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FOREWORD

The Material Supporting the Agenda is prepared by the Secretary of the Board and is mailed to each Regent 10 days before the meeting. Items that have not been approved by the Chancellor of course cannot and will not be included in this bound volume. This volume does not include Supplementary Agenda material in all instances since the Secretary oftentimes does not have that material until after the Board meeting, and it would be impossible to keep an accurate record.

Actually, when an item is approved by the Chancellor for consideration, it should be sent to this office so that all material can be prepared regarding it and he can then make his recommendation.

CONTENTS OF THIS VOLUME 1959-60

<u>Meetings Nos</u>	<u>Dates</u>
584	October 1-3, 1959
585	November 13-14, 1959'
586	January 23, 1960
587	March 11-12, 1960
588	May 13-14, 1960
589	July 1-3, 1960
590 is legal size and is filed separately.	July 13, 1960

*Administrative
Confidential*



THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

Material Supporting

Agenda

Meeting Date: November 13-14, 1959

Meeting No.: 585

Name: Office Copy
Office Copy

FOR REGENTS' USE - NOTES

CALENDAR

1

MEETING OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS
November 13-14, 1959

Place: Main Building, Austin, Texas

Telephone No.: Greenwood 6-8371, Extension 325 or 219

Thursday, November 12

Page No.

3:00 p. m. Meeting of the Board for Lease of University
Lands 33
(State Land Commissioner Bill Allcorn
and Regents Johnson and Heath)
General Land Office

Friday, November 13

8:30 a. m. Meeting of the Special Committee on Board
Procedures 28
(Regents Hardie, Johnson, and Madden)
Room 209

9:30 a. m. Meeting of the Buildings and Grounds
Committee 14
(Regents Thompson, Hardie, Heath,
and McNeese)
Room 104

Meeting of the Medical Affairs Committee 23
(Regents Bryan, Devall, Johnson, and
Madden)
Room 209

11:00 a. m. Meeting of the Land and Investment
Committee *
(Regents Johnson, Bryan, McNeese,
and Thompson)
Room 205

Meeting of the Academic and Developmental
Affairs Committee 9
(Regents Devall, Hardie, Heath, and
Madden)
Room 209

* See legal size volume, Attachment No. 1.

Friday, November 13 (Continued)Page No.

12:30 p. m.	Lunch *	<u>Room 101</u>	
1:30 p. m.	Meeting of the Committee of the Whole	<u>Room 209</u>	30
1:30 p. m.	To receive items referred by the Standing and Special Committees		
3:00 p. m.	To receive special items by President Wilson		
4:00 p. m.	To meet with Administrative Heads individually to consider items on the Agenda of the Committee of the Whole for the respective units and to consider emergency items previously cleared with President Wilson for presentation.		

Saturday, November 14

9:00 a. m.	Meeting of the Board of Regents **	<u>Room 209</u>	41
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* Regents, President Wilson, Vice-President Ransom, and Student Leaders (Main University) in the President's Office.

** Picture to be taken for The Cactus

November 1, 1959

AGENDA
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 AND
 COMMITTEE OF THE WHOLE
 November 13, 1959

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b. Contracts for Housing (Discussion only)	
3. Texas Western College	
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b. Salary Supplementation Campaign (Discussion)	
B. <u>Buildings and Grounds Committee</u> (Regents Thompson, Hardie, Heath, and McNeese)	14
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b. New Engineering Building: Award of Contracts for Movable Furniture and Equipment	
c. Major Repair and Rehabilitation Projects: Allocation of Appropriation	
d. Old Printing Division Building: Authorization to Consulting Architect to Prepare Preliminary Plans for Remodeling	
e. New Central Water Chilling Station Building: Ratification of Approval of Preliminary Plans	
f. Utilities Distribution Systems: Approval to Purchase Items by Purchase Order out of \$800,000.00 Appropriation for Expansion	
g. Sanitary Sewer Improvements Project: Approval of Final Plans and Specifications	
h. Home Economics Building Elevator: Approval of Specifications for Rehabilitation and Modernization and Authorization to Award Contract within Appropriation of \$22,500.00	
i. Archway Properties: Progress Report Re Purchase	

2. Medical Branch
 - a. Architect and Engineers: Approval of Employment on a Per Diem Basis
 - b. Rebecca Sealy Nurses' Residence and Old John Sealy Hospital: Transfer of \$12,500.00 to Appropriation for Temporary Repairs and Remodeling
3. Texas Western College
 - a. Warehouse-Shops Building: Appointment of Committee to Approve Preliminary Plans and Appointment of Associate Architect
 - b. Housing for Married Students and a Dormitory for Men: Authorization to File Applications with HHFA
4. M. D. Anderson Hospital and Tumor Institute Proposed Additions to Present Building: Source of Funds for Payment of Consulting Architects' Fees

C. Land and Investment Committee *
(Regents Johnson, Bryan, McNeese, and Thompson)

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 - b. Land Matters
2. Trust and Special Funds
 - a. Investment Matters
 - b. Gift, Bequest, and Estate Matters
 - c. Real Estate Matters
 - d. Revenue Bond Financing Matters
3. Special Item
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(Regents Bryan, Devall, Johnson, and Madden)

1. The South Texas Medical School
Petition from Bexar County Hospital District re site
2. Medical Branch
Progress Report re Counties Participation, Indigent Patients
3. Southwestern Medical School ~~Medical School~~ ^{Nursing Programs**}
Report re Conference with Southwestern Medical Foundation Relating to Housing

* See Attachment No. 1 (separate legal size volume entitled Attachments Nos. 1 and 2) for detailed agenda and documentation.

** mailed separately and not in bound volume.

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|------|--|----|
| II. | Special Committee on Board Procedures
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| | 2. Buildings and Grounds Committee
(Committee Chairman Thompson) | |
| | 3. Land and Investment Committee
(Committee Chairman Johnson) | |
| | 4. Medical Affairs Committee
(Committee Chairman Bryan) | |
| | 5. Report of Board for Lease of University Lands
(Regent Johnson) | |
| | 6. C. Report of Special Committee of Board of Regents
to work with Nominating Committee of University
Development Board (Regent Thompson) | |

- D. Special Items (Friday, November 13, 3:00 p. m.)
1. Central Administration
Progress Report re Development
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 2. Main University
 - a. Sidney E. Mezes Award
 - b. Audit of Physical Plant Space
 - c. Vending Machines
- E. Items Relating to Component Units (Administrative Head to be present for consideration; any items not on final agenda must be of emergency nature and previously cleared through the President for presentation) Friday, November 13, 4:00 p. m.
1. Main University (Doctor Ransom)
 2. Texas Western College (Doctor Smiley)
 3. Medical Branch (Doctor Truslow)
 4. Dental Branch (Doctor Olson)
 5. M. D. Anderson Hospital and Tumor Institute (Doctor Clark)
 6. Southwestern Medical School (Doctor Gill)
 7. Postgraduate School of Medicine (Doctor Taylor)

* This may be covered in Item C - Report of Special Committee

AGENDA
 MEETING OF THE BOARD OF REGENTS
 OF
 THE UNIVERSITY OF TEXAS
 AUSTIN, TEXAS
 Telephone: GR 6-8371
 Extensions: 219 or 325

Place: Regents' Room, (Main Building 209)

Date and Time: Saturday, November 14, 1959, 9:00 a. m.

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I Academic and Developmental
Affairs Committee

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Date: November 13, 1959

Time: 1:1:00 a. m.

Place: Room 209

Members: Mrs. Devall, Chairman
Mr. Hardie
Mr. Heath
Mr. Madden

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1. Central Administration (System-Wide)
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 - a. Science Development Program (Progress Report) 11
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 - b. Salary Supplementation Campaign (Discussion
Only) *Letter from Cox to Smiley re
current appropriation mailed separately
on November 6, 1959.* 13

A. ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

1. CENTRAL ADMINISTRATION (SYSTEM-WIDE)

Budget Policies and Calendar, 1960-61. -- Below in the exact form as presented is the Administration's recommendation for Budget Policies and Calendar to be followed in the preparation of the 1960-61 annual budgets. *Approved as presented*

BUDGET POLICIES TO BE FOLLOWED
IN PREPARING THE 1960-61 ANNUAL BUDGETS

The second year of the biennium affords relatively little opportunity for additional improvement of salaries or expansion of services. Within funds available, institutional heads may recommend a few merit advances for members of the teaching and professional staff and these recommended advances should be relatively modest in amount. Merit advances recommended for classified personnel should not exceed a maximum of one-third of the total institutional classified staff, and such recommendations should be limited to one step in the promotional scale. Only in the most exceptional situations should salary advances in excess of these limits be recommended.

In applying the general budget policy in the preparation of annual budgets for 1960-61, the merit system of promotion and salary increases for both academic and non-academic personnel will be continued. All divisions are to take into account the "up-or-out" rule and any other tenure considerations which are pertinent.

For non-academic or classified personnel, changes in job classifications should be recommended only when thoroughly justified. Necessary revisions in the pay ranges in certain areas of the classified personnel pay plans required to keep abreast of local market conditions should be processed for advance approval of the President and subsequent approval of the Board of Regents through the regular docket. Neither changes in job classifications nor scale adjustments will be considered as merit increases, and such advances will not apply to the one-third limitation on salary increases.

The maintenance and equipment recommendation should remain divided and "Equipment" should be shown as a separate budget item. Increases in the maintenance and operation items should be nominal in amount. Equipment requests must be individually justified through supporting schedules.

BUDGET CALENDAR

<u>Time Schedule</u>	<u>Annual Budget 1960-61</u>
Nov. 14, 1959	Board approval of policies
Dec. 1	Draft of Budget Instructions
Jan. 8, 1960	Budget detail <u>due from Departmental Chairmen to academic Dean (or Division Head)</u>
Feb. 2	<u>Recommendations due from Dean (or Division Head) to Executive Head of institution</u>
Mar. 1	Draft copy (including summaries) of budget due from Executive Head to Central Administration
Mar. 21-25	Budget Hearings with Central Administration
May 1	To Board of Regents
May 16	Auxiliary Enterprises Budgets due to Central Administration
June	Auxiliary Enterprises Budgets to Board of Regents

2. MAIN UNIVERSITY

- a. Science Development Program. -- On October 3, 1959, the Board approved the recommendation of the Academic and Developmental Affairs Committee that the Administration have prepared for the November 1959 meeting a detailed specific recommendation concerning a Science Development Program (Permanent Minutes Volume VII, Page 14).

Dean Burdine, Vice-President Ransom, and President Wilson are in agreement that the preliminary study should be extended and made much more specific. It is their recommendation that final consideration of the Scientific Development Program be postponed until the meeting in January 1960. However, Vice-President Ransom will report orally concerning the progress of the Science Development Program study.

approved for Jan meeting

- b. Contracts for Housing. -- Contracts for housing at the Main University will be discussed at the meeting.

See minutes Paper

3. TEXAS WESTERN COLLEGE

- a. Request for New Department of Speech and Drama.

approved

Central Administration recommends that the Board approve for submission to the Texas Commission on Higher Education the separation of Speech and Drama from the Department of English and Speech and the establishment of a Department of Speech and Drama in the School of Arts and Sciences at the Texas Western College.

This proposal submitted to President Wilson by Doctor Smiley has the approval of the Chairman of the Department of English and Speech and of the Academic Council at Texas Western College.

Present Status: At Texas Western College there is a Department of English and Speech, and degree programs of the first level (Bachelor's degree) are offered in speech and drama. Professor Milton Leech, who has been at Texas Western since 1949, has the direct responsibility for this area.

Courses and Activities, Speech and Drama since 1949: The faculty since 1949 has increased from two to five full-time members and the following courses have been added:

Platform Speaking	Advanced Drama
Direction of Speech Curriculum and Activities	Workshop
Introduction to the Fine Arts	History of Costume
Introduction to Drama	The Development of the Early Theatre
Beginning Drama Workshop	The Development of the Modern Theatre
Rehearsal and Performance	Directing
Dramatic Script Writing	
Creative Drama	

In 1952 a Summer Play Festival (College Players, the producing organization) was initiated and for the past three summers has attracted a total audience of some 6,000. This producing organization also presents normally four or five plays during the academic year in addition to frequent laboratory productions.

Enrollment and major data since 1949:

Speech and Drama Classes

<u>Number of Students Enrolled</u>	<u>Number of Students Majoring</u>
1949-50 -- 494	1949-50 -- 10
1950-51 -- 595	1950-51 -- 28
1951-52 -- 586	1951-52 -- 27
1952-53 -- 632	1952-53 -- 32
1953-54 -- 650	1953-54 -- 36
1954-55 -- 743	1954-55 -- 40
1955-56 -- 852	1955-56 -- 42
1956-57 -- 931	1956-57 -- 43
1957-58 -- 770	1957-58 -- 42
1958-59 -- 869	1958-59 -- 38
1959- 451 (fall semester only)	1959- 44 (fall semester only)

General Statements:

Doctor Smiley presents the following general statements:

1. This proposal has been contemplated for a decade.
 2. There would be no substantial budgetary implications since academic salaries, funds for student assistance, maintenance and operation have been incorporated in the existing combined department.
 3. The creation of this separate department will add sensibly to the moral and stature of this talented group.
- b. Salary Supplementation Campaign. -- This item is is for discussion only.

**2 Buildings and
Grounds Committee**

BUILDINGS AND GROUNDS COMMITTEE

14

Date: November 13, 1959
 Time: 9:30 a. m.
 Place: Room 104, Main Building

*Approved with
 Amendments and
 additions.
 See Minutes -*

Members: Mr. Thompson, Chairman
 Mr. Hardie
 Mr. Heath
 Mr. McNeese

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b. Rebecca Sealy Nurses' Residence and Old John Sealy Hospital: Transfer of \$12,500.00 to Appropriation for Temporary Repairs and Remodeling	20
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a. Warehouse-Shops Building: Appointment of Committee to Approve Preliminary Plans and Appointment of Associate Architect	21

* No documentation could be prepared on this item, since the bids will not be opened until November 11, 1959.

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b. Housing for Married Students and a Dormitory for Men: Authorization to File Applications with HHFA	21
4. M. D. Anderson Hospital and Tumor Institute Proposed Additions to Present Building: Source of Funds for Payment of Consulting Architects' Fees	20

NOTE:

If the authorization to Consulting Architect to Prepare Preliminary Plans for Remodeling of Old Printing Division Building, Main University (Page 17) is approved it will be an exception to the policy statement adopted at the October 1959 meeting as set out in Paragraph No. 3 of this item.

THE UNIVERSITY OF TEXAS
OFFICE OF THE COMPTROLLER
AUSTIN 12

RECOMMENDATIONS TO REGENTS'
BUILDINGS AND GROUNDS COMMITTEE

October 30, 1959

1. MAIN UNIVERSITY - RATIFICATION OF APPROVAL OF PRELIMINARY PLANS FOR NEW BUILDINGS AND OTHER IMPROVEMENTS AT McDONALD OBSERVATORY.--At the Regents' Meeting held August 1, 1959, a Committee was appointed, consisting of Vice President Ransom, Comptroller Sparenberg, Vice President Dolley, and President Wilson, to approve the preliminary plans for the new buildings and other improvements to be constructed at McDonald Observatory. The preliminary plans have now been completed and approved by Dr. Kuiper, Director of the Observatory, Main University Faculty Building Committee, and the Special Committee listed above. According to further authorization given at the Regents' Meeting held August 1, 1959, the Associate Architects, Garland and Hilles, have been instructed to proceed with the preparation of working drawings and specifications to be presented to the Board for approval at a later meeting.

It is recommended that the actions taken as listed above be ratified by the Board.

2. MAIN UNIVERSITY - ALLOCATION OF APPROPRIATION FOR MAJOR REPAIR AND REHABILITATION PROJECTS.--In the Available University Fund budget for 1959-60, there is an item of \$200,000.00 for Major Repair and Rehabilitation Projects for the Main University. It is recommended that this \$200,000.00 be allocated to projects as indicated below:

APPROPRIATIONS TO BE CARRIED IN CENTRAL ADMINISTRATION
ACCOUNTS, TO BE HANDLED BY COMPTROLLER THROUGH PRESI-
DENT AND REGENTS' BUILDINGS AND GROUNDS COMMITTEE

1. Main Building - Repair of roofs and roof decks	\$ 25,000.00
2. Garrison Hall - Repair of cornice and roof	25,000.00
3. Biological Laboratories - Repair of cornice and roof	25,000.00
4. Women's Gymnasium - Replacement of filtration system and modernization of swimming pool	35,000.00
5. Patching and sealing streets and drives	<u>30,000.00</u>
Subtotal	<u>\$140,000.00</u>

APPROPRIATIONS TO BE CARRIED IN MAIN UNIVERSITY AC-
COUNTS, TO BE HANDLED BY MAIN UNIVERSITY DIRECTOR OF
PHYSICAL PLANT AND BUSINESS MANAGER

6. Home Economics Building - Repair of roof decks	\$ 10,000.00
7. Gregory Gymnasium - Refurbishing swimming pool area	10,000.00
8. Speech Building - Replacement of inadequate lighting	15,000.00
9. Tree surgery	10,000.00
10. Rerouting, cleaning and lining water mains	<u>15,000.00</u>
Subtotal	<u>\$ 60,000.00</u>
Total	<u><u>\$200,000.00</u></u>

The specific projects shown above are the same projects included in The University of Texas Available University Fund Budget Submission for this biennium, as submitted for the consideration of the Texas Commission on Higher Education, the Legislative Budget Board, and the Governor's Office, except that the item for "Rehabilitation of parking lots and areas - \$15,000.00" has been eliminated and the item "Patching and sealing streets and drives - \$15,000.00" has been increased by \$15,000.00. Since we no longer are authorized to construct or maintain parking lots except from fees, the parking lot item has been eliminated; however, the amount of work which is needed for patching and sealing streets and drives would probably exceed the requested \$30,000.00 if all of the improvements needed are made.

These recommendations were made by Mr. Eckhardt and Mr. Landrum and have been approved by Vice President Ransom, Vice President Dolley, and Comptroller Sparenberg.

3. MAIN UNIVERSITY - AUTHORIZATION TO CONSULTING ARCHITECT TO PREPARE PRELIMINARY PLANS FOR REMODELING OF OLD PRINTING DIVISION BUILDING.--At the meeting of the Regents' Buildings and Grounds Committee held October 2, 1959, a discussion was held to ascertain the feeling of the Committee toward the expenditure of approximately \$125,000.00 for the purpose of remodeling the Old Printing Division Building for the use of Radio-Television after it has been vacated by the Printing Division. The Committee did not express any definite feeling against spending considerable money in remodeling this old building and asked that the administration come in with a definite recommendation on the matter.

It is now recommended by Vice President Ransom, Vice President Haskew, Vice President Dolley, and President Wilson that the Consulting Architect be authorized to proceed with the preparation of preliminary plans for Remodeling of the Old Printing Division Building, this remodeling to include air conditioning of an inexpensive type and some partitioning of offices, on the basis that the whole project is not to exceed \$125,000.00 in cost.

