

The Material Supporting the Agenda includes all documentation sent to the Regents ten days prior to the meeting. Items approved for consideration after that time are not customarily included in this volume as it would be impossible to keep an accurate record. Sometimes the Secretary does not get copy of the material until weeks later.

CONTENTS TO THIS VOLUME  
1956-57

<u>Meetings Nos.</u>	<u>Dates</u>
556	September 21-22, 1956
557	November 2-3, 1956
558	November 28, 1956
559	January 11-12, 1957
560	February 9, 1957
561	March 15-16, 1957
562	May 3-4, 1957
563	June 28-29, 1957

There was a document for each meeting held this year.

**Material Supporting Agenda**

March 15 & 16, 1957

**THE BOARD OF REGENTS  
of  
THE UNIVERSITY OF TEXAS**

Name: \_\_\_\_\_

*Office Copy*

CALENDAR

MEETING OF THE BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS  
AUSTIN, TEXAS  
March 15 and 16, 1957  
Regents' Room (Main Building 209)  
Telephone: GREENWOOD 6-8371

Friday, March 15

2:00 p. m. - Council on Medical Affairs\*

Saturday, March 16

8:00 a. m. - Meeting of the Committee of the Whole\* (See Page 7.)

8:30 a. m. - Meeting of the Land and Investment Committee -  
(Main Building 205)

*Bldgs. + Grounds*  
10:00 a. m. - Meeting of the Buildings and Grounds Committee -  
(Main Building 104)

10:00 a. m. - Meeting of the Academic and Developmental  
Affairs Committee\*

10:30 a. m. - Meeting of the Medical Affairs Committee\*

11:00 a. m. - *Photographer*

11:30 a. m. - Meeting of the Board of Regents\*

12:00 m. - Meeting of the Committee of the Whole with  
Administrative Heads of Units\*

1:00 p. m. - Lunch - (President's Office, Main Building 101)

2:00 p. m. - Meeting of the Committee of the Whole\*

\*Regents' Room (Main Building 209)

AGENDA

BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS  
Regents' Room (Main Building 209)  
Austin, Texas  
March 16, 1957  
11:30 a. m.

Page No.

I. Reports of Standing Committees

A. Executive Committee

B. Academic and Developmental Affairs Committee

C. Buildings and Grounds Committee

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1. Main University

- a. Ratification of Award of Contract for Improvements at University Junior High School
- b. Ratification of Award of Contracts for R. O. T. C. Building Movable Furniture and Equipment and Classroom Seating
- c. Ratification of Award of Contract for Extension of Campus Lighting System
- d. Authorization to Award Contract for Replacement of Gregory Gymnasium Roof
- e. Authorization to Award Contract for Steam Generating System
- f. Ratification and Approval of Requisitions for Certain Materials in Connection with Expansion of Power Plant
- g. Award of Contract for Air Conditioning Main Building
- h. Award of Contract for Extension of Utilities to Kinsolving Dormitory and Expansion of Central Chilled Water Station

2. Southwestern Medical School

Service Building (Discussion of Preliminary Development Plan, Appointment of Committee to Approve Preliminary Plans, and Appointment of Associate Architect to Prepare Working Drawings and Specifications)

