIA COUNTY, TEXAS.--Mr. Wm. B. Ferguson has submitted a second oil, gas and mineral lease, dated November 3, 1955, from Margaret Wells Hogg, Life Tenant under the will of Thomas E. Hogg, deceased, and the Board of Regents of The University of Texas, Trustee of the Hogg Foundation, Remainderman, as lessors to Francis A. Callery, as lessee, covering an additional 350 acres located in the Jesse Thompson Survey, Abstract No. 132, Brazoria County, Texas. The bonus consideration at the rate of \$50.00 per full mineral acre for the 10.94 mineral acres involved amounts to \$547.00 and the annual rental at the rate of \$10.00 per full mineral acre to \$109.40. It is recommended that the Board of Regents approve this lease and authorize the Chairman to execute it upon approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

TEXAS WESTERN COLLEGE, GRAZING LEASE TO MOODY BENNETT ON COTTON ESTATE ACREAGE - PROPOSED REDUCTION IN RENTAL RATE.-- Mr. Moody Bennett has under grazing lease expiring May 31, 1956, 16,911 acres of Cotton Estate lands in Hudspeth County, Texas. Rental is at 8¢ per acre per year, payable semiannually with all except the last semiannual installment of \$676.44 due under the lease having been paid promptly. Mr. Bennett has applied for a rental reduction on the final year of his lease to 4¢ per acre as a result of which his rental would be paid up to the end of the term of his lease, the semiannual rental in the amount of \$676.44 for the first half of the year having already been paid. The request is based principally on drought conditions that have held practically throughout the term of the lease. Mr. Bennett has been an excellent tenant and understands that any reduction of rental at this time will not be considered as a precedent or as an indication of the rate at which his lease may be renewed next year. President Holcomb and Business Manager Smith of Texas Western College and the Endowment Officer recommend approval of the rental reduction to 4¢ per acre for this final year of the lease.

W. J. McDONALD OBSERVATORY - PROPOSED USE OF POLES ON OBSERVATORY'S PRIVATE POWER LINE BY SOUTHWESTERN BELL TELEPHONE COMPANY. --The Southwestern Bell Telephone Company is installing a new line out from Fort Davis to serve McDonald Observatory and approximately seven other users in the area which will result in a saving to the Observatory as against the line which it has had to maintain heretofore. The telephone company proposes to string this telephone line on most of the poles of the power line now serving the Observatory and others in the area and requests such permission from the University. The cost of the power line was met largely by The University of Texas and The University of Chicago but was shared in by most of the prospective users of the telephone service. It is recommended that the Endowment Officer be authorized to notify Southwestern Bell Telephone Company that the University has no objection to such use of the power poles, provided no cost for construction or maintenance is incurred by the University and there is no interference with the power service.

HOGG FOUNDATION: VARNER PROPERTIES - PROPOSED RENTAL REDUCTION ON D. G. KURJIAN LEASE ON SPACE IN RIVER OAKS BUILDING. --Mr. D. G. Kurjian has a lease for three years beginning June 1, 1955, and expiring May 31, 1958, on 1102 Capitol Avenue in the River Oaks Building for the operation of a sandwich and soft drink shop. Rental under the lease is at \$250 per month for the first six months and \$300 per month thereafter, the rental for the last month of the lease having been paid in advance. Mr. Kurjian advises that his business has not been as expected and that he will have extreme difficulty in keeping open if his rent increases to \$300 monthly on December 1, 1955, as provided in the lease. The Endowment Officer has investigated the matter and believes that the figure of approximately \$1,800 monthly given by Mr. Kurjian as his average monthly receipts is correct, that Mr. Kurjian is a good tenant and is doing all possible to keep down expenses, and that rental of the space to another satisfactory tenant at a reasonable rate will be difficult. Therefore, it is recommended that the Board authorize postponement of the rental increase until June 1, 1956, with Mr. Kurjian's situation to be reviewed further at that time. () See Page 724.

Adoption of Report. --The Committee as a Whole accepted this report as read and Mr. Jeffers moved the adoption by the Board of the foregoing report and the recommendations contained therein. Mr. Johnson seconded this motion which carried.