Those making this recommendation are not unmindful of the fact that the Regents on October 3, 1959 adopted a motion that no new building or major repair projects be approved until the ten-year projection is presented at the April, 1960 meeting and approved. Dr. Haskew and others, however, agree with Mr. Schenkkan's feeling that this proposed Radio-Television facility represents a very urgent need.

It is contemplated that if the Old Printing Division Building is remodeled and air conditioned so that it may be used by Radio-Television, it would probably be used for this purpose for the next eight to ten years. Eventually, of course, the old building would be torn down to make room for a major structure. According to the number of years the building is occupied by Radio-Television, it would mean that the University would be paying \$12,000.00 to \$15,000.00 a year in terms of expense for the occupancy of these quarters plus, of course, the usual operation and maintenance expenses.

4. MAIN UNIVERSITY - RATIFICATION OF APPROVAL OF PRELIMINARY PLANS FOR NEW CENTRAL WATER CHILLING STATION BUILDING.--At the Regents' Meeting held June 13, 1959, a Committee, consisting of Comptroller Sparenberg, Vice President Dolley, Vice President Ransom, President Wilson, and Mr. Joe C. Thompson, was appointed to approve the preliminary plans for the New Central Water Chilling Station Building at the Main University after their completion by Page, Southerland, and Page, as Consulting Architects. These preliminary plans have now been completed and approved by the Main University Faculty Building Committee and the Special Committee listed above. The Associate Architect on the project, Grayson Gill of Dallas, has been instructed to proceed with the preparation of working drawings and specifications to be presented to the Board for approval at a later meeting.

It is recommended that the action taken as outlined above be ratified by the Board.

5. MAIN UNIVERSITY - APPROVAL TO PURCHASE ITEMS BY PURCHASE ORDER OUT OF \$800,000.00 APPROPRIATION FOR EXPANSION OF UTILITIES DISTRIBUTION SYSTEMS.--At the Regents' Meeting held June 13, 1959, approval was given to the preparation of plans and specifications by the Main University Physical Plant staff for the electrical work involved in the overall project of Expansion of Utilities Distribution Systems at the Main University.

The latest estimate of the total cost of the electrical work involved is \$130,000.00. After study of the problems involved in this work, the Physical Plant staff is of the opinion that much of the work can be handled more expeditiously by the purchase of materials and equipment through purchase orders, with the installations to be handled by the Physical Plant staff, than through contracts with outside agencies. It is, therefore, recommended that Comptroller Sparenberg be given authority to sign requisitions for this project as prepared by the Main University Physical Plant staff, when deemed advisable, with bids to be taken by the Main University Purchasing Office and purchase orders issued by that office. Awards above \$1,000.00 will be approved by the Comptroller before purchase orders are issued. Any purchase orders in the amount of \$5,000.00 or over will subsequently be reported to the Board for ratification.

6. MAIN UNIVERSITY - APPROVAL OF FINAL PLANS AND SPECIFICATIONS FOR SANITARY SEWER IMPROVEMENTS PROJECT.--At the Regents' Meeting held June 13, 1959, Julian Montgomery, Consulting Engineer, was appointed to prepare plans and specifications for the Sanitary Sewers portion of the Expansion of the Utilities Distribution Systems project. These plans and specifications have been prepared and approved by the Main University Physical Plant staff, the Comptroller's Office, Vice President Ransom, and Vice President Dolley. It is recommended that they be approved by the Board and that Comptroller Sparenberg be authorized to call for bids to be presented to the Board at the next meeting.

7. MAIN UNIVERSITY - APPROVAL OF SPECIFICATIONS FOR REHABILITATION AND MODERNIZATION OF HOME ECONOMICS BUILDING ELEVATOR AND AUTHORIZATION TO AWARD CONTRACT WITHIN APPROPRIATION OF \$22,500.00.--Out of the appropriation for 1958-59 for Major Repair and Rehabilitation Projects at the Main University there was an allocation of \$22,500.00 for Rehabilitation and Modernization of Home Economics Building Elevator. Specifications for this project have been prepared by the Main University Physical Plant staff and approved by the Comptroller's Office. It is recommended that they be approved by the Board.

This elevator was manufactured by Otis Elevator Company, and as has been pointed out in other cases of this kind, it has been agreed by all concerned that any changes or replacements of parts of this elevator installation should be made by Otis for several reasons, particularly because of the desirability of avoiding a division of responsibility in the future for anything that might need correction. In view of this fact, it is recommended that Mr. Eckhardt be given authority to call for a bid from Otis Elevator Company on the basis of the approved specifications, and that Comptroller Sparenberg, with the concurrence of Dr. Dolley and Dr. Wilson, be given authority to award a contract to Otis Elevator Company within the appropriation of \$22,500.00.

8. MAIN UNIVERSITY - PROGRESS REPORT RE PURCHASE OF ARCHWAY PROPERTIES.-- It is expected that the appraisals to be prepared by Mr. Harold Legge on the Archway Properties, pursuant to the Board's authorization at the meeting held June 13, 1959, will be received no later than November 6, 1959. The administrative staff will review the appraisals made by Mr. Legge, and one set of the appraisals will be turned over to Mr. Forest Pearson, the negotiator, for his review. It is contemplated that Mr. Pearson will be able to start negotiations for the purchase of properties in the near future.

9. MEDICAL BRANCH - APPROVAL OF EMPLOYMENT OF ARCHITECTS AND ENGINEERS ON A PER DIEM BASIS.--In connection with various planning and remodeling projects at the Medical Branch, there is a definite need for the occasional services of architects and/or engineers on a consulting basis, at times when the members of the Physical Plant staff are too involved in other projects to give the attention necessary to the problems, or when there is no one available on the Physical Plant staff with the training necessary to give the particular type of service needed.

In order that expert advice may be secured with reasonable promptness when needed, it is recommended by Dr. Truslow, Mr. Walker, and Comptroller Sparenberg, which recommendation is concurred in by Vice President Dolley and President Wilson, that approval be given for the employment at the Medical Branch of architects and engineers for consulting purposes on a per diem basis, the per diem rate not to exceed \$50.00, and the total annual expenditure not to exceed \$3,000.00. It is understood that the particular architects or engineers to be employed must have the advance approval of the Comptroller as well as the rate of compensation to be paid in each case. It is contemplated that in nearly all cases these architects and engineers will be from Houston or Galveston.

10. MEDICAL BRANCH - TRANSFER OF \$12,500.00 TO APPROPRIATION FOR TEMPORARY REPAIRS AND REMODELING OF REBECCA SEALY NURSES' RESIDENCE AND OLD JOHN SEALY HOSPITAL.--At the Regents' Meeting held March 14, 1959, an appropriation of \$75,000.00 was set up for Temporary Repairs and Remodeling of the Rebecca Sealy Nurses' Residence and Old John Sealy Hospital at the Medical Branch, for use during the repair and remodeling of the Out-Patient Department Building, and work is now in progress on the temporary repair and remodeling of the Rebecca Sealy Nurses' Residence. In view of the fact that the work on plans and specifications for the remodeling of the Out-Patient Department Building has been temporarily stopped, it appears that the Rebecca Sealy Nurses' Residence and Old John Sealy Hospital will have to be used for a longer period of time than originally contemplated, and consequently somewhat more extensive remodeling needs to be done. In order to take care of this additional work, it is recommended that the sum of \$12,500.00 be transferred from Account No. 93230, Allotment Account for Major Repair and Rehabilitation of Buildings and Facilities at the Medical Branch, to Account No. 93240, Temporary Repairs and Remodeling of Rebecca Sealy Nurses' Residence and Old John Sealy Hospital.

11. M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE - PROPOSED ADDITIONS TO PRESENT BUILDING - SOURCE OF FUNDS FOR PAYMENT OF CONSULTING ARCHITECTS' FEES.--At the Regents' Meeting held October 3, 1959, authorization was given for Consulting Architects Jessen, Jessen, Millhouse, and Greeven to prepare the preliminary plans for certain proposed additions to M. D. Anderson Hospital and Tumor Institute, with the understanding that "Dr. Clark will recommend later, for the approval of the President and the Board of Regents, the source of funds for payment of the Consulting Architects' fees for the preliminary plans, such funds to be from other than State sources."

The recommendation of Dr. Clark as to the sources of these funds has now been approved by the President, and it is recommended that the Board approve these sources, as listed below:

Current Restricted Funds:	
Unallocated Interest on (Trust Fund)	
Time Deposits	\$17,500.00
University Cancer Foundation (From Various Donors)	1,831.09
Unappropriated Surplus - Plant Funds (Originally appropriated to Plant Funds from Gift Funds)	<u>6,618.91</u>
Total	<u>\$25,950.00</u>

12. TEXAS WESTERN COLLEGE - APPOINTMENT OF COMMITTEE TO APPROVE PRELIMINARY PLANS FOR WAREHOUSE-SHOPS BUILDING AND APPOINTMENT OF ASSOCIATE ARCHITECT.--At the Regents' Meeting held October 3, 1959, authorization was given for the Consulting Architect to prepare preliminary plans for a Warehouse-Shops Building at Texas Western College. This building is to be a very simple type of structure, and it is believed that, although the preliminary plans are not ready for submission to the Board at this meeting, they will be ready shortly thereafter. Since the need for this building is very great, it is recommended that a Committee be appointed, consisting of President Smiley, Comptroller Sparenberg, Vice President Dolley, and President Wilson to approve the preliminary plans. It is further recommended that an Associate Architect be appointed to prepare the working drawings and specifications after approval of the preliminary plans. A joint recommendation of the Comptroller and the Consulting Architect in regard to the choice of an Associate Architect will be submitted to the Board at the time of the meeting. *Davis, Thorne & Leser*

13. TEXAS WESTERN COLLEGE - AUTHORIZATION TO FILE APPLICATIONS WITH HOUSING AND HOME FINANCE AGENCY FOR HOUSING FOR MARRIED STUDENTS AND A DORMITORY FOR MEN.--Texas Western College is considered at this time to have a definite need of permanent housing for married students and a new dormitory for men. Although definite plans for these structures have not been formalized as yet, it is felt by Mr. Smith and Dr. Smiley that 150 apartment units with an estimated cost of \$1,200,000.00 and a men's dormitory to house 250 students with an estimated cost of \$800,000.00 would be needed. A loan through Housing and Home Finance Agency, if possible, seems to be the best means of financing these projects. It is, therefore, recommended that authorization be given to file an application or applications to Housing and Home Finance Agency to cover projects of approximately the scope as outlined above. It is contemplated that all material necessary for the preparation and filing of these applications, both preliminary and final, will be forwarded from Texas Western College to the Endowment Office and will be approved by Endowment Officer Stewart, Comptroller Sparenberg, and Vice President Dolley before being forwarded from Austin to Housing and Home Finance Agency in Fort Worth. Dr. Dolley has designated Comptroller Sparenberg as the officer to sign the applications.

OTHER MATTERS TO BE CONSIDERED BY THE
REGENTS' BUILDINGS AND GROUNDS COMMITTEE

Main University - Award of Contracts for Movable Furniture and Equipment for
New Engineering Building

3 Medical Affairs
Committee

MEDICAL AFFAIRS COMMITTEE

Date: November 13, 1959

Time: 9:30 a. m.

Place: Room 209

Members: Mr. Bryan, Chairman
Mrs. Devall
Mr. Johnson
Mr. Madden

Page No.

1. The South Texas Medical School

Petition from Bexar County Hospital District
re site *Postponed*

24

2. Medical Branch

Progress Report re Counties Participation,
Indigent Patients - *only report was in Committee*
*Proposed Nursing Programs**

27

3. Southwestern Medical School

Report re Conference with Southwestern Medi-
cal Foundation Relating to Housing

27

* Documentation was the same as in bound volume for October meeting but was mailed ahead on November 6, 1959.

D. MEDICAL AFFAIRS COMMITTEE

1. THE SOUTH TEXAS MEDICAL SCHOOL. --Below is a letter of transmittal and a resolution from the Bexar County Hospital District requesting that the Board of Regents reconsider the site for The South Texas Medical School.

Proposed reconsideration

Post Office Box 4038 - Station A
San Antonio 7, Texas

October 22, 1959

Dr. Merton M. Minter
Nix Professional Building
San Antonio, Texas

Dear Dr. Minter:

As Chairman of the Board of Managers of the Bexar County Hospital District, I have been instructed to transmit to you the enclosed resolution passed unanimously by the Board of Managers at their meeting of October 20.

Know that the Board of Managers is vitally concerned with this problem and looks forward to cooperating with the Board of Regents of the University of Texas in securing medical education for the Southwest Texas area.

Very truly yours,

R. L. B. Tobin
Chairman
Board of Managers
Bexar County Hospital District

Encl.

ROSS
GARRETT
REPORT
RE-ADOPTED

By Jesse H. Oppenheimer

WHEREAS, a special committee composed of Dr. Joseph C. Hinsey, Dr. Anthony J. J. Rourke, and Dr. Stafford Warren, recommended on October 1, 1959, to the Board of Regents of the University of Texas that a medical school in San Antonio be situated at the proposed "Oak Hill" site on the northern perimeter of San Antonio; and

WHEREAS, such report also recommended that such medical school depend upon the construction at such site a new County-City Hospital to replace the present Robert B. Green Hospital and that the present Robert B. Green Hospital be used only as a chronic hospital; and

WHEREAS, such recommendation was duly received and adopted by the said Board of Regents of the University of Texas; and

WHEREAS, the Board of Managers of the Bexar County Hospital District has now become directly involved through the recommendation of said Committee and Board of Regents that a new Bexar County Hospital be constructed upon such new site; and

WHEREAS, the said Board of Managers did on October 21, 1958, adopt and approve the recommendation made by Ross Garrett & Associates, after one year of intensive study, that the present Robert B. Green Hospital be expanded to meet the needs of the indigent ill in Bexar County; and

WHEREAS, on October 21, 1958, the said Board of Managers did agree and adopt as a specific plan of procedure the construction of a wing in front of the present Robert B. Green site and which wing, when constructed, would improve the hospital so that it would properly perform its function of caring for the needy ill; and

WHEREAS, the cost of such wing is estimated at two million dollars, which sum could include one million dollars of Robert B. Green bond funds and one million dollars of Hill-Burton funds; and

WHEREAS, it has been estimated by the special committee that the new hospital at the Oak Hill site

would cost approximately thirteen to fourteen million dollars; and

WHEREAS, the divided operation of such new hospital along with the Robert B. Green would be considerably costlier than the operation of the expanded Robert B. Green Hospital at its present site which together with amortization of construction costs would require a doubling of present tax assessments; and

WHEREAS, the present Robert B. Green has proved to be in the proper area for the convenience of the great majority of its patients and is adjacent to proposed urban renewal areas; and

WHEREAS, the present location of the Robert B. Green is at the junction of the major expressway system so that the present Robert B. Green site is readily available not only to the downtown area of San Antonio but also readily available through expressways to all outlying sections; and

WHEREAS, the central downtown section of San Antonio is the center of general activity and medically related activities, such as hospitals and doctors' offices, and the Board of Managers fails to believe that this will cease to be the case; and

WHEREAS, although not of primary concern to the Board of Managers, the present Robert B. Green Hospital, as expanded, would offer the hospital facilities necessary for a medical school and has expressed itself as being anxious and willing to act as the teaching hospital for a medical school; Now, therefore, be it

RESOLVED, That the Board of Managers does re-adopt the Ross Garrett & Associates report and recommends such report to the people of Bexar County as the proper and practical, long range plan for the care of the indigent ill in Bexar County, which plan would include the maintenance of the Robert B. Green Hospital in its present site and the further expansion of the Robert B. Green in such location to meet the growing needs of the community; be it further

SITE ASKED RESOLVED, That the said Board of Regents be
TO BE RE- asked to reconsider its decision insofar as it is
CONSIDERED dependent on the construction of a new County-City
Hospital at the Oak Hill site.

Seconded by J. Wilson Tallman
Adopted unanimously

2. MEDICAL BRANCH

Progress Report re County Participation, Indigent Patients. -- This will be an oral report. *only to com,*

3. SOUTHWESTERN MEDICAL SCHOOL

Report re Conference with Southwestern Medical Foundation Relating to Housing. -- At the Regents' meeting on October 3, 1959, the Board approved the recommendation of the Medical Affairs Committee that Doctor Gill be authorized to explore with the Southwestern Medical Foundation their interests in constructing, financing, and operating housing programs for students and others of the Medical Center in the area as designated in the Salmon Report (Permanent Minutes Volume VII, Page 29).

reported for information

Doctor Gill will give a progress report on conferences he has had.

4 *Special Committee*

SPECIAL COMMITTEE ON BOARD PROCEDURES

Date: November 13, 1959

Time: 8:30 a. m.

Place: Room 209

Members: Mr. Hardie
 Mr. Johnson
 Mr. Madden

Page No.

A. Fiscal Rules and Regulations (System-Wide)

B. Revised Rules and Regulations, Board of Regents

II. SPECIAL COMMITTEE ON BOARD PROCEDURES

- A. FISCAL RULES AND REGULATIONS (SYSTEM-WIDE). -- On October 28, 1959, Mr. Cox furnished to each Regent a draft of Part II of Rules and Regulations of the Board of Regents for the government of The University of Texas entitled "Fiscal Regulations". *- See Minutes -*

As pointed out in Mr. Cox's memorandum and as recorded in the Minutes of the October 1959 meeting, the current Appropriation Bill requires approval by the Board of "fiscal regulations" within 90 days after the beginning of the fiscal year on September 1, 1959.

- B. REVISED RULES AND REGULATIONS, BOARD OF REGENTS. -- On September 19, prior to the October meeting of the Board, each Regent was furnished with a draft copy of the Revised Rules and Regulations of the Board of Regents. This item was referred to the Special Committee on Board Procedures with the request that each Regent send to Committee Chairman Hardie any suggested changes in the proposed revision and that an effort be made to have the final revision submitted for approval at the January 1960 meeting.

Approved for Jan. meeting

COMMITTEE OF THE WHOLE
Chairman Minter, presiding

Date: November 13, 1959

Time: 1:30 p. m.

Place: Room 209, Main Building

Page No.

A. Items Referred either for Action or for Information by:
(Friday, November 13, 1:30 p. m.)

1. Academic and Developmental Affairs Committee 32
(Committee Chairman Devall)

2. Buildings and Grounds Committee 32
(Committee Chairman Thompson)

3. Land and Investment Committee 32
(Committee Chairman Johnson)

4. Medical Affairs Committee 32
(Committee Chairman Bryan)

Page No.