D. Medical Affairs Committee

E. Board for Lease of University Lands

**F. Land and Investment Committee**

1. Permanent University Fund
  - a. Investment Matters
    - (1) Report of Purchases
    - (2) Authorization for Employment of McCall, Parkhurst and Crowe as Special Legal Counsel in Matters Pertaining to Possible Refunding of Permanent University Fund Bonds
    - (3) Permanent University Fund Investment Program
      - (a) Authorization to Execute Proxies for Corporate Securities to be Held by the Permanent University Fund
      - (b) Ratification of Investment Adviser Service Contract with Lionel D. Edie and Company, Inc.
      - (c) Recommended Additions to Approved List of Security Dealers
  - b. Land Matters
    - (1) Application for Highway Right-of-Way Easement No. 886, County Commissioners' Court of Upton County, Texas
    - (2) Application for Business Site Easement No. 887, Harold McClung, Reagan County, Texas
    - (3) Applications for Pipe Line Easements
      - (a) No. 888, Phillips Petroleum Company, Crane County, Texas
      - (b) No. 889, Texas-New Mexico Pipe Line Company, Andrews County, Texas (Ren. of Easement No. 289)
    - (4) Application for Caliche Permit No. 104, Younger Construction Company, Inc., Reagan County, Texas
    - (5) Application for Assignment of Grazing Lease No. 617, J. A. Queen to P. H. Coates, Reagan County, Texas
    - (6) Applications for Pipe Line Easements
      - (a) No. 890, Phillips Petroleum Company, Andrews County, Texas
      - (b) No. 891, Phillips Petroleum Company, Crane and Upton Counties, Texas
      - (c) No. 892, El Paso Natural Gas Company, Andrews County, Texas
      - (d) No. 893, El Paso Natural Gas Company, Andrews County, Texas
      - (e) No. 894, Gulf Oil Corporation, Crane County, Texas
      - (f) No. 895, Phillips Petroleum Corporation, Andrews and Ector Counties, Texas
      - (g) No. 896, Phillips Pipe Line Company, Andrews County, Texas

Applications for Pipe Line Easements (Continued)

- (h) No. 897, Humble Pipe Line Company, Crane County, Texas
- (i) No. 898, Humble Pipe Line Company, Reagan County, Texas
- (j) Nos. 899-903, Humble Pipe Line Company, Crane County, Texas
- (k) Nos. 904 and 905, Humble Pipe Line Company, Andrews County, Texas
- (l) Nos. 906-908, Humble Pipe Line Company, Crane County, Texas
- (m) No. 909, Humble Pipe Line Company, Andrews County, Texas
- (7) Application for Business Site Easement No. 910, Bennett Supply Company, Reagan County, Texas
- (8) Applications for Camp Site Easements
  - (a) No. 911, Humble Oil and Refining Company, Ward County, Texas (Renewal of Easement No. 295, Expired on January 31, 1957.)
  - (b) No. 912, Service Pipe Line Company, Andrews County, Texas (Renewal of Easement No. 300, Expired on March 11, 1957.)
- (9) Applications for Pipe Line Easements
  - (a) No. 913, Cities Service Oil Company, Upton County, Texas
  - (b) Nos. 914-917, El Paso Natural Gas Company, Andrews County, Texas
- (10) Application for Caliche Permit No. 105, D. S. & R. Construction Company, Andrews County, Texas
- (11) Application for Highway Right-of-Way Easement No. 918, Texas State Highway Commission, El Paso County, Texas
- (12) Application for Compressor Station Site Easement No. 919, El Paso Natural Gas Company, Andrews County, Texas
- (13) Application for Pipe Line Easement No. 920, El Paso Natural Gas Company, Andrews County, Texas
- (14) Applications for Residence Site Easements
  - (a) No. 921, Willie R. Price, Crane County, Texas
  - (b) No. 922, C. O. Maltby, Ector County, Texas
  - (c) No. 923, G. E. Mobbs, Crane County, Texas
- (15) Application for Supplement No. 3 to U. S. Government Lease No. W-781-ENG-1437, University Easement No. 186, Pyote Air Force Base, Ward County, Texas

- (16) Application for Revision of Terms of Gap Filler Site and Road Access Easement No. 762, U. S. Government, Department of the Army, Hudspeth County, Texas
  - (17) Application for Supplement to Pipe Line Easement No. 864, Pasotex Pipe Line Company, Winkler County, Texas
  - (18) Application for Water Lease Contract No. 72, El Paso Natural Gas Company, Andrews County, Texas
  - (19) Pecos County Vacancy Matter - Recommendation for Payment of Additional Fee to Surveyor Representing the University
  - (20) Authorization for Approval of U. S. Department of Agriculture Soil Bank Conservation Reserve Contracts on University Lands
- c. Special Reports
- (1) Permanent University Fund Investment Program - Recommended Initial Approved List of Corporate Securities
  - (2) Ratification of Submission to the 55th Legislature of Bill Relating to Refunding of Permanent University Fund Bonds