REPORTS ON (1) PERMANENT UNIVERSITY FUND INVESTMENTS  
(2) TRUST AND SPECIAL FUND INVESTMENTS, 1954-55. --Mr. Jeffers, Chairman of the Land and Investment Committee, presented a report of the Land and Investment Committee on the following for the fiscal year ended August 31, 1955:

1. Permanent University Fund Investments
2. Trust and Special Fund Investments.

He stated that the committee has made periodic reports on purchases, sales, and exchanges of bonds made for the funds and that all have been duly approved by the Board of Regents. Each member of the Board was furnished with a bound copy of each report, and the secretary was instructed to file the signed copies of these reports in the Office of the Board of Regents.

## CENTRAL ADMINISTRATION

INTERIM REPORT ON INSURANCE COVERAGE FOR THE UNIVERSITY OF TEXAS SYSTEM; RETENTION OF SERVICES OF INSURANCE AUDIT AND INSPECTION COMPANY. --Vice-President Dolley gave a brief interim report on arrangements being made for insurance coverage for The University of Texas System on permanent buildings and on crime insurance. He outlined the procedure that was being planned in order to take competitive bids on these two types of coverages.

Upon the recommendation of Vice-President Dolley and Comptroller Sparenberg the Board authorized, upon motion of Mr. Sorrell, seconded by Mr. Jeffers, the retention of the services of the Insurance Audit and Inspection Company for one year beginning November 18, 1955, at an annual fee of \$1,500 which is in accordance with the letter addressed to Comptroller Charles H. Sparenberg from Mr. A. R. Massey of the Insurance Audit and Inspection Company under date of June 30, 1954.

See Page 751/

Chairman Sealy was called from the meeting, and Vice-Chairman Voyles presided.

## TEXAS WESTERN COLLEGE

REPORT OF CLASSES WITH LESS THAN TEN STUDENTS, 1955-56 FALL SEMESTER, TEXAS WESTERN COLLEGE. --President Wilson presented the report submitted to him by President Dysart E. Holcomb of classes with less than ten students in the 1955-56 Fall Semester at the Texas Western College of The University of Texas which was prepared in accordance with Article V, Section 18 (f) of the Special Provisions in H. B. 140, 54th Legislature, Regular Session. (A copy of this report is filed in the Office of the Board of Regents.) Upon motion of Mr. Johnson, duly seconded, the Board approved the report.

## MAIN UNIVERSITY

REPORT OF CLASSES WITH LESS THAN TEN STUDENTS, 1955-56 FALL SEMESTER, MAIN UNIVERSITY. --President Wilson presented a report of classes with less than ten students, both undergraduate and graduate in the 1955-56 Fall Semester at the Main University which was prepared in accordance with the provisions of Article V, Section 18(f) of the Special Provisions of H. B. 140, 54th Legislature, Regular Session. (A copy of this report is filed in the Office of the Board of Regents.) The general categories into which the small classes fell are:

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.

Upon a motion by Mr. Johnson, duly seconded, the Board approved the report.

**ESTABLISHMENT OF ARTS AND SCIENCES FOUNDATION.** --Upon recommendation of President Wilson and on motion of Mr. Sorrell, seconded by Mrs. Devall, the Board approved the following resolution establishing an Arts and Sciences Foundation of the Main University of The University of Texas:

WHEREAS, there exists a need for promoting widespread interest and commitment to the College of Arts and Sciences and to the educational ideals embraced in fundamental education in arts and sciences for students at The University of Texas, and a similar need for establishing recognition of the services of the College of Arts and Sciences to the state and nation, and

WHEREAS, these needs can be served by an organization which will devote specific attention to them and provide financial assistance in fostering the progress of education and research in arts and sciences,

IT IS RESOLVED, that the Board of Regents of the University of Texas hereby approves the establishment of an hereby establishes the Arts and Sciences Foundation of the Main University of The University of Texas; it shall be the purposes of said Foundation to promote the recognition, welfare, and progress of the College of Arts and Sciences, and to encourage the making of gifts to said Foundation for carrying out its purposes, and

IT IS FURTHER RESOLVED, that the President of the University of Texas upon the recommendation of the Dean of the College of Arts and Sciences of the Main University shall name annually an Advisory Board of the Foundation consisting of five members, including the Dean as Chairman and four other full professors of the College of Arts and Sciences; it shall be the duty of said Board to advise the Dean of the College of Arts and Sciences upon policies and activities to be undertaken by the Foundation, to assist in carrying out activities and projects, and to recommend, with the concurrence of the Dean of the College of Arts and Sciences, to the President the allocation and expenditure of funds available to the Foundation, and