B.	Report of Board for Lease of University Lands (Regent Johnson)	33
C.	Report of Special Committee of Board of Regents to work with Nominating Committee of University Development Board (Regent Thompson)	33
D.	Special Items (<u>Friday, November 13, 3:00 p.m.</u>)	
1.	Central Administration Progress Report re Development Board Matters *	33
2.	Main University	
a.	Sidney E. Mezes Award	33
b.	Audit of Physical Plant Space	33
c.	Vending Machines	37
E.	Items Relating to Component Units (Administrative Head to be present for consideration; any items not on final agenda must be of emergency nature and previously cleared through the President for pre- sentation) <u>Friday, November 13, 4:00 p.m.</u>	40
1.	Main University (Doctor Ransom)	
2.	Texas Western College (Doctor Smiley)	
3.	Medical Branch (Doctor Truslow)	
4.	Dental Branch (Doctor Olson)	
5.	M. D. Anderson Hospital and Tumor Institute (Doctor Clark)	
6.	Southwestern Medical School (Doctor Gill)	
7.	Postgraduate School of Medicine (Doctor Taylor)	

* This may be covered in Item C - Report of Special Committee.

- B. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS. --Mr. Johnson will give a report on the meeting of the Board for Lease of University Lands to be held on Thursday, November 12. Deliberations JRD
- C. REPORT OF SPECIAL COMMITTEE OF BOARD OF REGENTS TO WORK WITH NOMINATING COMMITTEE OF UNIVERSITY DEVELOPMENT BOARD. --Mr. Thompson has requested that time be reserved for a report of the Special Committee of the Board of Regents to work with Nominating Committee of University Development Board. This report will be presented either to the Committee of the Whole or to the open meeting. Regular Minutes

D. SPECIAL ITEMS

1. Central Administration

Progress Report re Development Board Matters. --This will probably be a continuation of Item C above.

2. Main University

- a. Sidney E. Mezes Award. --President Wilson will report at the meeting the proposed award to a faculty member from the Sidney E. Mezes Fund. As has been indicated in previous material, the names of those receiving awards from this fund are not made public. approved Delit. JRD
- b. Audit of Physical Plant Space. --The Board of Regents, in meeting on October 2, 1959, requested Central Administration to present recommendations regarding an analytical inventory and appraisal of space utilization on the Main University campus. One particular idea expressed was that such inventory be made by an agency independent of Central Administration which would report directly to the Board of Regents. See Minutes

Background. 1. So far as can be discovered, the Main University has never had a complete plant utilization study. On the other hand, several inventories of classroom and laboratory utilization have been made.

2. In 1953, reports on classroom-laboratory utilization were made to the Texas Commission on Higher Education. According to their formulas, Main University per cent of utilization was the second highest (most favorable) in the state-supported colleges.

3. In 1954, the report of The University of Texas Survey of Administrative Management included results of a study of classroom and laboratory utilization. It concluded, "Present room utilization at The University of Texas is good compared with other institutions." Recommendations were made for a rather ambitious, continuing study of space utilization. Members of the Board might find it worthwhile to read this report (Volume 4, Section V).

4. Once a year, the Registrar's Office makes calculations of classroom-laboratory utilization using the standard formulas. No appreciable deviations from the 1954 percentages have occurred.

5. In Spring, 1959, the President's Office employed Mr. Hale Coffeen on a half-time basis as a scout for unused, under-used, and questionably-used space. We have a report on each building covering space which could be made usable by reasonable expenditures (e. g. basement of Home Economics Building). We have also a report on office assignments and their actual uses, and on the daily utilization of some laboratories and shops. A few re-assignments of space were made possible by this study, and some four remodeling projects have been prepared. Only one type of detailed space-utilization inventory was made and that was the "temporary" buildings. From this resulted a schedule for emptying these buildings by providing new construction. It should be emphasized that the purpose of this study was to locate space and get it used, and not to conduct a complete

inventory. In accomplishing that purpose, it was reasonably successful.

6. We have had considerable conversation with two national firms specializing in space utilization studies -- Space Utilization Associates, Inc., and Taylor, Lieberfield and Heldman. The lowest price quoted for a complete space analysis and need projection was \$40,000, and under this bid we would have to furnish most of the physical data from studies by our own staff. One of the firms did offer to make a complete inventory and record for the sum of \$11,000 with no call upon our staff.

Analysis of issue and recommendations. The basic issue is whether it is possible and desirable to conduct and report upon an analysis of present and future space use which would have value. We are familiar with several exhaustive studies of this character and with their outcomes, as judged by university administrators. Biggest difficulty is that of deriving any meaning from the summary results. For example, if the student-station utilization is 21 per cent, is that good or bad? The more detailed the study, the more likely is it that practical use can be made of the results (e. g. revelation that a gymnasium playing floor is idle three hours a day), but it is extremely difficult to draw over-all conclusions which are valid. Also, the usable information collected for one semester is of little use a year hence; it must be re-collected. Your administration (1) would be glad to have a detailed, comprehensive analysis of space usage for guidance in promoting better utilization, but (2) cannot recommend a single study as a desirable expenditure of time and money unless the Regents think it wise to appropriate continuously the \$3,000 a year needed to keep the information up to date. If the initial study is made, the Regents may find it quite revelatory. For example, you may be surprised to discover the amount of floor space devoted to museums, little-used units such as the Texas History Center, and show-place rooms. You can see the problem we are having in trying to get classrooms and laboratories used on Saturdays, and other similar problems.

A sub-issue is the matter of cost. It would be possible for us to direct and complete for you an analysis as good as any without spending any extra dollars. We would simply have to re-assign the equivalent of six full-time people for one semester. Their normal work would have to be deferred or dispensed with. Because the staffs concerned are already seriously behind with their normal duties, we cannot recommend such a procedure. A quite satisfactory study can be conducted under the direction of the administrative staff by employing additional people to do it, at an estimated cost of \$7,500 to \$8,500. A satisfactory study can be made through contract with an outside firm for \$12,000 to \$14,000, the difference consisting of recompense for administrative direction. As a matter of information, the University's Office of School Surveys and Studies has conducted more surveys of space utilization in colleges, junior colleges, and public school systems than either of the national firms listed above. Our recommendation is that the study be conducted under our administrative direction with the employment of additional personnel for one semester.

Another sub-issue is whether the study should be made by an independent agency which will report directly to the Board, or by the administration. We are quite favorably disposed toward the independent audit procedure, so long as the independent "auditor" is a temporary employee, employed on an ad hoc basis, and competent. However, in this instance we doubt that the extra values from complete independence of the "auditor" justify the additional cost. We would rather expend such money, for example, on an independent, unbiased appraisal of square-foot building costs at the Main University. We suggest, therefore, that if the Regents desire the space utilization to be made, that the administration direct the Office of School Surveys and Studies to conduct the study under specifications we prepare and submit a report directly to the Buildings and Grounds Committee of the Board.

In summary, our recommendation is that a study be made by the Office of School Surveys and Studies under the direction of Vice-President Haskew, that

\$8,500 be appropriated from Available Fund Unappropriated Balance for such study, and that its information be reported directly to the Regents. Implied also would be the intention to make budgetary provision in future years to keep the information up to date.

- c. Vending Machines. -- The following relating See Minutes to vending machines at the Main University is presented by Central Administration:

There is real possibility that a sizeable increase in income can be realized from the operation of vending machines on the Main University campus. It is also possible that if the vending machine concession is awarded to the Ex-Students' Association, that agency will have a stable source of support for activities that will be of great value to the University.

The University administration is favorably disposed toward a proposition that a single concession for operating vending machines on the Main University campus be negotiated with the Ex-Students' Association, under stipulations which are mutually agreeable. However, before proceeding to negotiate a satisfactory agreement for submission to the Board of Regents, it is necessary to secure the Board's action on two changes in present policy.

1. Under adequate safeguards, vending by machines is to be conducted vigorously and efficiently. (Present policy is not to push this as an income-producing activity).

2. There is to be a single concession to operate all vending machines on the campus, and this concession is to be awarded by contract to the Ex-Students' Association. (Present procedures result in several concessionaires, with several University units having independent contracts).

If these two policies meet with Board of Regents' approval, we shall proceed to draw up a proposed contract which will detail controls by

University authorities, sharing of profits with various University units, reimbursement of University custodial and utilities costs, and similar matters. This contract will then be submitted to the Board of Regents for final action.

Present status. Mr. Graves W. Landrum prepared the following memorandum at our request:

"Page 7 of Regents' Meeting No. 515, Minutes of the Board, of July 13-14, 1951, set forth the Board's policy and authorization for one, but not more than three, soft drink vending machines concessions with the provision that at least two brands of soft drinks be dispensed. We now have three such concessions: with Austin Coca-Cola Bottling Company, Dr. Pepper Bottling Company of Austin, and Sandahl Beverages.

"The Minutes of Regents' Meeting No. 520, held May 30-31, 1952, adopted the allocation of net proceeds from soft drink vending machines. One-half of the net receipts from machines not located in dormitories or other Auxiliary Enterprise units were to be allocated one-half to the Texas Union, either the building fund or operating account, and the remaining one-half to be divided equally between the development expenses of The University of Texas - Main University, and development expenses of The University of Texas. One of these accounts is carried in the Central Administration under the Office of the President, and the other account is carried in the Main University under the Office of the Vice-President and Provost.

"The University of Texas receives 25% of the gross receipts, less, in the case of bottle machines, two cents for each bottle missing or broken, and twelve cents for each shell missing or broken. Settlement is made to the University on a monthly basis. The vendor submits monthly sworn statements showing proper accounting details in accordance with the memorandum of agreement.

"All of the net income from vending machines located in dormitories, cafeterias, and other Auxiliary Enterprise units are considered as a part of the revenue of the respective Auxiliary Enterprise unit. This is required under several of our Revenue Bonds financing these units. For the 1957-58 fiscal year the total net income of \$16,770 accrued to the University. Of this total only \$11,373 was income from machines that were not located in Auxiliary Enterprise units. One half of this amount, or \$5,686 was credited to the Texas Union Building Fund; \$2,843 was credited to each of the development expense appropriations described in a preceding paragraph.

"It has never been the policy to try and make money off of the vending machines. We have never pushed it as an income producing activity. If a department occupying a building does not wish machines installed in that building, we do not have the machines installed in that building, or if a department requests that they be removed after initial installation we ask the vending machine concessionaire to remove the machines. The University furnishes the necessary electricity to operate the machines, but the vending machine company pays for the necessary installation costs if utilities have to be provided and are not already installed at the location desired. The machines have served as a convenience to students and staff and have not been operated as a real business enterprise. The presence of the machines in classroom and general service buildings creates a custodial and maintenance problem. The bottle loss expressed in dollars over a year's time is approximately \$1,800. I would hesitate to estimate the cost of the custodial staff occasioned by the presence of the vending machines and the dispensing of the cold drinks. At the present time other vending machines are not authorized on the campus except in the Texas Union and Auxiliary Enterprise units. Present contracts do not allow for the installation of machines in those areas serving the inter-collegiate athletic plants."

E. ITEMS RELATING TO COMPONENT UNITS (Administrative Head to be present for consideration; any items not on final agenda must be of emergency nature and previously cleared through the President for presentation)

1. Main University
(Doctor Ransom)

2. Texas Western College
(Doctor Smiley)

3. Medical Branch
(Doctor Truslow)

4. Dental Branch
(Doctor Olson)

5. M. D. Anderson Hospital and Tumor Institute
(Doctor Clark)

6. Southwestern Medical School
(Doctor Gill)

7. Postgraduate School of Medicine
(Doctor Taylor)

6 Meeting of
the Board

41

AGENDA
MEETING OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS
AUSTIN, TEXAS
Telephone: GR 6-8371
Extensions: 219 or 325

Place: Regents' Room, (Main Building 209)

Date and Time: Saturday, November 14, 1959, 9:00 a. m.

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DOCUMENTATION

MEETING OF THE BOARD OF REGENTS

- I. APPROVAL OF MINUTES, OCTOBER 1-3, 1959. --No requests for changes or corrections of the Minutes of the meeting of the Board of Regents held in San Antonio on October 1-3, 1959, have been received by the Secretary. Minutes
- II. REPORT OF COMMITTEE OF THE WHOLE (To be filled in after meeting of the Committee of the Whole on Friday 13, 1959.)

III. REPORTS OF STANDING COMMITTEES

- A. REPORT OF EXECUTIVE COMMITTEE - INTERIM ACTIONS (SEPTEMBER 18, 1959 - OCTOBER 27, 1959). --The Executive Committee during the period September 18, 1959-October 27, 1959, approved by mail vote, upon recommendation of Doctor Gill, concurred in by President Wilson, one budgetary item for the Southwestern Medical School. This item is listed in the Southwestern Medical School portion of the docket for the November 13-14, 1959, meeting as No. 30, Page S-3. → minutes

This item is reported for ratification of the Board.

- B. REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE. --This report will be presented by Committee Chairman Devall.
- C. REPORT OF BUILDINGS AND GROUNDS COMMITTEE. --This report will be presented by Committee Chairman Thompson.
- D. REPORT OF LAND AND INVESTMENT COMMITTEE. --This report will be presented by Committee Chairman Johnson.
- E. REPORT OF MEDICAL AFFAIRS COMMITTEE. -- This report will be presented by Committee Chairman Bryan.
- F. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS. --Vice-Chairman Johnson will report for the Board for Lease.

IV. REPORTS OF SPECIAL COMMITTEES

A. SPECIAL COMMITTEE ON BOARD PROCEDURES. --
This report will be presented by Committee Chairman
Hardie.

B. OTHER SPECIAL COMMITTEES. --Reports of other
special committees will be called for; if there are any,
the respective chairmen will present the material.

V. SPECIAL ITEMS

A. CENTRAL ADMINISTRATION

1. Request Attorney General re Use of Bond Funds,
The South Texas Medical School. --The Admin-
istration is requesting authority to ask the Attor-
ney General for an interpretation of Section 18,
Article VII, the Constitution of the State of
Texas, as it applies to institutions not listed in
the section. *minutes*
2. Summary Financial Statement for the Period
Ending August 31, 1959. --Summary Financial
Statements for the twelve months ending August 31,
1959, are included in this volume as a matter of
information for the Regents. (See Page 46 .) *minutes*
3. Approval of Docket. --The Docket of President
Wilson, dated November 4, 1959, is labeled
Attachment No. 2 and is bound in the legal size
volume, Accompanying this bound volume is an
outline of the items in the Docket. *minutes*

THE UNIVERSITY OF TEXAS

SUMMARY FINANCIAL STATEMENTS

Twelve Months Ending August 31, 1959

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Office of the President
FDG:pm
10/27/59

GENERAL BUDGET SUMMARY - AUGUST 31, 1959
(Subject to Closing Adjustments)

	Pre-closing Budget Balance (Schedule No.1)	Excess of Revenues Over Budget	Unencumbered Balances	Other Adjustments (Deductions)	Estimated Unappropriated Surplus	Appropriated in 1959-60 Budget	Estimated Free Balances
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Central Administration	\$ 125.54	---	\$ 11,424.09	---	\$ 11,549.63	---	\$ 11,549.63
Available University Fund and Special 1% Fee Fund (Expenses of Revenue - Bearing Property)	---	---	40,180.60	---	40,180.60	---	40,180.60
Main University	67,128.22	334,580.18	560,639.60	182,332.59 ^b	780,015.41	360,916.00*	419,099.41
Texas Western College	136,278.12	38,250.49 ^a	57,047.56	68,726.25 ^b	162,849.92	53,516.00*	109,333.92
Medical Branch	2,885.01	463,053.00 ^a	16,639.57	70,000.00 ^c	412,577.58	231,699.00	644,276.58
Southwestern Medical School	150,760.94	68,298.84	78,081.53	---	297,141.31	120,836.00*	176,305.31
Dental Branch	459,462.74	61,042.44	305,495.42	---	826,000.60	74,780.00*	751,220.60
M. D. Anderson Hospital and Tumor Institute	8,391.41	121,201.97	6,601.80	---	136,195.18	27,427.00*	108,768.18
Postgraduate School of Medicine	15,620.29	962.49*	23,999.93	---	38,657.73	12,964.00*	25,693.73
Totals	<u>\$ 840,652.27</u>	<u>\$ 1,085,464.43</u>	<u>\$ 1,100,110.10</u>	<u>\$ 321,058.84</u>	<u>\$ 2,705,167.96</u>	<u>\$ 418,740.00*</u>	<u>\$ 2,286,427.96</u>

^aIncludes Accrued Overhead

^bLapsed Legislative Appropriations, August 31, 1959; Texas Western College lapse includes two years accumulation

^cReserved for Debt Service on Dormitory Revenue Bonds

* Deduction

THE UNIVERSITY OF TEXAS - CENTRAL ADMINISTRATION
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
FOR TWELVE MONTHS ENDED AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget</u> (1)	<u>Expended</u> (2)	<u>Encumbered</u> (3)	<u>Unencumbered</u> (4)	<u>Unfilled Positions</u> (5)
<u>General Administration</u>					
Office of the Board of Regents	\$ 24,301.51	\$ 24,607.14	\$ ---	\$ 749.59*	\$ 443.96
Office of the President	142,137.46	132,304.62	3.00	8,432.20	1,397.64
Office of the Comptroller	62,649.77	61,766.14	---	883.63	---
Workmen's Compensation Insurance	<u>175.00</u>	<u>174.48</u>	<u>---</u>	<u>.52</u>	<u>---</u>
Total General Administration	<u>229,263.74</u>	<u>218,852.38</u>	<u>3.00</u>	<u>8,566.76</u>	<u>1,841.60</u>
<u>General Expense</u>					
University Development Board	35,143.21	34,756.02	6.75	380.44	---
University News and Information Service	38,116.50	37,413.35	64.50	638.65	---
O. A. S. I. Matching Contributions	---	403.36	---	403.36*	---
Insurance Consulting Services for The University of Texas System	<u>1,200.00</u>	<u>800.00</u>	<u>---</u>	<u>400.00</u>	<u>---</u>
Total General Expense	<u>74,459.71</u>	<u>73,372.73</u>	<u>71.25</u>	<u>1,015.73</u>	<u>---</u>
Total Central Administration	<u>\$303,723.45</u>	<u>\$292,225.11</u>	<u>\$ 74.25</u>	<u>\$ 9,582.49</u>	<u>\$ 1,841.60</u>
Percent of Adjusted Budget	100.0%	96.2%	0.1%	3.1%	0.6%

* Denotes deduction and/or overdraft

THE UNIVERSITY OF TEXAS - EXPENSES OF REVENUE BEARING PROPERTY
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
FOR TWELVE MONTHS ENDED AUGUST 31, 1959