## 2. Trust and Special Funds

### a. Investment Matters

- (1) Report of Purchases and Sales of Securities
- (2) Authorization to Execute Proxies for Corporate Securities Held by the Various Trust and Special Funds
- (3) Texas Western College - Expansion and Modification of Student Union Building - Authorization for Chairman Jeffers to Execute Loan Agreement between the Board of Regents and the Housing and Home Finance Agency, Project Tex. 41-CH-56(S), and Also Agreement with Legal Counsel McCall, Parkhurst and Crowe
- (4) LaVerne Noyes Foundation - Report on Stock Distributions to Foundation from Estate of LaVerne Noyes
- (5) John Charles Townes Foundation, Unallotted Account - Report on Gift of James A. Baker, Jr., of Two Shares Houston Lighting and Power Company Common Stock and Authorization for Endowment Officer to Sell Stock
- (6) M. D. Anderson Hospital and Tumor Institute, William Heuermann Fund for Cancer Research - Report on Partial Distribution from Estate and Recommendation re Investment of Cash on Hand

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Estate of Florence Ralston Brooke, Deceased - Report on Fifth and Final Distribution from Brown Brothers in Bankruptcy	
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(3) Hogg Foundation - Varner Properties	
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AGENDA

BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS

COMMITTEE OF THE WHOLE

Regents' Room (Main Building 209)  
Austin, Texas  
March 16, 1957  
8:00 a. m.

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III. Reports of Special Committees

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- A. Central Administration - Progress Reports
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**Organization of Board**

**I. Officers**

- A. Chairman
- B. Vice-Chairman
- C. Secretary

FOR ACTION OF  
*Regents*  
 SEE MINUTES OF  
 MAR 16 1957

**II. Committees**

**A. Standing**

- 1. Executive Committee
- 2. Academic and Developmental Affairs Committee
- 3. Buildings and Grounds Committee
- 4. Land and Investment Committee
- 5. Medical Affairs Committee
- 6. Board for Lease of University Lands

FOR ACTION OF  
*Regents*  
 SEE MINUTES OF  
 MAR 16 1957

**B. Special**

- 1. Special Committee Regarding Contract with City of Galveston
- 2. Special Committee for University's Participation in Drouth Relief Program
- 3. Special Committee to Study Texas Student Publications
- 4. Special Representative on Site Planning, Southwestern Medical School

} *no action*

RECOMMENDATIONS TO REGENTS' BUILDINGS  
AND GROUNDS COMMITTEE

FOR ACTION OF  
**Regents**  
SEE MINUTES OF

March 5, 1957

MAR 16 1957

1. RATIFICATION OF AWARD OF CONTRACT FOR IMPROVEMENTS AT UNIVERSITY JUNIOR HIGH SCHOOL.--At the Regents' Meeting held September 22, 1956, authorization was given to Comptroller Sparenberg to approve specifications and advertise for bids for Improvements at University Junior High School at the Main University, and at the Regents' Meeting held January 12, 1957, further authorization was given to Comptroller Sparenberg to award a contract for these improvements within the limits of the appropriation of \$60,000.00 for this project. In accordance with these authorizations, bids were opened and tabulated on February 20, 1957, as shown on the ~~tabulation sheet~~. After consideration of the bids, Comptroller Sparenberg awarded a contract to the low bidder, Ray L. Wimberly of Austin, Texas, in the amount of \$38,500.00.

It is recommended that the contract award as reported above be ratified by the Board.

2. RATIFICATION OF AWARD OF CONTRACTS FOR R. O. T. C. BUILDING MOVABLE FURNITURE AND EQUIPMENT AND CLASSROOM SEATING, MAIN UNIVERSITY.--At the Regents' Meeting held January 12, 1957, specifications for R. O. T. C. Building Movable Furniture and Equipment and Classroom Seating were approved and authorization was given to Comptroller Sparenberg to advertise for bids and award contracts on these projects. In accordance with these authorizations, bids were received and tabulated on February 19, 1957, as shown on the ~~tabulation sheet~~. After consideration of the bids, Comptroller Sparenberg awarded contracts to the low bidders, as follows:

Movable Furniture and Equipment:

The Abel Stationers, Austin, Texas, Base Bid I	\$53,219.76
The Abel Stationers, Austin, Texas Base Bid II (Library Furniture and Equipment)	<u>2,242.25</u>
Total Contract Award	<u>\$55,462.01</u>

Classroom Seating:

American Desk Manufacturing Company, Temple, Texas	<u>\$6,194.40</u>
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It is recommended that the contract awards as reported above be ratified by the Board.