IT IS FURTHER RESOLVED, that the Board of Regents hereby agrees to accept in trust any and all money and/or other property, be same real, personal or mixed, which may hereafter be given to or subscribed for the said Arts and Sciences Foundation of the Main University of The University of Texas (under conditions acceptable to said Board of Regents) and subject to the provisions hereinafter set out:

- (1) Funds and/or property of the Foundation shall be devoted solely to the purposes set forth in this Resolution for the Foundation;
- (2) A gift or donation of money and/or other property to said Foundation may be made for a specific purpose and may be given in the name of the donor or may be other-

wise described by the donor; namely, the John Doe Fund of the Arts and Sciences Foundation; or may be given as undesignated funds to be held and used in accordance with the provisions hereinafter set out;

(3) The Board of Regents of The University of Texas, and their successors in office, shall hold, manage, control, sell, exchange, lease, convey, mortgage or otherwise encumber, invest or reinvest, and generally have the power to dispose of in any manner, for any consideration and on any terms, the said money and/or property, as in their discretion may from time to time seem to them just and proper; and said Board of Regents, above-mentioned, shall from time to time pay out of the income, or if said income be insufficient, out of the principal, all expenses of operation, and all expenses incurred in the furtherance of the purpose or purposes of each individual trust;

(4) Neither any donation to the Arts and Sciences Foundation nor any fund or property arising therefrom in whatever form it may take shall ever be any part of the Permanent University Fund nor shall the Legislature have power or be in anywise authorized to change the purposes thereof or to divert such donation, fund, or property from those designated purposes.

(5) Funds of the Foundation shall be expended upon recommendation of the Advisory Board and the Dean of the College of Arts and Sciences. None of the funds available to the Foundation shall be used to supplement the salaries of or otherwise compensate members of the staff of the College of Arts and Sciences without the approval of the Dean of the College of Arts and Sciences and the President.

(6) As in the case of other University Funds, authorization for expenditure of any and all funds in the Foundation shall be vested in the Board of Regents; and recommendation for such expenditures shall be made by the President to the Board of Regents.

(Each member of the Board had been furnished a copy of this proposal prior to the meeting.)

Chairman Sealy returned to the meeting and presided.

APPROVAL OF DOCKET. --President Wilson presented to the Board a docket under date of November 23, 1955, for Central Administration to which he had attached and incorporated as part of his docket, together with his recommendation for approval, the dockets of the component institutions of The University of Texas; namely:

Main University and Extramural Division -  
submitted by Vice-President C. P. Boner  
Texas Western College -  
submitted by President Dysart E. Holcomb

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Medical Branch -  
 submitted by Interim Executive Officer T. G.  
 Blocker, Jr.  
 Dental Branch -  
 submitted by Dean John V. Olson  
 M. D. Anderson Hospital -  
 submitted by Director R. Lee Clark, Jr.  
 Southwestern Medical School -  
 submitted by Dean A. J. Gill  
 Postgraduate School of Medicine -  
 submitted by Dean Grant Taylor

The Board approved the docket of President Wilson upon motion of Mr. Sorrell, seconded by Mrs. Devall. (This docket is attached to and made a part of these minutes. Page 272 .)

CORRECTION AND APPROVAL OF MINUTES, OCTOBER 13-15, 1955. -- Doctor Minter moved that the word "his" in the first sentence of the second paragraph on Page 14 of the minutes of October 13-15, 1955, (a portion of the report of the Land and Investment Committee) be changed to "the director's" so the sentence will read:

Dr. R. Lee Clark, Director of the M. D. Anderson Hospital and Tumor Institute, has now determined that the proceeds of the Estate will not be needed for construction purposes and has recommended that a permanent endowment fund be established with the income therefrom to be used for purposes of cancer research upon the director's recommendation as to the specific uses, approved in the usual manner by proper administrative officials and by the Board of Regents.

Mr. Sorrell seconded this motion which carried.

Then upon motion of Mrs. Devall, duly seconded, the Board approved the minutes of the meeting of October 13-15, 1955, in the multigraphed form distributed by the secretary and as amended by the motion of Doctor Minter.

NEXT MEETING OF THE BOARD. -- The next meeting of the Board of Regents was set for February 2, 3, and 4, 1956.

ADJOURNMENT. -- The Board of Regents adjourned at 11:45 a. m.

*Betty Anne Thedford*  
 Betty Anne Thedford  
 Secretary