	<u>Adjusted Budget</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Unencumbered</u>	<u>Unfilled Positions</u>
	(1)	(2)	(3)	(4)	(5)
<u>Appropriations From Available Fund</u>					
Board for Lease of University Lands	\$ 4,945.00	\$ 4,567.90	\$ ---	\$ 377.10	\$ ---
University Lands:					
Legal and Surveying	16,795.00	5,648.96	113.90	32.14	11,000.00
Oil Field Supervision and Geophysical Exploration	6,000.00	4,638.50	---	1,361.50	---
University Lands - Surface Leasing	15,285.00	14,335.42	---	949.58	---
Investment Office	100,687.27	82,247.41	146.85	5,489.01	12,804.00
O.A.S.I. Matching Contributions	1,580.00	1,579.33	---	.67	---
Workmen's Compensation Insurance	64.00	95.97	---	31.97*	---
Total - Available University Fund Budget	<u>\$ 145,356.27</u>	<u>\$ 113,113.49</u>	<u>\$ 260.75</u>	<u>\$ 8,178.03</u>	<u>\$ 23,804.00</u>
Percent of Adjusted Budget	100.0%	77.8%	0.2%	5.6%	16.4%
<u>Appropriations From Special 1% Fee Fund</u>					
University Lands - Geology	\$ 91,785.13	\$ 91,734.63	\$ 32.30	\$ 18.20	\$ ---
Auditing Oil and Gas Production	46,085.19	40,353.06	24.46	4,794.18	913.49
Oil Field Supervision	25,352.69	22,738.82	---	2,613.87	---
Workmen's Compensation Insurance	407.00	365.16	---	41.84	---
O.A.S.I. Matching Contributions	2,000.00	2,183.01	---	183.01*	---
Total - Special 1% Fee Fund Budget	<u>\$ 165,630.01</u>	<u>\$ 157,374.68</u>	<u>\$ 56.76</u>	<u>\$ 7,285.08</u>	<u>\$ 913.49</u>
Percent of Adjusted Budget	100.0%	95.0%	0.1%	4.4%	0.5%

* Denotes deduction and/or overdraft

THE UNIVERSITY OF TEXAS
ANALYSIS OF AVAILABLE UNIVERSITY FUND
September 1, 1958-August 31, 1959

Balance, September 1, 1958		\$ 409,985.93
Estimated Income for 1958-59, University of Texas Share		6,694,201.00
Return of Appropriation for Accrued Permanent University Fund Refunding Bond Interest at August 31, 1958		17,484.21
Repayment of Advance to School of Journalism Experimental Science Building - From Clayton Foundation		1,000.00
		<u>10,000.00</u>
Total Funds Available		\$7,132,671.14
 Appropriations:		
Expenses of Revenue Bearing Property	\$ 137,436.00	
Debt Service Requirements	410,894.10	
Paying Agency Fees	1,141.88	
Transfers To:		
Central Administration	90,000.00	
Main University	989,000.00	
Excellence Program	1,000,000.00	
Business Administration - Economics Building	1,295,500.00	
Purchase of Library Collections	1,500,000.00	
Experimental Science Building	20,000.00	
Undergraduate Library and Academic Center	15,200.00	
Laboratory Theatre - Air Conditioning	3,000.00	
Campus Development Plans - Architect Fees	11,963.03	
Geophysical Exploration - Adjustment	6,000.00	
Major Repair and Rehabilitation Projects - Main University	200,000.00	
Repairs and New Construction for University Press	21,500.00	
Improvements and Remodeling - Home Economics Building	40,000.00	
Repairs and Improvements - McDonald Observatory	30,000.00	
Additional Chilled Water Line Piping	40,000.00	
Air Conditioning Texas Memorial Museum	75,000.00	
Construction of Parking Lots	37,500.00	
Addition to Chemistry Building	135,000.00	
Undergraduate Library and Academic Center	7,550.00	
Purchase of Archway Properties	10,000.00	
Miscellaneous	150.00	
Return of Appropriation to Business Administration - Economics Building Transferred in 1957-58 to Meet Escrow Deposit Requirements in Connection With Bond Refunding	<u>900,390.00</u>	
Total Appropriations		<u>6,977,225.01</u>
Balance - August 31, 1959		<u>\$ 155,446.13</u>

THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY
SUMMARY REPORT
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE
AS OF AUGUST 31, 1959

General Budget	Budget Estimates		Revenues	Excess	Estimated Funds Available
	% Realized To Date	Amount	12 Mos. Ending August 31, 1959	Over# or Under Budget	
	(1)	(2)	(3)	(4)	(5)
Main University					
Student Fees, Forfeits, Etc.	99.9%	\$2,318,500.00	\$2,315,921.69	\$ 2,578.31	
Public Appropriations:					
V.A., R.O.T.C. Programs, Etc.	179.2	36,500.00	65,390.72	28,890.72#	
Overhead Allowances	171.6	400,000.00	686,357.71	286,357.71#	
Sales and Services	136.4	8,250.00	11,250.55	3,000.55#	
Other Sources	225.1	40,302.00	90,736.39	50,434.39#	
Sub-Total	113.1	<u>\$2,803,552.00</u>	<u>\$3,169,657.06</u>	<u>\$ 366,105.06#</u>	
Extension Division					
Student Fees, Forfeits, Etc.	101.3	\$ 155,306.44	\$ 157,335.79	\$ 2,029.35#	
Public Appropriations:					
Texas Education Agency	76.1	172,592.00	131,360.15	41,231.85	
Federal Government	--	---	7,888.97	7,888.97#	
Sales and Services	99.1	45,715.00	45,325.27	389.73	
Other Sources	122.3	800.00	978.38	178.38#	
Sub-Total	91.6	<u>\$ 374,413.44</u>	<u>\$ 342,888.56</u>	<u>\$ 31,524.88</u>	
Total - Adjusted Budget Estimated Income	--	\$ ---	\$ ---	\$ ---	
Credit for Sales:					
Main University	--	63,251.76	63,251.76	---	
Extension Division	--	124.24	124.24	---	
Sub-Total	--	<u>\$ 63,376.00</u>	<u>\$ 63,376.00</u>	<u>\$ ---</u>	
Total	110.3%	<u>\$3,241,341.44</u>	<u>\$3,575,921.62</u>	<u>\$ 334,580.18#</u>	
Legislative Appropriations		<u>10,532,980.00</u>			
Total Estimated Income (Forwarded)		<u>\$13,774,321.44</u>			\$13,774,321.44

THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY
SUMMARY REPORT
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE
AS OF AUGUST 31, 1959

General Budget	Budget Estimates		Revenues 12 Mos. Ending August 31, 1959	Excess Over# or Under Budget	Estimated Funds Available
	% Realized To Date	Amount			
	(1)	(2)	(3)	(4)	(5)
Total Estimated Income (Brought Forward)					\$13,774,321.44
Balance Available for Appropriation September 1, 1958:					
Reserves for Orders and Contracts Outstanding					\$ 309,258.09
Reserves for Balance Subject to Reappropriation					64,245.21
Unappropriated Surplus					<u>1,142,199.47</u>
					1,515,702.77
Transfers From:					
Drama Building Fire Proceeds					25,654.97
Available University Fund					989,000.00
Intercollegiate Athletics					7,125.00
Special Activities Fund					2,726.81
Texas Petroleum Research Committee					64,000.00
Reversal of Transfer to Contract Research and Services to Cover Reserve for Orders and Contracts Outstanding					140,303.07
Miscellaneous					<u>5,549.28</u>
					1,234,359.13
Transfers To:					
Special Activities Funds					13,588.94
Stenographic Bureau					37,684.00
University of Texas Press					93,092.69
Student Health Center					33,713.00
Miscellaneous					<u>1,546.50</u>
					179,625.13*
Estimate of Funds Available					16,344,758.21
Adjusted Budget 1959-60 (Schedule 2)					<u>16,277,629.99</u>
Budget Balance					<u>\$ 67,128.22</u>

* Deduct

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THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
FOR TWELVE MONTHS ENDED AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Unencumbered</u>	<u>Unfilled Positions#</u>
	(1)	(2)	(3)	(4)	(5)
General College Administration	\$ 903,961.74	\$ 891,999.63	\$ 5,470.16	\$ 6,140.75	\$ 351.20
General Institutional Expense	<u>477,500.97</u>	<u>462,146.21</u>	<u>5,615.32</u>	<u>4,989.76</u>	<u>4,749.68</u>
Resident Instruction and Departmental Research					
School of Architecture	139,428.02	124,667.80	71.75	3,158.80	11,529.67
College of Arts and Sciences	4,236,110.90	4,073,712.16	23,018.86	53,321.51	86,058.37
College of Business Administration	669,058.06	631,534.22	1,580.33	15,093.51	20,850.00
College of Education	559,728.09	547,359.76	225.90	9,484.12	2,658.31
College of Engineering	1,171,816.57	1,137,392.05	12,064.35	9,326.02	13,034.15
College of Fine Arts	698,905.23	685,770.86	870.03	6,964.34	5,300.00
School of Law	331,826.93	331,260.68	61.83	504.42	---
Graduate School of Library Science	35,152.94	34,634.81	5.98	512.15	---
College of Pharmacy	202,121.35	194,528.90	5,438.53	2,046.33	107.59
Graduate School of Social Work	48,420.64	48,015.37	31.78	373.49	---
Air Science	8,951.96	8,805.64	---	146.32	---
Military Science and Tactics	7,944.04	7,831.09	---	112.95	---
Naval Science	3,526.60	3,505.35	---	21.25	---
Military Property Custodian	31,380.80	27,516.85	103.50	1,552.07	2,208.38
Physical Training	184,944.90	179,970.75	4,786.33	187.82	---
Graduate School	<u>48,726.32</u>	<u>48,025.10</u>	<u>210.22</u>	<u>491.00</u>	---
Total - Instructional Department	<u>\$8,378,043.35</u>	<u>\$8,084,531.39</u>	<u>\$ 48,469.39</u>	<u>\$ 103,296.10</u>	<u>\$ 141,746.47</u>
Unallocated Accounts					
Salaries	16,092.84	---	---	---	16,092.84
Unfilled Positions	23,041.00	---	---	---	23,041.00
Teaching Assistants	670.39	---	---	---	670.39
Maintenance and Operation, Equipment, Office and Travel Expense	9,365.51	---	---	9,365.51	---
Special Equipment and Library Collections and Materials	<u>43.01</u>	---	---	<u>43.01</u>	---
Total - Unallocated Accounts	<u>\$ 49,212.75</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 9,408.52</u>	<u>\$ 39,804.23</u>

#Includes Unallocated Salaries

(continued)

THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
FOR TWELVE MONTHS ENDED AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget</u> (1)	<u>Expended</u> (2)	<u>Encumbered</u> (3)	<u>Unencumbered</u> (4)	<u>Unfilled Positions#</u> (5)
Summer Session 1959	\$ 895,192.32	\$ 803,842.50	\$ ---	\$ 91,349.82	\$ ---
Summer Session 1958	2,250.37	2,234.37	---	16.00	---
Organized Research	979,725.13	936,788.40	22,693.02	15,735.71	4,508.00
Division of Extension	811,588.98	789,539.49	12,310.15	2,901.32	6,838.01
Library	1,109,936.77	1,032,144.53	52,047.00	23,837.31	1,907.93
Physical Plant	2,399,717.17	2,222,987.81	74,202.22	79,569.96	22,957.18
Organized Activities Relating to Instructional Departments	114,712.94	114,590.78	793.85	671.69*	---
Non-Educational Expenses	<u>155,787.50</u>	<u>154,584.16</u>	---	<u>1,203.34</u>	---
Total - General Budget	<u>\$16,277,629.99</u>	<u>\$15,495,389.27</u>	<u>\$ 221,601.12</u>	<u>\$ 337,776.90</u>	<u>\$ 222,862.70</u>
Percent of Adjusted Budget	100.0%	95.2%	1.3%	2.1%	1.4%

* Denotes deduction and/or overdraft

Includes Unallocated Salaries

THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY
SUMMARY REPORT - EXCELLENCE PROGRAM
FOR TWELVE MONTHS ENDED AUGUST 31, 1959

<u>Special Research and Academic Excellence Program</u>	<u>Adjusted Budget</u> (1)	<u>Expended</u> (2)	<u>Encumbered</u> (3)	<u>Unencumbered</u> (4)
Allotment Account	\$.05	\$ ---	\$ ---	\$.05
O.A.S.I. Matching Contributions	5,000.00	4,827.51	---	172.49
Workmen's Compensation Insurance	500.00	241.85	---	258.15
Special Research Fund for Graduate School	11,616.85	1,616.85	10,000.00	---
Faculty Research Assignments	---	---	---	---
Research Grants - Summer Session 1959	---	---	---	---
For Resident Instruction and Departmental Research:				
College of Arts and Sciences	171,432.00	143,159.87	1,095.45	27,176.68
College of Business Administration	8,190.00	8,190.00	---	---
College of Education	36,486.56	24,122.90	2,945.88	9,417.78
Graduate School	13,364.61	13,364.61	---	---
College of Engineering	3,600.00	3,600.00	---	---
College of Fine Arts	3,400.00	3,399.97	---	.03
Total - Instructional Departments	<u>\$ 236,473.17</u>	<u>\$ 195,837.35</u>	<u>\$ 4,041.33</u>	<u>\$ 36,594.49</u>
Organized Activities Relating to Instructional Departments	91,726.03	90,240.25	1,429.76	56.02
Organized Research	324,971.54	249,672.44	46,180.83	29,118.27
Library	237,662.36	213,835.58	39,198.17	15,371.39*
Fellowships and Scholarships	92,000.00	91,522.50	---	477.50
Total - Special Research and Academic Excellence Program	<u>\$ 999,950.00</u>	<u>\$ 847,794.33</u>	<u>\$ 100,850.09</u>	<u>\$ 51,305.58</u>
Percent of Adjusted Budget	100.0%	84.8%	10.1%	5.1%

* Denotes Deduction and/or Overdraft

THE UNIVERSITY OF TEXAS - TEXAS WESTERN COLLEGE
SUMMARY REPORT
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE
AS OF AUGUST 31, 1959

<u>General Budget</u>	<u>Budget Estimates</u>		<u>Revenues</u>	<u>Excess</u>	<u>Estimated Funds Available</u> (5)
	<u>% Realized To Date</u> (1)	<u>Amounts</u> (2)	<u>12 Mos. Ending August 31, 1959</u> (3)	<u>Over# or Under Budget</u> (4)	
Registration, Laboratory & Course Fees:					
Long Session	103.0%	\$ 350,000.00	\$ 360,570.32	\$ 10,570.32#	
Summer Session	110.3	65,000.00	71,692.95	6,692.95#	
Miscellaneous Income	80.0	<u>20,000.00</u>	<u>15,987.22</u>	<u>4,012.78</u>	
Sub-Total	103.0%	435,000.00	<u>\$ 448,250.49^a</u>	<u>\$ 13,250.49#</u>	
Legislative Appropriations for 1958-59		<u>1,266,290.00</u>			
Total Estimated Income		<u>\$1,701,290.00</u>			\$1,701,290.00
Balances Available for Appropriation, September 1, 1958:					
Reserve for Orders and Contracts Outstanding					33,580.55
Estimated Lapses of State Appropriations (1957-58)					40,000.00
Unappropriated Surplus					230,667.96
Other Adjustments					<u>203.00</u>
Estimate of Funds Available					2,005,741.51
Adjusted Budget, 1958-59 (Schedule 2)					<u>1,869,463.39</u>
Budget Balance					<u>\$ 136,278.12</u>

^a Estimated Overhead earned of \$25,000.00 not included.

THE UNIVERSITY OF TEXAS - TEXAS WESTERN COLLEGE
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
TWELVE MONTHS ENDING AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget</u> (1)	<u>Expended</u> (2)	<u>Encumbered</u> (3)	<u>Unencumbered</u> (4)	<u>Unfilled Positions#</u> (5)
General Administration	\$ 183,645.15	\$ 177,048.26	\$ 1,437.75	\$ 5,159.14	\$ ---
General Expenses	43,632.41	40,075.00	75.60	3,481.81	---
Resident Instruction	1,028,729.17	1,004,478.13	18,797.10	5,453.94	---
Evening Classes	850.00	826.17	---	23.83	---
Intramurals	13,550.00	13,550.00	---	---	---
School of Nursing	42,118.75	35,986.96	29.30	6,102.49	---
Library	126,337.60	91,739.31	34,481.21	117.08	---
Physical Plant	216,960.37	214,436.19	1,635.79	888.39	---
Museum	14,969.39	14,264.71	592.85	111.83	---
Tuition & Foreign Scholarships	5,000.00	---	---	5,000.00	---
Educational T. V. Program	360.00	360.00	---	---	---
Unallocated Accounts:					
Summer Session	162,601.50	162,601.50	---	---	---
Salaries	30,709.05	---	---	---	30,709.05
Maintenance & Equipment	---	---	---	---	---
Grand Total - General Budget	<u>\$1,869,463.39</u>	<u>\$1,755,366.23</u>	<u>\$ 57,049.60</u>	<u>\$ 26,338.51</u>	<u>\$ 30,709.05</u>
Percent of Adjusted Budget	100.0%	93.9%	3.1%	1.4%	1.6%

#Includes Unallocated Salaries

SUMMARY REPORT
 REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE
 AS OF AUGUST 31, 1959

General Budget	Budget Estimates		Revenue	Excess	Estimated Funds Available
	% Realized To Date (1)	Amounts (2)	12 Mos. Ending August 31, 1959 (3)	Over# or Under Budget (4)	
Student Fees:					
Registration & Tuition Fees:					
Medical Students	87.9%	\$ 157,500.00	\$ 138,516.98	\$ 18,983.02	
Nursing Students	47.5	35,766.00	16,989.50	18,776.50	
Postgraduate	82.9	5,659.00	4,694.00	965.00	
Technology	155.2	4,500.00	6,983.00	2,483.00#	
Laboratory Fees	90.1	16,500.00	14,870.33	1,629.67	
Student Health Fees	82.3	17,500.00	14,402.80	3,097.20	
Applicants' Filing Fees	99.6	2,500.00	2,490.15	9.85	
Fines and Forfeits	119.6	1,000.00	1,196.49	196.49#	
Total - Student Fees	83.1	<u>240,925.00</u>	<u>200,143.25</u>	<u>40,781.75</u>	
Federal Appropriations:					
Overhead on Government Contracts	8.2	62,500.00	5,100.39(b)	57,399.61	
Miscellaneous	101.5	4,500.00	4,568.34	68.34#	
Other Income	351.9	11,000.00	38,711.21	27,711.21#	
Hospital Income	115.2	<u>2,575,000.00</u>	<u>2,967,673.06(a)</u>	<u>392,673.06#</u>	
Sub-Total	113.7%	<u>2,653,000.00</u>	<u>\$3,016,053.00</u>	<u>\$ 363,053.00#</u>	
Legislative Appropriations for 1958-59		<u>6,120,051.00</u>			
Total Estimated Income		<u>\$9,013,976.00</u>			\$9,013,976.00
Transfers from Special Activities Fund					1,800.00
Transfers from Current Restricted Funds					3,500.00
Balance Available for Appropriation, Sept. 1, 1958:					
Departmental Overdrafts Carried Forward					98,023.91*
Reserve for Orders and Contracts Outstanding					70,936.35
Reserve for Balances Subject to Reappropriation					9,787.36
Unappropriated Surplus					87,105.08
Estimate of Funds Available					<u>9,089,080.88</u>
Adjusted Budget 1958-59 (Schedule 2)					<u>9,091,047.08</u>
Budget Balance Before Adjustments					1,966.20*
Reversal of Transfers to Reserves 8/31/58:					
Contract Research and Services					4,540.78
Pharmacy Formulary Inventory					520.61
Petty Cash					50.00
Net Adjustment of Prior Year Items					280.98*
Inventory Transfers					20.80
Budget Balance					<u>\$ 2,885.01</u>