3. RATIFICATION OF AWARD OF CONTRACT FOR EXTENSION OF CAMPUS LIGHTING SYSTEM, MAIN UNIVERSITY.--At the Regents' Meeting held April 6, 1956, authorization was given to Comptroller Sparenberg to advertise for bids and award a contract or contracts to cover the extension of the campus lighting system at the Main University in accordance with plans approved at that meeting and other plans to be prepared later by the Main University Physical Plant staff and approved by the Comptroller. In accordance with these authorizations, bids were received and tabulated on February 26, 1957, as shown on the tabulation sheet *page*. After consideration of these bids, Comptroller Sparenberg awarded a contract to the low bidder, Loyd Electric Company, Inc., of San Antonio, Texas, as follows:

Base Bid	\$10,990.00
Addition No. 1	2,350.00
Addition No. 2	<u>1,750.00</u>
Total Contract Award	<u>\$15,090.00</u>

It is recommended that the contract award as reported above be ratified by the Board.

4. AUTHORIZATION TO AWARD CONTRACT FOR REPLACEMENT OF GREGORY GYMNASIUM ROOF, MAIN UNIVERSITY.--At the Regents' Meeting held September 22, 1956, authorization was given to the Main University Physical Plant Staff to prepare detailed plans and specifications for the Replacement of Gregory Gymnasium Roof, with further authority to Comptroller Sparenberg to approve these detailed plans and specifications and advertise for bids thereon. This advertisement for bids is now being run, and the date for receiving these bids is April 2, 1957. This date was set at the time it was expected that a Regents' Meeting would be held on April 5 and 6, at which time the bids were to be considered by the Board. Since the meeting dates have been changed, it will be necessary, if a contract award is to be made shortly after the receipt of bids, for authority to be delegated by the Board to make such an award, with subsequent ratification of the award by the Board. It is, therefore, recommended that Comptroller Sparenberg be authorized, after receipt of bids, to award a contract for the Replacement of Gregory Gymnasium Roof, the amount needed to come from Account No. 91500, Major Repairs and Rehabilitation Projects, with authority to the Chairman of the Board to sign the contract. It is estimated that the cost of this project will be approximately \$60,000.00.

5. AUTHORIZATION TO AWARD CONTRACT FOR STEAM GENERATING SYSTEM, MAIN UNIVERSITY.--At the Regents' Meeting held January 12, 1957, specifications were approved for a Steam Generating System in connection with the Expansion of the Power Plant at the Main University, and authorization was given to Comptroller Sparenberg to advertise for bids. This advertisement for bids is now being run, and the bids are to be received on March 26, 1957. This date was set so that there would be a period of about ten days for consideration of the bids by the Main University Physical Plant staff, and they could then be presented to the Board for award of a contract at the meeting set for April 5 and 6, 1957. Since the meeting dates have now been changed and it is not contemplated that there will be a meeting on that date, if the contract is to be awarded within a reasonable time after the receipt of bids, it will be necessary for authority to be delegated by the Board for award of a contract. It is, therefore, recommended that a Committee be appointed, consisting of Comptroller Sparenberg, Vice-President Dolley, Vice-President Boner, President Wilson, and Mr. Lee Lockwood, Chairman of the Regents' Buildings and Grounds Committee, to award a contract on the new Steam Generating System within the estimated amount of \$400,000.00, with authority to the Chairman of the Board to sign the contract.