*Deduct

(a) Hospital billings made during the twelve months ending August 31, 1959 amounted to \$3,259,385.93

(b) Estimate of Overhead earned but not yet collected \$100,000.00

THE UNIVERSITY OF TEXAS - MEDICAL BRANCH
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
TWELVE MONTHS ENDING AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget (1)</u>	<u>Expended (2)</u>	<u>Encumbered (3)</u>	<u>Unencumbered (4)</u>	<u>Unfilled Positions# (5)</u>
General Administration	\$ 444,853.13	\$ 437,964.86	\$ 5,247.96	\$ 1,640.31	\$ ---
General Expense	238,601.35	236,531.80	2,450.64	381.09*	---
Resident Instr. and Departmental Research:					
School of Medicine	1,964,229.78	1,923,687.03	2,448.65	38,094.10	---
School of Nursing	171,202.04	163,005.38	805.06	7,391.60	---
Total - Instructional Departments	<u>2,135,431.82</u>	<u>2,086,692.41</u>	<u>3,253.71</u>	<u>45,485.70</u>	---
Organized Activities Relating to Instructional Departments	80,417.81	73,988.71	3,123.77	3,305.33	---
Organized Research	90,875.98	87,380.63	673.15	2,822.20	---
Extension:					
Postgraduate Training	7,774.95	4,906.99	376.00	2,491.96	---
Youth Development Center	3,258.30	3,109.13	---	149.17	---
Library	68,306.82	61,905.89	2,033.47	4,367.46	---
Operation & Maint. of Physical Plant	912,922.35	933,209.44	10,701.28	30,988.37*	---
Remodeling	41,679.10	37,028.30	5,411.70	760.90*	---
Hospitals:					
General Administration & Expenses	74,109.84	68,733.83	---	5,376.01	---
Admissions & Business Activities	113,398.00	110,558.48	---	2,839.52	---
Professional Care of Patients	3,103,001.42	3,081,633.90	1,323.19	20,044.33	---
Professional Divisions	717,060.61	737,665.87	5,385.99	25,991.25*	---
General Services	1,059,260.52	1,072,441.14	675.27	13,855.89*	---
Total - Hospitals	<u>5,066,830.39</u>	<u>5,071,033.22</u>	<u>7,384.45</u>	<u>11,587.28*</u>	---
Tuition Scholarships	---	---	---	---	---
Unallocated Salaries	---	---	---	---	---
Unallocated M. & E.	95.08	---	---	95.08	---
Total - General Budget	<u>\$9,091,047.08</u>	<u>\$9,033,751.38</u>	<u>\$ 40,656.13</u>	<u>\$ 16,639.57</u>	<u>\$ ---</u>
Percent of Adjusted Budget	100.0%	99.4%	0.4%	0.2%	0.0%

#Includes Unallocated Salaries
*Deficit

SUMMARY REPORT

REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE
AS OF AUGUST 31, 1959

General Budget	Budget Estimates		Revenues	Excess	Estimated
	% Realized To Date (1)	Amounts (2)	12 Mos. Ending August 31, 1959 (3)	Over# or Under Budget (4)	Funds Available (5)
Student Fees - Non Veteran:					
Tuition	107.6%	\$ 94,700.00	\$ 101,919.04	\$ 7,219.04#	
Postgraduate Registration Fees	117.5	6,000.00	7,047.50	1,047.50#	
Laboratory	109.6	9,400.00	10,301.37	901.37#	
Graduate Fees	104.6	1,700.00	1,778.06	78.06#	
Health Service Fees	108.5	11,300.00	12,255.00	955.00#	
Student Fees - From Veterans Admin.	38.5	1,100.00	423.00	677.00	
Overhead Allowances - Special Projs.	330.0	22,000.00	72,496.30	50,496.30#	
Sales and Services:					
Surgery	541.2	400.00	2,164.68	1,764.68#	
Medical Art	270.0	12,000.00	3,235.25	8,764.75	
Psychiatry	---	---	2,905.00	2,905.00#	
Other Department Sales	100.3	100.00	100.28	.28#	
Other Sources	296.4	<u>6,300.00</u>	<u>18,673.36</u>	<u>12,373.36#</u>	
Sub-Total	141.4%	165,000.00	<u>\$ 233,298.84</u>	<u>\$ 68,298.84#</u>	
Legislative Appropriations for 1958-59		<u>1,837,050.00</u>			
Total Estimated Income		<u>\$2,002,050.00</u>			\$2,002,050.00
Balances Available for Appropriation September 1, 1958:					
Reserve for Orders and Contracts Outstanding					68,773.98
Reserve for Balances Subject to Reappropriation					2,019.00*
Unappropriated Surplus					362,903.26
Adjustment for Overhead Refund					71.15*
Estimate of Funds Available					<u>2,431,637.09</u>
Adjusted Budget, 1958-59 (Schedule 2)					<u>2,306,224.06</u>
Budget Balance before Adjustments					\$ 125,413.03
Inventory Adjustments (net)					12,589.99
Overhead from Current Restricted Funds					<u>12,757.92</u>
Budget Balance					<u>\$ 150,760.94</u>

*Deduction

THE UNIVERSITY OF TEXAS - SOUTHWESTERN MEDICAL SCHOOL
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
TWELVE MONTHS ENDING AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget</u> (1)	<u>Expended</u> (2)	<u>Encumbered</u> (3)	<u>Unencumbered</u> (4)	<u>Unfilled Positions#</u> (5)
General Administrative Offices	\$ 160,795.35	\$ 159,168.16	\$ 336.72	\$ 1,290.47	\$ ---
General Expense	52,644.44	50,413.47	179.70	2,051.27	---
Resident Instruction & Departmental Research:					
School of Medicine	1,452,410.02	1,365,805.06	19,355.81	15,277.15	51,972.00
Extension - Postgraduate Program	15,069.49	10,370.56	131.00	4,567.93	---
Library	83,036.33	78,647.28	4,264.35	124.70	---
Operation & Maint. of Physical Plant	364,800.74	359,147.26	6,585.90	932.42*	---
Other General Services	161,918.14	134,355.36	34,381.90	6,819.12*	---
Tuition Scholarships	7,500.00	5,000.00	---	2,500.00	---
Unallocated Accounts:					
Salaries	8,038.47	---	---	---	8,038.47
Maintenance and Equipment	11.08	---	---	11.08	---
Total - General Budget	<u>\$2,306,224.06</u>	<u>\$2,162,907.15</u>	<u>\$ 65,235.38</u>	<u>\$ 18,071.06</u>	<u>\$ 60,010.47</u>
Percent of Adjusted Budget	100.0%	93.8%	2.8%	0.8%	2.6%

#Includes Unallocated Salaries
*Deduct

THE UNIVERSITY OF TEXAS - DENTAL BRANCH
SUMMARY REPORT
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE
AS OF AUGUST 31, 1959

<u>General Budget</u>	<u>Budget Estimates</u>		<u>Revenues</u>	<u>Excess</u>	<u>Estimated</u>
	<u>% Realized</u>	<u>Amount</u>	<u>12 Mos. Ending</u>	<u>Over# or Under</u>	<u>Funds</u>
	<u>To Date</u>		<u>August 31, 1959</u>	<u>Budget</u>	<u>Available</u>
	(1)	(2)	(3)	(4)	(5)
Student Fees:					
Registration Fees	93.6%	\$ 97,700.00	\$ 91,457.29	\$ 6,242.71	
Laboratory Fees	69.2	9,555.00	6,613.32	2,941.68	
Miscellaneous Income	165.5	15,000.00	24,820.04	9,820.04#	
Postgraduate School of Dentistry	150.8	6,000.00	9,049.99	3,049.99#	
Outpatient Division	152.1	<u>110,000.00</u>	<u>167,356.80</u>	<u>57,356.80#</u>	
Sub-Total	125.6%	238,255.00	<u>\$ 299,297.44</u>	<u>\$ 61,042.44#</u>	
Legislative Appropriation for 1958-59		<u>1,432,011.00</u>			
Total Estimated Income		<u>\$1,670,266.00</u>			\$1,670,266.00
Balances Available for Appropriation, September 1, 1958:					
Reserve for Orders and Contracts Outstanding					31,222.45
Unappropriated Surplus					<u>687,500.74</u>
Estimate of Funds Available					2,388,989.19
Adjusted Budget, 1958-59 (Schedule 2)					<u>1,929,526.45</u>
Budget Balance					<u>\$ 459,462.74</u>

THE UNIVERSITY OF TEXAS - DENTAL BRANCH
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
TWELVE MONTHS ENDING AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget</u> (1)	<u>Expended</u> (2)	<u>Encumbered</u> (3)	<u>Unencumbered</u> (4)	<u>Unfilled Positions#</u> (5)
General Administration	\$ 131,497.72	\$ 122,156.20	\$ 9,098.70	\$ 242.82	---
General Expense	66,033.16	54,136.88	5,122.95	6,773.33	---
Resident Instruction & Departmental Research:					
School of Dentistry	1,196,350.16	1,053,441.93	60,608.23	---	82,300.00
School of Dental Hygiene	23,970.89	20,103.87	3,867.02	---	---
Postgraduate School of Dentistry	5,600.00	2,100.00	3,500.00	---	---
Organized Research	29,522.75	27,601.32	1,103.80	817.63	---
Library	20,743.32	14,867.11	1,946.32	605.89	3,324.00
Physical Plant	248,286.47	228,387.75	16,898.72	---	3,000.00
Organized Activities Related to Instructional Departments:					
Audio-Visual Division	26,216.38	21,182.36	5,034.02	---	---
Outpatient Division	67,960.20	60,022.43	7,937.77	---	---
Tuition Scholarships	4,750.00	---	---	4,750.00	---
Unallocated Accounts:					
Unallocated Salaries	89,192.88	---	---	---	89,192.88
Unallocated Maintenance & Equipment	19,402.52	---	---	19,402.52	---
Total General Budget	<u>\$1,929,526.45</u>	<u>\$1,603,999.85</u>	<u>\$ 115,117.53</u>	<u>\$ 32,592.19</u>	<u>\$ 177,816.88</u>
Percent of Adjusted Budget	100.0%	83.1%	6.0%	1.7%	9.2%
Salary Encumbrances Cancelled			<u>\$ 95,086.35*</u>	<u>\$ 95,086.35</u>	

#Includes Unallocated Salaries

*Deduction

THE UNIVERSITY OF TEXAS - M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE
SUMMARY REPORT
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE
AS OF AUGUST 31, 1959

General Budget	Budget Estimates		Revenues 12 Mos. Ending August 31, 1959	Excess Over# or Under Budget	Estimated Funds Available
	% Realized To Date (1)	Amount (2)			
Income From Patients	113.6%	\$ 916,000.00	\$1,041,015.44	\$ 125,015.44#	
Other Income	108.1	10,000.00	10,806.04	806.04#	
Overhead on Government Contracts	92.3	<u>60,000.00</u>	<u>55,380.49</u>	<u>4,619.51</u>	
Sub-Total	112.3%	\$ 986,000.00	<u>\$1,107,201.97</u>	<u>\$ 121,201.97#</u>	
Legislative Appropriation for 1958-59		<u>3,950,825.00</u>			
Total - Estimated Income		<u>\$4,936,825.00</u>			\$4,936,825.00
Balance Available for Appropriation, September 1, 1958:					
Reserves for Orders and Contracts Outstanding					97,219.92
Unappropriated Surplus					<u>59,777.13</u>
Estimate of Funds Available					5,093,822.05
Adjusted Budget, 1958-59 (Schedule 2)					<u>5,118,351.15</u>
Budget Balance Before Adjustments					<u>24,529.10*</u>
Overhead on Current Restricted Grants					17,899.86
Inventory Adjustments					3,877.04
Miscellaneous Adjustments (Net)					<u>11,143.61</u>
Sub-Total					<u>32,920.51</u>
Budget Balance					<u>\$ 8,391.41</u>
*Deficit or Deduction					

THE UNIVERSITY OF TEXAS - M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE

SUMMARY REPORT

STATEMENT OF GENERAL BUDGET APPROPRIATIONS

TWELVE MONTHS ENDING AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget</u> (1)	<u>Expended</u> (2)	<u>Encumbered</u> (3)	<u>Unencumbered</u> (4)	<u>Unfilled Positions#</u> (5)
General Administration	\$ 205,095.93	\$ 204,777.95	\$ 317.90	\$.08	\$ ---
General Expense	<u>32,418.62</u>	<u>32,418.62</u>	---	---	---
Total - General Admin. & Expense	<u>237,514.55</u>	<u>237,196.57</u>	<u>317.90</u>	<u>.08</u>	<u>---</u>
The Tumor Institute:					
Medical Staff	659,124.17	658,494.60	627.57	2.00	---
Division of Research	678,303.03	666,049.69	12,252.45	.89	---
Division of Education	<u>166,336.33</u>	<u>164,290.25</u>	<u>2,046.03</u>	<u>.05</u>	<u>---</u>
Total - The Tumor Institute	<u>1,503,763.53</u>	<u>1,488,834.54</u>	<u>14,926.05</u>	<u>2.94</u>	<u>---</u>
Division of Patient Care Activities	2,645,760.17	2,607,334.31	37,545.89	879.97	---
Division of General Services	331,721.87	331,094.11	627.68	.08	---
Operation & Maint. of Physical Plant	394,851.50	389,405.87	4,466.43	979.20	---
Reserves:					
Reserve for Salaries	3,454.93	---	---	---	3,454.93
Reserve for Maintenance & Equipment	<u>1,284.60</u>	---	---	<u>1,284.60</u>	<u>---</u>
Total - Reserves	<u>4,739.53</u>	<u>---</u>	<u>---</u>	<u>1,284.60</u>	<u>3,454.93</u>
Grand Total - General Budget	<u>\$5,118,351.15</u>	<u>\$5,053,865.40</u>	<u>\$ 57,883.95</u>	<u>\$ 3,146.87</u>	<u>\$ 3,454.93</u>
Percent of Adjusted Budget	100.0%	98.7%	1.1%	0.1%	0.1%

#Includes Unallocated Salaries

THE UNIVERSITY OF TEXAS - POSTGRADUATE SCHOOL OF MEDICINE
SUMMARY REPORT
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE
AS OF AUGUST 31, 1959

<u>General Budget</u>	<u>Budget Estimates</u>		<u>Revenues</u>	<u>Excess</u>	<u>Estimated</u>
	<u>% Realized</u> <u>To Date</u> (1)	<u>Amount</u> (2)	<u>12 Mos. Ending</u> <u>August 31, 1959</u> (3)	<u>Over# or Under</u> <u>Budget</u> (4)	<u>Funds</u> <u>Available</u> (5)
Estimated Income					
Tuition Fees	94.8%	\$15,000.00	\$14,221.00	\$ 779.00	
Overhead on Grants	93.9	3,000.00	2,816.51	183.49	
M. D. Anderson Foundation Grant	100.0	<u>25,000.00</u>	<u>25,000.00</u>	---	
Total	97.8%	<u>\$43,000.00</u>	<u>\$42,037.51</u>	<u>\$ 962.49</u>	
Total Estimated Income					\$43,000.00
Balance Available for Appropriation, September 1, 1958:					
Unappropriated Surplus - General Funds					12,351.07
Unappropriated Surplus - Current Restricted Funds					24,860.97
Other Adjustments					<u>248.25</u>
Estimate of Funds Available					80,460.29
Adjusted Budget, 1958-59 (Schedule 2)					<u>64,840.00</u>
Budget Balance					<u>\$15,620.29</u>

THE UNIVERSITY OF TEXAS - POSTGRADUATE SCHOOL OF MEDICINE
SUMMARY REPORT
STATEMENT OF GENERAL BUDGET APPROPRIATIONS
TWELVE MONTHS ENDING AUGUST 31, 1959

<u>General Budget</u>	<u>Adjusted Budget</u> (1)	<u>Expended</u> (2)	<u>Encumbered</u> (3)	<u>Unencumbered</u> (4)	<u>Unfilled Positions#</u> (5)
General Funds:					
Central Administrative Office	\$23,840.00	\$18,299.41	\$ ---	\$ 540.59	\$ 5,000.00
Reserve for Salaries	---	---	---	---	---
Sub-Total	<u>23,840.00</u>	<u>18,299.41</u>	<u>---</u>	<u>540.59</u>	<u>5,000.00</u>
M. D. Anderson Foundation Grant:					
Central Administrative Office	25,000.00	16,578.07	---	1,421.93	7,000.00
Teaching Aids Program	4,000.00	1,453.12	---	2,546.88	---
Extension Teaching Program	<u>12,000.00</u>	<u>4,509.47</u>	<u>---</u>	<u>7,490.53</u>	<u>---</u>
Sub-Total	<u>41,000.00</u>	<u>22,540.66</u>	<u>---</u>	<u>11,459.34</u>	<u>7,000.00</u>
Total - General Budget	<u>\$64,840.00</u>	<u>\$40,840.07</u>	<u>\$ ---</u>	<u>\$11,999.93</u>	<u>\$12,000.00</u>
Percent of Adjusted Budget	100.0%	63.0%	0.0%	18.5%	18.5%

#Includes Unallocated Salaries

4. Scheduled Meetings of the Board (Spring of 1960). --At the October 1959 meeting, the Board scheduled a meeting in Austin on January 22-23, 1960.

If the Board wishes to consider meetings for the Spring of 1960, a calendar is attached below. Space is provided for you to list the commitments you have already made so that future meetings may be scheduled for the convenience of all.

Commitments for 1960

March 11-12, 1960

1960

JANUARY							FEBRUARY							MARCH							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
					1	2		1	2	3	4	5	6			1	2	3	4	5	
3	4	5	6	7	8	9	7	8	9	10	11	12	13	6	7	8	9	10	11	12	
10	11	12	13	14	15	16	14	15	16	17	18	19	20	13	14	15	16	17	18	19	
17	18	19	20	21	22	23	21	22	23	24	25	26	27	20	21	22	23	24	25	26	
24	25	26	27	28	29	30	28	29						27	28	29	30	31			
31																					
APRIL							MAY							JUNE							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
					1	2	1	2	3	4	5	6	7				1	2	3	4	
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11	
10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18	
17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25	
24	25	26	27	28	29	30	29	30	31					26	27	28	29	30			
JULY							AUGUST							SEPTEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
					1	2		1	2	3	4	5	6					1	2	3	
3	4	5	6	7	8	9	7	8	9	10	11	12	13	4	5	6	7	8	9	10	
10	11	12	13	14	15	16	14	15	16	17	18	19	20	11	12	13	14	15	16	17	
17	18	19	20	21	22	23	21	22	23	24	25	26	27	18	19	20	21	22	23	24	
24	25	26	27	28	29	30	28	29	30	31				25	26	27	28	29	30		
31																					
OCTOBER							NOVEMBER							DECEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
					1				1	2	3	4	5						1	2	3
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10	
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17	
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24	
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31	
30	31																				

B. MAIN UNIVERSITY

Small Class Report for Fall Semester of 1960. -- Because of a change in the requirement of the enrollment report (No. 053), there was a delay in the final preparation of the small class report for the Fall Semester of 1960. This report will be distributed at the meeting.