6. RATIFICATION AND APPROVAL OF REQUISITIONS FOR CERTAIN MATERIALS IN CONNECTION WITH EXPANSION OF POWER PLANT AT MAIN UNIVERSITY.--In connection with the expansion of Power Plant facilities at the Main University, it has been necessary to issue requisitions for certain equipment, and at earlier meetings of the Board, actions taken by Comptroller Sparenberg in signing requisitions to cover part of this equipment have been ratified. Two more requisitions for this type of equipment have now been signed by Comptroller Sparenberg, on the basis of which, purchase orders in the amounts of \$4,975.00 and \$15,564.20, payable out of Account No. 91120 - Expansion of Power Plant, have been issued to Westinghouse Electric Corporation, San Antonio, Texas, and Byron Jackson Pumps, Inc., Corpus Christi, Texas, respectively. In the case of the purchase order issued to Westinghouse Electric Corporation, this was the only company which could furnish this equipment, since it was to be used in connection with other equipment manufactured by Westinghouse Electric Corporation. In the case of the purchase order issued to Byron Jackson Pumps, Inc., bids were called for, and this company was the low bidder.

It is recommended that the actions taken by Comptroller Sparenberg in signing these two requisitions be ratified and approved by the Board.

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

Award of Contract for Air Conditioning Main Building at the Main University.

Award of Contract for Extension of Utilities to Kinsolving Dormitory and Expansion of Central Chilled Water Station, Main University.

Service Building at Southwestern Medical School (Discussion of Preliminary Development Plan, Appointment of Committee to Approve Preliminary Plans, and Appointment of Associate Architect to Prepare Working Drawings and Specifications).

1/1a

FOR ACTION OF  
**Regents**  
SEE MINUTES OF  
MAR 16 1957

**MEMORANDUM**

**TO: President Logan Wilson**  
**FROM: Betty Anne Thedford**  
**DATE: February 19, 1957**  
**SUBJECT: Tax-Free Alcohol Permits**

In January of 1951, the Board of Regents authorized certain individuals at each of the component units to perform duties connected with the use of tax-free alcohol at the respective units. Since that time, there have been several amendments to these authorizations. It seems most appropriate at this date, since in the very near future I will need to make a report to the Internal Revenue Bureau, that the authorizations be brought up to date and so recorded in the minutes.

Toward that end, I have checked with each business manager and have received the list of individuals either performing the duties now or being recommended to perform the duties after approval by the Board.

Attached for your approval and recommendation to the Board is a suggested minute order that will bring the authorization up to date.



Suggested Minute Order for consideration of President Wilson to recommend to the Board of Regents for approval:

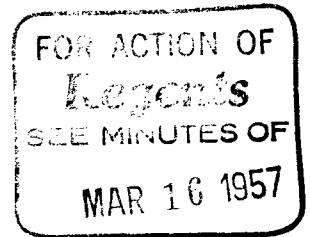
REVISION OF RESOLUTION RE TAX-FREE ALCOHOL PERMITS OF JANUARY 1951. --In order to conform with any changes in title or in personnel, President Wilson recommended that the resolution re Tax-Free Alcohol Permits, adopted by the Board at its meeting January 26-27, 1951, and amended several times thereafter, which resolution grants authority for the handling of tax-free alcohol permits at the Main University and at the other component units of The University of Texas, be revised in the following manner:

It is hereby ordered by the Board of Regents of The University of Texas that the following named individuals, or their successors in office, shall perform the respective duties set out below in connection with the tax-free alcohol used for the various component institutions of The University of Texas:

1. For the Main University at Austin, Mr. G. W. Landrum, Business Manager of the Main University, is authorized as the agent of the Board of Regents to sign all documents required in connection with the application for and the issuance of permits for the delivery of tax-free alcohol; and Mr. R. C. Gullion, Superintendent of Buildings and Grounds, is authorized to have charge of and be responsible for the supply of alcohol and to sign all reports required as to the use of this alcohol.
2. For the Medical Branch at Galveston, Mr. E. D. Walker, Business Manager of the Medical Branch, is authorized as the agent of the Board of Regents to sign all documents required in connection with the application for and the issuance of permits for the delivery of tax-free alcohol; and Mr. Robert L. Lantos, Director of Pharmacy Service, is authorized to have charge of and be responsible for the supply of alcohol and to sign all reports required as to the use of this alcohol at the Medical Branch (including the School of Medicine, the John Sealy College of Nursing, and the John Sealy and Affiliated Hospitals including the State Hospital for Crippled and Deformed Children and the Galveston State Psychopathic Hospital).
3. For the M. D. Anderson Hospital and Tumor Institute at Houston, Mr. Joe E. Boyd, Jr., Business Manager of the M. D. Anderson Hospital and Tumor Institute, is authorized as the agent of the Board of Regents to sign all documents required in connection with the application for and the issuance of permits for the delivery of tax-free alcohol; and Mr. John H. Musgrove, Procurement and Supply Manager, is authorized to have charge of and be responsible for the supply of alcohol and to sign all reports required as to the use of this alcohol.