Minutes

C. TEXAS WESTERN COLLEGE

Small Class Report for Fall Semester of 1960. -- The same situation exists as for the small class report at the Main University. This report will be distributed at the meeting.

D. M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE
AND DENTAL BRANCH

Parking: Budget and Regulations. --There will
be no necessity for a budget for parking at the *minutes*
M. D. Anderson Hospital and Tumor Institute
and at the Dental Branch.

4

MATERIAL SUPPORTING THE AGENDA

Volume VII

September 1959 - August 1960

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on October 1-3, and November 13-14, 1959, January 22-23, March 11-12, May 13-14, and July 1-3, 1960.

The material is divided according to the Standing Committees and the meetings that were held and is submitted on three different colors, namely:

- (1) white paper - for the documentation of all items that were presented before the deadline date
- (2) blue paper - all items submitted to the Executive Session of the Committee of the Whole and distributed only to the Regents, Chancellor, and Chancellor Emeritus
- (3) yellow paper - emergency items distributed at the meeting

Material distributed at the meeting as additional documentation is not included in the bound volume, because sometimes there is an unusual amount and other times maybe some people get copies and some do not get copies. If the Secretary were furnished a copy, then that material goes in the appropriate subject folder.

This volume contains the recommendations to the Land and Investment Committee (Attachment No. 1), Docket (Attachment No. 2), and Budget Docket for meetings 584 through 589.



THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

Attachment Nos. 1+2

To Minutes of the Board of Regents

Meeting Date: NOV 14 1959

Meeting No.: 585

Name: Office Copy

Office Copy

*Administrative
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RECOMMENDATIONS
to
LAND AND INVESTMENT COMMITTEE
for
November 13-14, 1959

The following pages L-1 through L-14 were prepared by Endowment Officer W. W. Stewart, concurred in by the Administration.

Approved

ATTACHMENT NO. 1

PERMANENT UNIVERSITY FUND -- INVESTMENT MATTERS.--

REPORT OF PURCHASES, SALES AND EXCHANGES OF SECURITIES.--The following purchases, sales and exchanges of securities have been made for the Permanent University Fund since the report of October 2, 1959. We ask that the Board ratify and approve these transactions:

PURCHASE OF SECURITIES

CORPORATE BONDS

Date of Purchase	Security	Par Value of Bonds Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
9/22/59	New England Tel. & Tel. Co. 5-3/4% Debentures, dated 9/1/59 due 9/1/94	\$250,000	101.90 Net	\$ 254,750.00	5.625%
10/21/59	Southern Bell Tel. & Tel. Co. 5-1/2% Debentures, dated 10/1/59, due 10/1/94	500,000	102.36 Net	511,800.00	5.35
	Total Corporate Bonds Purchased	<u>\$750,000</u>		<u>766,550.00</u>	<u>5.44</u>

PREFERRED STOCKS

Date of Purchase	Security	No. of Shares Purchased	Market Price	Total Principal Cost*	Indicated Current Yield on Cost**
9/14/59	R. J. Reynolds Tobacco Company 3.60% Cumulative Preferred Stock	500	81 Net	\$ 40,500.00	4.44%
9/16/59	R. J. Reynolds Tobacco Company 3.60% Cumulative Preferred Stock	500	80-3/4 Net	40,375.00	4.46
	Total Preferred Stocks Purchased	<u>1,000</u>		<u>80,875.00</u>	<u>4.45</u>

COMMON STOCKS

9/9/59	Armstrong Cork Company Common Stock	1,200	43-3/4(200) 43-5/8(300) 43-1/2(300) 43-3/8(200) 43-1/4(200)	\$ 52,701.58	3.19%
9/9/59	Minneapolis-Honeywell Regulator Company Common Stock	400	128-1/2(200) 128 (100) 127-1/2(100)	51,457.25	1.36
9/11/59	Corn Products Company Common Stock	900	52-5/8	47,760.84	3.77
9/11/59	The B. F. Goodrich Company Common Stock	500	88 (100) 87-3/4(200) 87-1/2(100) 87-3/8(100)	44,076.35	2.50
9/14/59	Armco Steel Corporation Common Stock	600	78-1/4	47,230.98	3.81

*Includes brokerage commissions paid.

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

COMMON STOCKS (Continued)

Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
9/14 & 21/59	Sears, Roebuck & Company Common Stock	1,000	48-1/4(200) 48-1/2(800)	\$ 48,882.26	2.45%
9/16, 17 & 21/59	Public Service Company of Colorado Common Stock	1,000	49-1/4(200) 49-1/8(200) 49 (300) 48-3/4(300)	49,435.02	3.84
9/17/59	Texas Utilities Company Common Stock	700	67 (200) 66-3/4(200) 66-1/2(300)	47,019.71	2.62
9/18/59	Houston Lighting & Power Company Common Stock	700	67 (100) 66-1/2(100) 66 (500)	46,669.35	2.40
9/18/59	Sinclair Oil Corporation Common Stock	900	53-3/4(100) 53-1/2(200) 53-1/4(100) 53 (200) 52-3/4(300)	48,223.85	5.60
9/21/59	Commonwealth Edison Company Common Stock	800	58-1/2(400) 58-3/8(300) 58-1/4(100)	47,096.25	3.40
9/21/59	R. J. Reynolds Tobacco Company Common Stock	800	55 (300) 54-7/8(200) 54-3/4(100) 54-5/8(200)	44,230.88	3.98
9/23/59	Addressograph-Multigraph Corporation Common Stock	400	105 (300) 103 (100)	41,997.80	1.43
9/23/59	Insurance Company of North America Capital Stock	200	119-3/4	24,051.96	2.49
9/23/59	Utah Power & Light Company Common Stock	1,400	32-3/4(1100) 32-1/2(200) 32-3/8(100)	46,257.37	4.00
9/25/59	C. I. T. Financial Corporation Common Stock	900	56-5/8	51,364.44	4.56
9/25/59	The Dow Chemical Company Common Stock	600	79-3/4(500) 79-1/2(100)	48,106.85	1.50
9/28/59	American Telegraph & Telephone Company Capital Stock	600	78-7/8	47,606.34	4.16
9/28/59	Parke, Davis & Company Capital Stock	1,000	43-1/2(900) 43-1/8(100)	43,869.81	2.96
9/30/59	Republic National Bank of Dallas Common Capital Stock	200	89 Net	17,800.00	2.16
10/1/59	Aetna Life Insurance Company Capital Stock	60	251 Net	15,060.00	1.43

*Includes brokerage commissions paid.

**Yield at present indicated dividend rate.

COMMON STOCKS (Continued)

Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
10/9/59	Libbey-Owens-Ford Glass Company Common Stock	700	69-1/2(500) 69 (200)	\$ 48,871.55	3.65%
10/9/59	Owens-Illinois Glass Company Common Stock	600	92-1/2	55,789.50	2.69
10/13/59	American Cyanamid Company Common Stock	800	58 (300) 58-1/4(500)	46,883.55	2.73
10/13/59	General Foods Corporation Common Stock	500	95-3/4	48,117.90	2.70
10/15/59	Scott Paper Company Common Stock	600	80-7/8(400) 81 (200)	48,832.56	2.70
10/15/59	Texaco Inc. Capital Stock	700	74 (300) 73 (200) 72-5/8(200)	51,649.32	3.52
10/20/59	Florida Power & Light Company Common Stock	1,000	51 (200) 50-3/4(200) 50-1/4(100) 50 (500)	50,815.39	1.73
10/22 & 23/59	Cleveland Electric Illuminating Company Common Stock	1,000	48-1/8(200) 48 (600) 47-7/8(200)	48,430.00	3.72
10/22 & 23/59	Westinghouse Electric Corpora- tion Common Stock	500	94-3/4(200) 94 (100) 93-7/8(200)	47,367.14	2.11
10/27/59	Chemical Bank New York Trust Company Capital Stock	300	61-1/8 Net	18,337.50	3.93
10/27/59	Continental Illinois NB & Trust Company of Chicago Common Capital Stock	200	121 Net	24,200.00	3.31
Total Common Stocks Purchased		<u>21,760</u>		<u>1,400,193.30</u>	<u>3.06</u>
Total Corporate Securities Purchased				<u>\$2,247,618.30</u>	<u>3.92%</u>

*Includes brokerage commissions paid.

**Yield at present indicated dividend rate.

SALES AND EXCHANGES OF SECURITIES

U. S. TREASURY SECURITIES

Book Value
Treas. 3-1/4s
of 5/15/85

Following U. S. 2-3/4% Treasury Bonds, Investment Series B, due 4/1/80-75, switched into marketable 1-1/2% Treasury Notes, due 4/1/64, which were sold and the proceeds used to purchase like par amounts of U. S. 3-1/4% Treasury Bonds, due 5/15/85, with principal adjustments as indicated:

9/15/59	\$2,000,000 par value, principal cash adjustment paid to University in amount of \$2,500.00	\$2,008,479.68
9/15/59	\$1,000,000 par value, principal cash adjustment paid to University in amount of \$1,250.00	1,004,239.84
9/17/59	\$2,000,000 par value, principal cash adjustment paid to University in amount of \$3,750.00	2,007,229.68

REPORT ON PERMANENT UNIVERSITY FUND INVESTMENTS FOR FISCAL YEAR ENDED AUGUST 31, 1959.--Under separate bound cover, the Land and Investment Committee presents a report on Permanent University Fund Investments for the fiscal year ended August 31, 1959. During the year, the Committee has made periodic reports of purchases and sales made for the Fund, all of which transactions have been duly approved by the Board of Regents. The present report is intended to summarize the investment transactions for the fiscal year and to indicate the status of the Fund's investment portfolio as of August 31, 1959.

PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - RECOMMENDED CHANGES IN POLICIES GOVERNING ELIGIBILITY FOR PURCHASE OF CORPORATE SECURITIES.--In the Policies Governing the Permanent University Fund Investment Program, as amended, it is recommended that Section IV under "Policies Governing Investment in Corporate Securities" be amended as follows:

IV. To Be Eligible for Purchase:

- A. Corporate stocks and bonds must be issued by corporations which have been formally approved by the Regents' Land and Investment Committee and by the Board of Regents except as noted in B. following:
- B. Corporate bonds issued by corporations not on the approved list as outlined in IV. A. above must meet both the requirements of the Constitutional Amendment and the financial statement ratio standards and price requirement of the policy as formally approved by the Regents' Land and Investment Committee and the Board of Regents as detailed below:

(Ratio standards and price requirement to remain as already approved by the Board of Regents)

PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - RECOMMENDED CHANGES IN POLICIES GOVERNING PRICE REQUIREMENTS.--In the Policies Governing the Permanent University Fund Investment Program, as amended, it is recommended that Section II under "Investment Standards to Determine Eligibility for Purchase" be amended as follows:

II. As to Price:

- A. As a general rule, corporate bonds and preferred stocks will be purchased to the extent possible at yields to exceed the yield on the longest term Treasury Bond by the following minimum margins:

Corporate Bonds - 1/4%
Preferred Stocks - 1/2%

- B. Delete price-earnings multiples requirement.

PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - RECOMMENDED CHANGES IN DIVERSIFICATION PATTERNS.--The following table gives the present industry percentage allocations, based on per cent of total common stocks, and the recommended changes in such allocations. It is recommended that approval be given to the proposed percentage allocation changes as shown on the table.

PROPOSED CHANGES IN INDUSTRY PERCENTAGE ALLOCATIONS
(Dollar Allocations Based on \$150,000,000 in Common Stocks)

Corporations by Industry Groups	% of Total Common Stocks		Dollar Group Allocation	
	Present	Recommended	Present	Recommended
A. INDUSTRIALS				
Group I:				
1. Food and Household.	6.0%	6.0%	\$ 9,000,000	\$ 9,000,000
2. Chemical Products	5.0	5.0	7,500,000	7,500,000
3. Containers.	2.5	2.0*	3,750,000	3,000,000
4. Paper Products.	3.5	3.0*	5,250,000	4,500,000
5. Retail Trade.	3.0	3.0	4,500,000	4,500,000
6. Tobacco Products.	1.5	1.5	2,250,000	2,250,000
7. Drugs	3.5	4.0#	5,250,000	6,000,000
Total Group I.	<u>25.0</u>	<u>24.5</u>	<u>37,500,000</u>	<u>36,750,000</u>
Group II:				
1. Air Transport	-0-	-0-	-0-	-0-
2. Building Materials.	4.5	4.5	6,750,000	6,750,000
3. Electrical - Electronic	4.0	4.5#	6,000,000	6,750,000
4. Office Equipment.	3.0	3.0	4,500,000	4,500,000
5. Petroleum Products.	8.0	8.0	12,000,000	12,000,000
6. Synthetic Fibres & Textiles	-0-	-0-	-0-	-0-
7. Tires & Rubber.	2.0	2.0	3,000,000	3,000,000
8. Autos & Auto Parts (moved to Group III).	2.5	(2.5)	3,750,000	(3,750,000)
Total Group II	<u>24.0</u>	<u>22.0</u>	<u>36,000,000</u>	<u>33,000,000</u>
Group III:				
1. Autos & Auto Parts (moved from Group II)	(2.5)	2.5	(3,750,000)	3,750,000
2. Machinery & Equipment	2.5	2.5	3,750,000	3,750,000
3. Metals - Nonferrous	2.5	2.0*	3,750,000	3,000,000
4. Steel & Iron.	4.5	5.0#	6,750,000	7,500,000
Total Group III.	<u>9.5</u>	<u>12.0</u>	<u>14,250,000</u>	<u>18,000,000</u>
Group IV - Miscellaneous:	<u>3.5</u>	<u>4.0#</u>	<u>5,250,000</u>	<u>6,000,000</u>
TOTALS - INDUSTRIALS	<u>62.0</u>	<u>62.5#</u>	<u>93,000,000</u>	<u>93,750,000</u>
B. PUBLIC UTILITIES				
1. Light and Power	21.0	21.0	31,500,000	31,500,000
2. Gas Service & Gas Transmission.	2.5	2.0*	3,750,000	3,000,000
3. Telephone	1.5	2.0#	2,250,000	3,000,000
TOTALS - PUBLIC UTILITIES	<u>25.0</u>	<u>25.0</u>	<u>37,500,000</u>	<u>37,500,000</u>
C. RAILS (Rail Equipment moved to Industrials, Group IV, Miscl.)	2.5	2.0*	3,750,000	3,000,000
D. FINANCIAL CORPORATIONS				
1. Banks	5.5	5.5	8,250,000	8,250,000
2. Insurance - Fire & Casualty	1.5	1.5	2,250,000	2,250,000
3. Insurance - Life.	1.5	1.5	2,250,000	2,250,000
4. Finance Companies	2.0	2.0	3,000,000	3,000,000
TOTALS - FINANCIAL CORPORATIONS.	<u>10.5</u>	<u>10.5</u>	<u>15,750,000</u>	<u>15,750,000</u>
TOTALS	<u>100.0%</u>	<u>100.0%</u>	<u>\$150,000,000</u>	<u>\$150,000,000</u>

*Recommended decrease in allocation. #Recommended increase in allocation.
##Recommended increase in A. Industrials, Group IV - Miscellaneous, and corresponding decrease in C. RAILS due to transfer of Rail Equipment to Group IV - Miscellaneous from RAILS and Rail Equipment.

PERMANENT UNIVERSITY FUND--LAND MATTERS.--

LEASES AND EASEMENTS.--The Land and Investment Committee has given consideration to the following applications for various leases and easements on University Lands. All are at the standard 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. The Land and Investment Committee asks that the Board approve these applications and authorize the Chairman of the Board to execute the instruments involved:

BUSINESS SITE EASEMENT NO. 1411, H. B. ZACHRY COMPANY, EL PASO COUNTY.-- This application for a business site easement to H. B. Zachry Company covers a tract of 11.623 acres in Block L, Survey 24, University Lands, El Paso County, to be used as an equipment yard and asphalt mixing plant. This easement is for one year beginning July 1, 1959 and ending June 30, 1960, with option to extend and renew from year to year, but not to exceed a period of 10 years from July 1, 1959, upon payment in advance of annual rental of \$116.23. Consideration of \$116.23 for the first year's rental has been received.

PIPE LINE EASEMENT NO. 1412, THE ATLANTIC REFINING COMPANY, WARD COUNTY.-- This application for a pipe line easement to The Atlantic Refining Company covers 145 rods of $4\frac{1}{2}$ -inch line at \$0.50 per rod for a 10-year period beginning October 1, 1959 and ending September 30, 1969, located in Section 13, Block 16, University Lands, Ward County. Consideration of \$72.50 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1413, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY.-- This application for a pipe line easement to Phillips Petroleum Company covers 50.2 rods of 2- $\frac{3}{8}$ - inch line and 153.0 rods of $3\frac{1}{2}$ -inch line at \$0.25 per rod, and 394.6 rods of $4\frac{1}{2}$ -inch line at \$0.50 per rod, for a 10-year period beginning September 1, 1959 and ending August 31, 1969, located in Section 4, Block 1, Sections 28 and 33, Block 9, Section 23, Block 10, and Sections 1 and 2, Block 13, University Lands, Andrews County. Consideration of \$248.10 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1414, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY.-- This application for a pipe line easement to Phillips Petroleum Company covers 164.8 rods of $4\frac{1}{2}$ -inch line at \$0.50 per rod for a 10-year period beginning September 1, 1959 and ending August 31, 1969, located in Sections 7 and 18, Block 5, University Lands, Andrews County. Consideration of \$82.40 for the 10-year period has been received.

TELEPHONE BUILDING SITE EASEMENT NO. 1415, SOUTHWESTERN BELL TELEPHONE COMPANY, WARD COUNTY.--This application for a building site to Southwestern Bell Telephone Company covers a .23-acre tract in the NW/4 of Section 34, Block 16, University Lands, Ward County, on which will be erected a small building for use in telephone service operations. This easement is for a 10-year period beginning August 1, 1959 and ending July 31, 1969. Consideration of \$500.00 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1416, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY.-- This application for a pipe line easement to El Paso Natural Gas Company covers 329.727 rods of $4\frac{1}{2}$ -inch line at \$0.50 per rod for a 10-year period beginning November 1, 1959 and ending October 31, 1969, located in Section 27, Block 1, and Section 36, Block 9, University Lands, Andrews County. Consideration of \$164.86 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1417, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, (RENEWAL OF EASEMENT NO. 436).--This application for a pipe line easement to Phillips Petroleum Company covers the following lines in Sections 3, 4, 5, 10, 11, 13, 14, 24, 25 and 36, Block 13, and Sections 1, 2 and 14, Block 14, University Lands, Andrews County, for a period of 10 years beginning January 1, 1960 and ending December 31, 1969: 1,789.5 rods of 24-inch line, 160.5 rods of 22-inch line, 103.5 rods of 20-inch line and 222.2 rods of 16-inch line at \$1.50 per rod; 225.9 rods of 10- $\frac{3}{4}$ - inch line and 1,881.8 rods of 8- $\frac{5}{8}$ - inch line at \$1.00 per rod; 832.3 rods of 6- $\frac{5}{8}$ inch line at \$0.75 per rod; 416.6 rods of $4\frac{1}{2}$ -inch line at \$0.50 per rod; 251.1 rods of $3\frac{1}{2}$ -inch line and 381.2 rods of 2- $\frac{3}{8}$ - inch line at \$0.25 per rod. The number of rods and size of lines differ from those under Easement No. 436, of which this is a renewal, due to removal and changes of certain lines. Consideration of \$6,511.83 for the 10-year period has been received.

CATHODIC PROTECTION UNIT EASEMENT NO. 1418, EL PASO PRODUCTS PIPELINE COMPANY, HUDSPETH COUNTY.--This application for a cathodic protection unit to El Paso Products Pipeline Company covers a site in the NE/4 of the NW/4 of Section 13, Block J, University Lands, Hudspeth County, on which will be located a cathodic protection unit or station for the purpose of servicing pipe lines covered by Pipe Line Easement No. 991. This easement is for a period of 8 years beginning September 1, 1959 and ending August 31, 1967, so as to coincide with the expiration date of Pipe Line Easement No. 991, August 31, 1967. Consideration of \$50.00 for the 8-year period has been received.

PIPE LINE EASEMENT NO. 1419, WARREN PETROLEUM CORPORATION, CRANE COUNTY (RENEWAL OF EASEMENT NO. 428).--This application for a pipe line easement to Warren Petroleum Corporation covers 163.64 rods of 4-inch line at \$0.25 per rod and 466.67 rods of 6-inch line at \$0.50 per rod for a 10-year period beginning November 1, 1959 and ending October 31, 1969, located in Sections 5 and 6, Block 30, University Lands, Crane County. The number of rods and size of lines covered by this easement are a revision of those covered by Easement No. 428, which also covered lines in Section 8, Block 30, Crane County. Consideration of \$274.24 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1420, CONTINENTAL PIPE LINE COMPANY, HUDSPETH COUNTY.--This application for a pipe line easement to Continental Pipe Line Company covers 672.06 rods of 6-5/8 - inch line at \$0.75 per rod for a 10-year period beginning October 1, 1959 and ending September 30, 1969, located in Sections 5, 6, 7, Block A, University Lands, Hudspeth County. Consideration of \$504.05 for the 10-year period has been received.

ASSIGNMENT OF EASEMENTS NO. 418, 496, 911, 1364 AND 1395 FROM HUMBLE OIL & REFINING COMPANY, A TEXAS CORPORATION, TO HUMBLE OIL & REFINING COMPANY OF DELAWARE.--Approval has been requested for assignment of the following easements, issued to Humble Oil & Refining Company of Texas over a period of years, to Humble Oil & Refining Company of Delaware:

- Easement No. 418 - Right of Way for Private Road, Section 4, Block 11, University Lands, Andrews County;
- Easement No. 496 - Electric Power Line, Sections 1 and 2, Block 16, University Lands, Ward County;
- Easement No. 911 - Camp Site Easement, Section 1, Block 16, Ward County;
- Easement No. 1364 - Pipe Line Easement, Section 4, Block 11, Andrews County;
- Easement No. 1395 - Pipe Line Easement, Section 1, Block 16, Ward County.

Assignment fee of \$25 and General Land Office filing fee of \$1 will be received.

TEXAS HIGHWAY DEPARTMENT - RIGHT OF WAY (NO. 1421) AND CHANNEL EASEMENT (NO. 1421-A) FOR CONTROLLED ACCESS HIGHWAY NO. 20, WARD COUNTY, UNDER INTERSTATE HIGHWAY PROGRAM.--The Texas Highway Department proposes to acquire from the Board of Regents 374.38 acres of University Lands for actual right of way and a channel easement covering 2.261 acres for construction of the Monahans-Pyote section of Interstate Highway No. 20. The right of way and channel easement are out of Block 16, University Lands, Ward County.

This construction being part of the Interstate Highway System, the Highway Department is in a position to pay the University for the right of way and for the channel easements. Proposed price, based on independent appraisals obtained by the Highway Department for the right of way is \$19,527.00, and payment for the channel easement will be \$57.00. The amount of \$19,527.00 is made up of approximately \$11,500.00 valuation on the acreage going into the right of way and approximately \$8,000.00 for damages to approximately 2,000 acres of land North of the route of the new highway and South of present Highway No. 80, which 2,000 acres will then be somewhat wedge-shaped, approximately nine miles long and about one-half mile at the wide end. This strip of land has had no surface use other than for grazing, present current rental rate being around \$0.15 per acre annually. The price to be paid to the University does not include cost of fencing,

such fencing to be constructed by the Highway Department or compensated for to the University's tenants or to the University, which will be determined at a later date prior to delivery of the right of way instrument.

The proposed payment to the University will, however, cover all other damages to the strip, including any expense for providing water for the strip. It appears that it may be necessary to drill another water well on the strip, and the University hopes to arrange this through a tenant.

Tenants of the University on the land to be acquired for the right of way are to be settled with by the Highway Department entirely separate from the payment to the University, and the right of way instrument will not be delivered until the Highway Department has settled with the tenants, or, if necessary, condemned any remaining leasehold interests.

As was the case when right of way across University lands in El Paso County was acquired by the Highway Department for Interstate Highway No. 10, it is the policy of the Texas Highway Commission to acquire fee simple title for such right of way, whereas the policy of the Board of Regents on highway construction in general has been to grant only an easement. It was finally agreed (Minutes of July 9, 1959) to handle the El Paso Co. right of way on determinable fee basis with reversion of the land to the University if and when the highway is abandoned, and with reservation of all minerals. It is recommended that the proposal from the Highway Department for Ward County right of way be accepted; and that the Chairman of the Board of Regents be authorized to execute a determinable fee instrument as to the right of way and an easement instrument as to channel easement when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

CALICHE PERMIT NO. 159, R. & R. INC., ANDREWS COUNTY.--This application for a caliche permit to R. & R., Inc., provides for the removal of 612 cubic yards of caliche from Section 36, Block 9, University Lands, Andrews County, at the rate of \$0.25 per cubic yard. Consideration of \$153.00 has been received. *See minutes, page 12 change.*

CALICHE PERMIT NO. 160, W. A. "BILL" FARMER CONSTRUCTION COMPANY, ANDREWS COUNTY.--This application for a caliche permit to W. A. "Bill" Farmer Construction Company provides for the removal of 252 cubic yards of caliche from Block 9, University Lands, Andrews County, at the rate of \$0.25 per cubic yard. Consideration of \$63.00 has been received.

CALICHE PERMIT NO. 161, PARKER & PARKER, INC., ANDREWS COUNTY.--This application for a caliche permit to Parker & Parker, Inc., provides for the removal of 1,848 cubic yards of caliche from Section 46, Block 9, University Lands, Andrews County, at the rate of \$0.25 per cubic yard. Consideration of \$462.00 has been received.

GRAZING LEASE NO. 788, THORNTON & SON, WARD COUNTY (RENEWAL OF GRAZING LEASE NO. 687).--This application for renewal of a grazing lease to Thornton & Son covers 18,645.77 acres in Block 16, University Lands, Ward County, for a period of 5 years beginning January 1, 1960 and ending December 31, 1964, with the right to renew the lease for another period of 5 years at renegotiated terms. Rental is at the rate of \$0.15 per acre annually, the aggregate sum of which is \$13,984.30, to be paid in semiannual installments of \$1,398.43 on the first day of January and July during the term of the lease. Grazing Lease No. 687, of which this is a renewal, contained 20,754.5 acres. The new lease excludes acreage in and north of Interstate Highway No. 20, under construction.

GRAZING LEASE NO. 789, ESCONDIDO RANCH, INC., PECOS COUNTY (RENEWAL OF GRAZING LEASES NO. 642 HELD BY C. R. MCKENZIE AND NO. 640 HELD BY MRS. MARY LEA MCKENZIE & SONS).--This application for a grazing lease to Esccondido Ranch, Inc., covers 13,224.3 acres in Block 19, University Lands, Pecos County, for a period of 5 years beginning January 1, 1960 and ending December 31, 1964. Rental is at the rate of \$0.35 per acre annually, the aggregate sum of which is \$23,142.50. Since 1,282.7 acres of this lease, located in Sections 19 and 21, are in dispute as to the survey, it is recommended that, in accordance with past procedure, rental be waived on that acreage until it can be delivered. The Frank Friend survey includes Sections 19 and 21, Block 19, Pecos County, but such inclusion is not recognized by the adjacent land owner. On the basis of such waiver, semiannual installments of \$2,089.77 will be due on the first day of January and July during the term of the lease on aggregate sum of \$20,897.70 for the 5 years unless the dispute is resolved before the end of the term of the lease. This renewal of Grazing Leases

Nos. 640 and 642, and the assignment of Grazing Leases Nos. 695 and 765, below, will consolidate the holdings of Mrs. Mary Lea McKenzie and her children into one operation under the name of Escondido Ranch, Inc.

ASSIGNMENT OF GRAZING LEASE NO. 695 TO ESCONDIDO RANCH, INC., FROM MRS. MARY LEA MCKENZIE & SONS, PECOS COUNTY.--This assignment of Grazing Lease No. 695, from Mrs. Mary Lea McKenzie & Sons, to Escondido Ranch, Inc., covers 20,587.76 acres in Blocks 16 and 20, University Lands, Pecos County, for a period of 5 years beginning July 1, 1955 and ending June 30, 1960, with option to renew the lease for another period of 5 years at negotiated terms. Rental for the remaining period of this lease is at the rate of \$0.35 per acre annually, payable in semiannual installments of \$3,602.86 on the first day of January and July during the term of the lease. This assignment, and the assignment of Grazing Lease No. 765, below, and Grazing Lease No. 789, above, will consolidate the holdings of Mrs. Mary Lea McKenzie and her children into one operation under the name of Escondido Ranch, Inc. No consideration is involved in this assignment. The standard assignment fee of \$25.00 and the \$1.00 General Land Office filing fee have been received.

ASSIGNMENT OF GRAZING LEASE NO. 765 TO ESCONDIDO RANCH, INC., FROM BILL ED MCKENZIE, ET AL, PECOS COUNTY.--This assignment of Grazing Lease No. 765 to Escondido Ranch, Inc., from Bill Ed McKenzie, Lawrence B. McKenzie, Richard G. McKenzie, Bruce T. McKenzie, C. R. McKenzie, Roy N. McKenzie, Virginia L. Chapman and her husband, W. B. Chapman, covers 30,736.7 acres in Blocks 24, 25 and 26, University Lands, Pecos County, for a period of 5 years beginning January 1, 1959 and ending December 31, 1963. Rental is at the rate of \$0.30 per acre annually, the aggregate sum of which is \$46,105.10, payable in semiannual installments of \$4,610.51 on the first day of January and July during the term of the lease. This assignment, and Grazing Lease No. 789 and assignment of Grazing Lease No. 695, above, will consolidate the holdings of Mrs. Mary Lea McKenzie and her children into one operation under the name of Escondido Ranch, Inc. No consideration is involved in this assignment. The standard assignment fee of \$25.00 and the \$1.00 General Land Office filing fee have been received.

GRAZING LEASE NO. 790, BLEVINS MCKENZIE, ET AL, PECOS COUNTY (RENEWAL OF GRAZING LEASE NO. 641).--This application for renewal of a grazing lease to Blevins McKenzie, Eugene McKenzie, Jr., Laro McKenzie Thompson (wife of William A. Thompson) and Mrs. Laro B. McKenzie, their mother, covers 18,634.9 acres in Blocks 21, 22, 23, 24 and 25, University Lands, Pecos County, for a period of 5 years beginning January 1, 1960 and ending December 31, 1964, with the right to renew the lease for another period of five years at renegotiated terms. Rental is at the rate of \$0.35 per acre annually, the aggregate sum of which is \$32,611.00, to be paid in semiannual installments of \$3,261.10 on the first day of January and July during the term of the lease.

WATER CONTRACT NO. 85 TO PAN AMERICAN PETROLEUM CORPORATION - (McFARLAND-QUEEN FIELD PROJECT).--Water Contract No. 85 is the identification assigned to a permit granted by the Board of Regents October 3, 1959 on behalf of Pan American Petroleum Corporation, providing for recompletion of its University "BV" Well No. 1 as a water well in the Santa Rosa formation for the purpose of a pilot water-flood project. Permission has been obtained by Pan American from the City of Andrews inasmuch as the "BV" Well No. 1 is located in the N/2 of Sec. 8, Blk. 4, Andrews County, on which tract the Board of Regents granted certain water rights to the City of Andrews.

TRUST AND SPECIAL FUNDS -- INVESTMENT MATTERS.--

REPORT OF PURCHASES, CALL AND SALE OF SECURITIES.--The following purchases, call and sale of securities have been made for the Trust and Special Funds since the report of October 2, 1959. We ask that the Board ratify and approve these transactions:

PURCHASE OF SECURITIES

<u>Date</u>	<u>Security</u>	<u>Principal Cost</u>
10/1/59	\$8,000 par value U. S. 4-3/4% Treasury Notes of Series C-1960, dated 8/1/59, due 8/15/60, purchased at 99.96875 to yield 4.77% to maturity (Toreador Trust Fund for Salary Supplementation of the School of Law - Temporary Investment)	\$ 7,997.50
	\$50,000 par value Boston Edison Company First Mortgage Bonds, Series G, 5-1/4%, dated 10/1/59, due 10/1/89, purchased at 101.21 to yield 5.17% to maturity (Funds Grouped for Investment)	50,605.00
10/7/59	\$38,000 par value U. S. 5% Treasury Notes of Series B-1964, dated 10/15/59, due 8/15/64, purchased at 100.6875 to yield 4.84% to maturity (Dormitory Revenue Bond Fund, Series 1956 - Bond and Interest Sinking Fund)	38,261.25

CALL OF SECURITIES

<u>Date</u>	<u>Security</u>	<u>Net Proceeds</u>
10/1/59	\$1,000 par value Consumers Power Company First Mortgage Bond, 4-3/4% Series, due October 1, 1987, called at 100.62 plus accrued interest (Held as part of \$10,000 par value of this issue by Funds Grouped for Investment)	\$1,006.20

SALE OF SECURITIES

<u>Date</u>	<u>Security</u>	<u>Net Proceeds</u>
9/30/59	22 Shares Addressograph-Multigraph Corporation Common Stock, sold at 104-3/4	\$ 2,274.60
10/5/59	200 Shares Ditto, sold at 109-1/2 (Temporary Investments - Current Restricted Funds - Human Genetics Fund Grant)	21,782.90

REPORT ON TRUST AND SPECIAL FUNDS INVESTMENTS FOR THE FISCAL YEAR ENDED AUGUST 31, 1959.--Under separate bound cover, the Land and Investment Committee presents a report on Trust and Special Funds Investments for the fiscal year ended August 31, 1959. During the year, the Committee has made periodic reports of purchases, sales and other transactions for the various funds, all of which have been duly approved by the Board of Regents. The present report is intended to give a summary of the investments held for the various funds as of August 31, 1959.

DEPARTMENT OF PSYCHOLOGY - RATIFICATION OF SALE OF ADDRESSOGRAPH-MULTIGRAPH CORPORATION COMMON STOCK TO PROVIDE CASH FOR SPECIAL 1960 BUDGET.--Upon application of the University, Mr. Richard Arens had agreed to furnish the funds required to carry on a program of study by the Department of Psychology on levels of intelligence as related to learning abilities, under the immediate supervision of Dr. Ira Iscoe, the funds required for the year beginning January 1, 1960, being in the total approximate amount of \$5,940.00. To furnish the cash required for this special budget, Mr. Arens forwarded through the Morgan Guaranty Trust Company 59 shares of Addressograph-Multigraph Corporation Common Stock. The stock has been sold by the Endowment Officer upon request of Dr. Iscoe, in order to provide the cash necessary for the study, in the net amount of \$6,338.31. It is recommended that the Board ratify and approve the sale of the stock.

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

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE - REPORT ON BEQUEST UNDER WILL OF CECIL P. SIMPSON, DECEASED, AND SUIT IN CONTEST OF WILL.--The University has now been notified, and has been furnished a copy of the will and of the inventory of the estate, of the bequest under the will of Mr. Cecil P. Simpson who died in Houston on September 13, 1955. The will was admitted to probate in Harris County on October 4, 1955, but just recently a suit in contest of the will has been filed in the Probate Court of Harris County on behalf of certain relatives of Mr. Simpson. Mr. Simpson's widow, Mrs. Anna Crouchet Simpson, who serves as independent co-executor and as co-trustee with Texas National Bank of Houston, is named as one of the defendants in the suit, as well as the Board of Regents.

After certain specific bequests, the will which is dated December 9, 1954, provides for the residue estate to remain in trust during the life of Mrs. Simpson with income to be paid to her, and upon the death of Mrs. Simpson the principal of the trust fund is to be delivered to the Board of Regents of The University of Texas "for the use and benefit of the M. D. Anderson Hospital for Cancer Research in Houston, Texas to be used only in the state of Texas." The Inventory and Appraisal of the estate shows total community property at a value of \$1,727,873, Mr. Simpson's one-half of the community amounting to \$863,936. No separate property is shown. No current report on the estate has yet been received, but it is understood that the trust fund comprised of the residue estate may be worth around \$1,000,000.

Mr. Paul Port, a reputable attorney of Houston, drew the will for Mr. Simpson and represents the bank and Mrs. Simpson as executors and trustees of the estate. The Attorney General of the state of Texas is representing the State and the Board of Regents in the suit, and the University's Attorney will cooperate with the Attorney General and with Mr. Port.

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

ARCHER M. HUNTINGTON MUSEUM FUND - OIL AND GAS LEASE TO PAN AMERICAN PETROLEUM CORPORATION.--Approval was given by the Board of Regents at its meeting of August 1, 1959 for an oil and gas lease on approximately 950 acres in the S. C. Bundick League, Galveston County, to the Pan American Production Company, the name in which the proposal was submitted by Mr. A. C. Felt. It was intended that the proposal be submitted in the name of Pan American Petroleum Corporation. After thorough check, it was determined that the area involved amounted to 1010.20 acres. The lease has been executed as of September 29, 1959, for a primary term of 5 years at bonus of \$50 per acre, annual delay rental of \$10 per acre and royalty of 1/6th on oil and gas. Check in the amount of \$50,510 has been forwarded to the Auditor for deposit in Account No. 77050 - Archer M. Huntington Museum Fund. Your ratification of the change in name of the lessee and acreage involved is recommended.

MEDICAL BRANCH - WALTER JUNIUS HILDEBRAND SCHOLARSHIP FUND - MINERAL INTEREST IN GONZALES COUNTY.--As authorized on September 20, 1958 and reported on June 13, 1959, the Board of Regents as Trustees of the Hildebrand Fund have sold to Malcolm Gescheidle the tract of 305.84 acres, formerly carried as 299 acres, in Gonzales County, retaining one-half of the minerals. Oil and gas lease dated November 7, 1956, now held by Gulf Coast Leaseholds, Inc., is still in effect on the tract, paying annual delay rental of \$1 per acre; and the lessee has requested that the Board of Regents join in a rental division order setting out that it is entitled to only one-half (\$149.50) of the delay rental, effective with rental payable on or before November 7, 1959. It is recommended that the Chairman of the Board be authorized to sign this instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

ALMA JACOBS HOUSE PINER ESTATE - REPORT ON CLOSING OF SALE OF 240 ACRES IN YOAKUM COUNTY TO CHESLEY BEDFORD.--At the October 29, 1958 meeting of the Board, approval was given of the sale of 240 acres of land in Yoakum County from the Alma Jacobs Piner Estate to Chesley Bedford. The price was \$15 per acre for the surface and \$30 per acre for minerals with the understanding that we would sell him one-half of the minerals which we owned. Due to title difficulties, the closing of the sale was delayed but deed dated September 25, 1959 has been delivered to Mr. Bedford and total price of \$4,800 received. It was determined by title examination that the University owned an undivided 1/4 of the minerals under 160 acres and an undivided 1/2 of the minerals under the remaining 80 acres. Thus the sale to Mr. Bedford covered 240 acres of surface and 40 acres of minerals, and the University has retained 40 acres of minerals perpetual and fully participating but with leasing rights in the purchaser and his successors. This report is submitted for information only.

TEXAS WESTERN COLLEGE - FRANK B. COTTON TRUST - PROPOSAL FOR EXCHANGE OF SMALL TRACT IN COTTON ADDITION, EL PASO, WITH EL PASO INDEPENDENT SCHOOL DISTRICT FOR SAME AMOUNT OF ACREAGE.--On June 13, 1959 the Board of Regents declined to consider the renewal of existing leases on Frank B. Cotton Trust property in El Paso, agreeing that a review should be made of all of the property in the Trust. Members of the staff are now engaged in preparing the appropriate review for the Board of Regents and it is expected that subject review can be presented to the Board for its consideration at the January meeting. The nature and extent of this review will be discussed with the Land and Investment Committee at its meeting on November 13.

For some time, there has been under consideration by the staff a possible exchange of land in the Cotton Addition with the El Paso Independent School District. This would be an exchange of a tract of 2.835 acres in the Cotton Trust property in the Cotton Addition for a tract of the same area owned by the School District in the same Addition. A map showing the exact boundaries of the two tracts will be presented at the meeting of the Land and Investment Committee. Due to location and ownership of adjoining property, subject exchange should be of mutual advantage to the Cotton Trust and to the School District and will enable better planning of streets and access to Cotton Trust acreage. Administrative officers of the School District have indicated approval of the exchange, and it is hoped that the Board of Trustees of the El Paso Independent School District will approve the exchange at an early date. In order to expedite the matter, the Central Administration staff joins with Regent Hardie and Dr. Smiley and his staff in recommending that Dr. Smiley be authorized to notify the El Paso Independent School District that the Board of Regents is in favor of making the exchange. Final authorization for execution of the instrument will be presented to the Board at a later date if the School District approves the exchange. *See minutes Proper for change.*

ARCHER M. HUNTINGTON MUSEUM FUND - PROPOSED POWER LINE EASEMENT TO HOUSTON LIGHTING AND POWER COMPANY TO SERVE CAMP SITES.--Houston Lighting and Power Company has proposed that the Board of Regents grant it free of charge an easement approximately 150 feet in length to extend its power line, which serves the camp sites at Virginia Point, to serve additional camp sites which have recently been leased. The easement is for so long as the lines are used for electrical distribution, and the line has no purpose other than service of the camp sites. The camp site leases carry reasonable cancellation provisions as already approved by the Board of Regents. The power line already constructed, and now to be extended is under an easement granted by the Board of Regents under the same terms as proposed for the additional easement. It is recommended that this easement be granted, and that the Chairman be authorized to execute the instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

HOGG FOUNDATION: WEST COLUMBIA ROYALTIES ACQUIRED FROM MISS IMA HOGG - PROPOSAL FOR COMMINGLING PRODUCTION FROM TWO LEASES.--Included in the oil and gas royalties in the West Columbia Field acquired by the Board of Regents as trustee of the Hogg Foundation in 1958 from Miss Ima Hogg, are the Mike Hogg "B" Lease and the Mike Hogg "C" Lease, both of which are held and operated by Texaco, Inc. Texaco has proposed by letter to Mr. Wm. B. Ferguson that Miss Ima Hogg, Mrs. Alice Hanszen, the Board of Regents, and Mr. Claud B. Hamill, being the only parties other than Texaco interested in the matter, consent to commingling of the oil produced from the two leases and that easements and rights-of-way for such commingling be granted. Texaco is doing some work on their tank batteries; and under their plan, a tank battery now located near the Hogg Homestead and Reserve on the Varner Plantation, which Reserve is now a State Park, can be removed. Miss Ima Hogg is the owner of the surface, and she has already signed the agreement proposed by Texaco. We are advised that Mrs. Hanszen will sign it at an early date. It is recommended that the Board of Regents approve the proposal and authorize the Chairman to execute the instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

TRUST AND SPECIAL FUNDS - REVENUE BOND FINANCING MATTERS.--

MAIN UNIVERSITY - STUDENT UNION REVENUE BONDS, SERIES 1958-B, \$1,500,000
PROJECT NO. TEX 41-CH-62(S) - CANCELLATION OF \$280,000 OF UNDELIVERED BONDS.--
Several months ago a request was received from the Regional Office of the Housing
and Home Finance Agency in Fort Worth asking if it would not be possible, since
the construction bids on this project were lower than the estimates, for the
University to release some of the funds committed for this issue of the Student
Union Revenue Bonds. The applications for Housing and Home Finance Agency assis-
tance far exceeded the funds available and the Agency was making a canvass of
projects still under construction to ascertain if some funds could be released
and thereby allocated to projects of other institutions.

After conferences among the staff it was determined \$280,000 could be
released from the Series-B bonds and HHFA was so advised. It was the suggestion
and desire of the HHFA officials in Fort Worth that the sum which could be released
be done by the cancellation of that amount of bonds, which method was approved by
our bond counsel, McCall, Parkhurst, Crowe, McCall and Horton of Dallas. A modi-
fying resolution has been drawn by the attorneys providing that bonds numbered
B-1221 through B-1500 (\$280,000) be cancelled and giving assurance to the United
States of America that such bonds numbers shall never be issued or outstanding.
Copies of the modifying resolution as well as the cancellation certificate to be
issued by the Austin National Bank, where the undelivered bonds are being held
for safekeeping, are attached for your information.*

It is recommended that the modifying resolution be adopted by the Board
of Regents and the Chairman of the Board be authorized to sign the resolution.

←
*see minutes Proper for Change
and any additional items.*

* In the Official Minutes the resolution, if approved, will be incorporated on
this page. The cancellation certificate attached to this page will not be a
part of the Official Minutes. (BAT)

THE STATE OF TEXAS :

COUNTY OF TRAVIS :

The Board of Regents of The University of Texas convened in Regular Meeting on the 13th day of November, 1959, in Austin, Texas, with the following members of the Board and officers of the Board present, to-wit:

Merton M. Minter,		Chairman,
Mrs. Chas. Devall,	:	
J. Lee Johnson, III,	:	
J. P. Bryan,	:	
Thornton Hardie,	:	
Joe C. Thompson,	:	Regents,
W. W. Heath,	:	
Wales H. Madden, Jr.,	:	
A. G. McNeese, Jr.,	:	
Betty Anne Thedford,		Secretary,

with the following members of the Board of Regents absent, to-wit:

_____ ,
constituting a quorum of the said Board for transaction of business, at which meeting the following, among other business, was transacted, to-wit:

_____ introduced a resolution which was read by the Secretary. _____ moved that the resolution be adopted. _____ seconded the motion.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Minter, Johnson, Bryan, Hardie, Thompson, Heath, Madden and McNeese, and Mrs. Devall.

NOES: None.

The resolution as adopted is as follows:

RESOLUTION

MODIFYING A RESOLUTION ADOPTED THE 12TH DAY OF DECEMBER, 1958, AWARDING THE SALE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS STUDENT UNION REVENUE BONDS, SERIES 1958-B, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,500,000.00 TO THE UNITED STATES OF AMERICA, AND AUTHORIZING THE OFFICERS OF THE BOARD TO CAUSE TO HAVE CANCELLED BONDS NUMBERS B1221 THROUGH B1500 OF SUCH ISSUE, AND GIVING ASSURANCE TO THE UNITED STATES OF AMERICA THAT SUCH BONDS NUMBERS B1221 THROUGH B1500 SHALL NEVER BE ISSUED OR OUTSTANDING.

WHEREAS, on the 12th day of December, 1958, the Board of Regents of The University of Texas authorized the sale of its Board of Regents of The University of Texas Student Union Revenue Bonds, Series 1958-B, in the principal amount of \$1,500,000.00, to the United States of America; and

WHEREAS, since the authorization of such bonds and awarding the sale of such bonds to the United States of America, it has been determined that the cost of the improvements to be made with the proceeds of such bonds will be less than that anticipated at the time of such authorization and sale; and

WHEREAS, it is the desire of the Board of Regents to deliver to the purchaser only \$1,220,000.00 in principal amount of said bonds; and

WHEREAS, said purchaser, pursuant to request therefor by this Board, has agreed to such lesser delivery; and

WHEREAS, in order to assure said purchaser that the excess bonds no longer needed, aggregating \$280,000.00 in principal amount, will never be issued or outstanding, it is necessary to arrange for the cancellation of such bonds;

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

1. That the resolution adopted on the 12th day of December, 1958, by the Board of Regents of The University of Texas awarding the sale of its Board of Regents of The University of Texas Student Union Revenue Bonds, Series 1958-B, being Bonds Numbers B1 through B1,500, both inclusive, in the denomination of \$1,000.00 each, in the aggregate principal amount of \$1,500,000.00, to the United States of America is hereby superseded to the extent that it is in conflict herewith.
2. That the officers of the Board of Regents of The University of Texas are hereby ordered and directed to do any and all things necessary to complete the delivery to said purchaser of the Bonds of said issue numbered B1 through B1,220, both inclusive.
3. That the officers of the Board of Regents of The University of Texas are hereby authorized, ordered and directed to cause Bonds Numbers B1,221 through B1,500, both inclusive, of such issue, to be cancelled.
4. That said Bonds Numbers B1,221 through B1,500 shall never be issued, delivered or outstanding and shall be regarded as never having been issued.

5. That the officers of the Board of Regents of The University of Texas are hereby authorized to furnish the United States of America a certified copy of this resolution, and such other showings as shall be required or requested by the United States of America to assure it that such Bonds Numbers B1,221 through B1,500 have been duly cancelled and will never be issued and outstanding.

ADOPTED AND APPROVED this the 13th day of November, 1959.

ATTEST:

Chairman, Board of Regents,
The University of Texas.

Secretary, Board of Regents,
The University of Texas.

THE STATE OF TEXAS :

COUNTY OF TRAVIS :

I, the undersigned, Secretary of the Board of Regents of The University of Texas, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of such Board of Regents held on the 13th day of November, 1959, modifying a resolution adopted December 12, 1958, awarding the sale of Board of Regents of The University of Texas Student Union Revenue Bonds, Series 1958-B to the United States of America, and authorizing the cancellation of Bonds Nos. B1221 through B1500 of such issue, all of which is recorded in the official minutes of such meeting.

GIVEN UNDER MY HAND and the seal of the Board of Regents of The University of Texas, this the 13th day of November, 1959.

(SEAL)

Secretary, Board of Regents,
The University of Texas.

CANCELLATION CERTIFICATE

THE STATE OF TEXAS :

COUNTY OF TRAVIS :

THIS IS TO CERTIFY that we have this day cancelled the following described bonds and coupons:

- (1) Two Hundred Eighty(280) bonds, in the denomination of One Thousand Dollars (\$1,000.00) esch, aggregating in principal amount Two Hundred Eighty Thousand Dollars (\$280,000.00), being Bonds Numbers B1221 through B1500, both inclusive, of Board of Regents of The University of Texas Student Union Revenue Bonds, Series 1958-B, dated October 1, 1958, bearing interest at the rate of Two and seven-eighths per cent (2-7/8%) per annum, payable April 1, 1959, and semi-annually thereafter on each October 1 and April 1, until maturity.
- (2) All interest coupons appertaining to each of the foregoing bonds coming due on each interest payment date beginning April 1, 1959, all such coupons being attached to such bonds.

WITNESS OUR HANDS this the _____ day of _____, 1959.

THE AUSTIN NATIONAL BANK
Austin, Texas

By _____
Authorized Officer

ATTEST:

Cashier

(SEAL)

ATTACHMENT NO. 2

THE UNIVERSITY OF TEXAS
Office of the President
Austin

*Approved except
P.C. - 2 + C-3 have
been recut with
additional items.
November 4, 1959
see official minutes*

TO THE HONORABLE BOARD OF REGENTS
OF THE UNIVERSITY OF TEXAS

Mrs. Devall and Gentlemen:

The dockets prepared by the component institutions listed below are herewith submitted, with my recommendation for approval, for consideration at the meeting of the Board of Regents in Austin on November 13 and 14, 1959:

Main University	M. D. Anderson Hospital and
Texas Western College	Tumor Institute
Medical Branch	Southwestern Medical School
Dental Branch	Postgraduate School of Medicine

Listed below are Central Administration items which I recommend be approved.

1959-60 Budget
Development Board

1. Accept the resignation of Mr. Hulon W. Black, Executive Director, effective at close of business, November 15, 1959. (5014)

WORKMEN'S COMPENSATION INSURANCE - INCREASE IN PHYSICIAN'S FEE: The rate of \$3.00 to the physician giving a Workmen's Compensation insurance physical examination to University employees was set by the Regents at the December meeting in 1951. During recent years it has been increasingly difficult to find doctors who are willing to give physical examinations according to University standards for this amount. It has been learned that the Texas Highway Department and A. and M. College are increasing their fee from \$3.00 to \$5.00 on or about November 1, 1959. In line with this trend, Mr. Joseph C. Culver, Director of Workmen's Compensation Insurance Office, recommends, and Vice-President Dolley and Comptroller Sparenberg concur, that the University fee to examining physicians be increased from \$3.00 to \$5.00, effective November 1, 1959.

Based on the 3072 physicals given during the 1958-59 fiscal year, this proposed change in the fee would have meant an additional expenditure of \$6,144. The physical examination account in the budget for 1959-60 is based on an estimated 3,200 physicals to be given. Accordingly, if the above increase is approved, it is further recommended that an additional \$5,400 to cover this increase in rate be transferred from Account No. 9980, Unallotted Balance, to Account No. 99020, Physical Examinations, both in the budget for the Office of Workmen's Compensation Insurance. (5044)

RENTAL OF SPACE FOR UNIVERSITY LANDS, GEOLOGY: Mr. C. H. Sparenberg, Comptroller, has submitted the following:

"On the basis of appropriate requisition and approval by Dr. Dolley, Mr. Stewart, and the undersigned, the State Board of Control has made an award of lease for space and drawn up a rental agreement as follows:

Rental agreement between The University of Texas and Patio Building, Inc., covering approximately 2,203.8 square feet of floor space located at 308 North Colorado Street, Midland, Texas, to be used as the offices of University Lands, Geology, for the two-year period beginning September 1, 1959, at a monthly rental rate of \$877.77.

Rental of Space for University Lands, Geology (continued)

In accordance with delegation of authority to me by the Board of Regents for signature of lease agreements, this lease has been signed and returned to the State Board of Control for final approval. It is recommended that my action in executing this lease agreement be ratified by the Board of Regents."

EMPLOYMENT OF FAY E. POWELL AS CLERK-OF-THE-WORKS FOR THE ADDITION TO THE CHEMISTRY BUILDING, MAIN UNIVERSITY: Under the provisions of the Appropriation Bill and also in accordance with the University's contract with Preston Green, Associate Architect for the Addition to the Chemistry Building at the Main University, it is provided that "when continuous full-time field supervision is deemed necessary by the Owner, such supervisory personnel shall be furnished by the Owner subject to approval by the Associate Architect and the Consulting Architect. The cost of such supervisory personnel shall be paid for by the Owner." It is agreed by all concerned that a clerk-of-the-works is necessary throughout the course of construction of the Addition to the Chemistry Building, the employment and payment to be paid directly by the University.

In order to provide funds for payment of a salary, Social Security thereon, and Workmen's Compensation Insurance for this position, an account for Architectural Supervision for the Addition to the Chemistry Building has been set up on the books in the amount of 1% of the total construction contracts. This account was set up on the basis of the contract with the Associate Architect which calls for a fee of 4%, with the understanding that 1% will be spent for the salary, etc., of a clerk-of-the-works, and that if this full 1% is not used for this purpose, the balance will be paid to the Associate Architect.

Mr. Sparenberg, Comptroller, recommends, with the approval of Dr. Dolley, Vice-President for Fiscal Affairs, that Mr. Fay E. Powell of Austin be employed on a month-to-month basis, effective October 12, 1959, at a monthly salary of \$541.67, to be paid from the account for Architectural Supervision for the Addition to the Chemistry Building, the employment to continue until further notice from the Office of the Comptroller.

MAIN UNIVERSITY - COMPUTATION CENTER: SALARY INCREASE OF OVER \$1,000 PER YEAR: Mr. Loyd Dreher is presently classified (in the Computation Center) as Research Scientist II at \$4,584 for twelve months. Mr. Dreher has received an offer from the State Comptroller's Office for a position as a programmer at an annual salary of \$6,600. According to Mr. David M. Young, Jr., Director of the Computation Center, Mr. Dreher is the only full-time programmer on the staff, and is the only person who has had extensive programming experience with the I.B.M. 650 Computer. Mr. Clifton Lancaster, Acting Director of Classified Personnel, has found that other state departments pay Programmers in excess of \$500 per month, and plans to make a study of this classification in the near future. To meet the present situation, Dr. Ransom recommends, and I approve, that Mr. Loyd Dreher be reclassified as Computer Programmer II at \$6,168 for twelve months, effective October 1, 1959, additional amount to come from funds allocated to Computation Center. Since the increase is in excess of \$1,000 per year, the change cannot become effective until the Board has approved.

Sincerely yours,

Logan Wilson

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