4. For the Dental Branch at Houston, Mrs. Elna Birath, Business Manager of the Dental Branch, is authorized as the agent of the Board of Regents to sign all documents required in connection with the application for and the issuance of permits for the delivery of tax-free alcohol; and Mrs. Marcelle Cobb, Accountant, is authorized to have charge of and be responsible for the supply of alcohol and to sign all reports required as to the use of this alcohol.
5. For the Southwestern Medical School at Dallas, Mr. E. A. Gell, Business Manager of the Southwestern Medical School, is authorized as the agent of the Board of Regents to sign all documents required in connection with the application for and the issuance of permits for the delivery of tax-free alcohol; and Mr. B. A. Durham, Assistant Business Manager, is authorized to have charge of and be responsible for the supply of alcohol and to sign all reports required as to the use of this alcohol.
6. For the Texas Western College at El Paso, Mr. A. A. Smith, Business Manager of Texas Western College, is authorized as the agent of the Board of Regents to sign all documents required in connection with the application for and the issuance of permits for the delivery of tax-free alcohol; and Mr. J. W. Scruggs, Assistant Professor of Chemistry, is authorized to have charge of and be responsible for the supply of alcohol and to sign all reports required as to the use of this alcohol.

Copy of this report is in  
Secretary's Files, Vol. IV.





TEXAS WESTERN COLLEGE  
of The University of Texas  
El Paso, Texas

FOR ACTION OF  
**Regents**  
SEE MINUTES OF  
MAR 16 1957

Spring Semester, 1956-57

Small Class Report

A. UNDERGRADUATE CLASSES HAVING FEWER THAN TEN STUDENTS AS OF THE TWELFTH CLASS DAY

I. Highly specialized courses required for professional degree.

- Art 2141-3 )
- 2142-2 ) - 7 students
- 2341-1 )
- Bus. Adm. 3212-2 (Cost Accounting) - 8 students
- Chem. 4461-1 (Physical Chemistry) - 7 students
- Engr. 3322-1 (Route Surveying) - 7 students
- Engr. 1452-1 (Sewage Analysis) - 3 students
- Engr. 3444-1 (Measurements and Instrumentation) - 9 students
- Health and P. E. 3410-1 (Undergraduate Seminar) - 9 students
- Health and P.E. 3502-1 (Supervision of Health and Physical Education) - 8 students
- Metal. 4407-1 (Metallography) - 7 students
- Metal. 3405 (Metallogical Laboratory) - 5 students
- Metal. 2402-1 (Ferrous Metallurgy) - 8 students
- Mining 3405-1 (Mine Plant) - 5 students
- Mining 3302-1 (Mine Valuation and Report) - 6 students

II. Courses in small departments which offer the minimum number of courses consistent with having at least an acceptable balanced program.

- Health and P.E. 1101-5 (Service Course for Freshmen Women) - 7 students
- Health and P.E. 1102-11 (Service Course-Tennis) - 9 students
- Music Theory 3144 - 4 students
- Music Theory 3412 - 4 students
- Music Theory 2112 - 6 students
- Music 3114 (Theory) - 9 students
- Music 2315 (Theory) - 3 students
- Mus. Edu. 3333 (Conducting Methods and Materials) - 8 students
- Music Edu. 3433 (Teaching of Music in the Junior and Senior High Schools) - 7 students
- Psych. 3301-1 (Advanced General Psychology) - 8 students
- Radio 3331-1 (Seminar in Telecommunications) - 9 students

III. Courses which a large department regards as necessary for a rounded program.

- Econ. 3250-1 (Economics of Consumption) - 8 students
- Econ. 3340 (Labor Problems) - 7 students
- French 3332-1 (The French Classical Period) - 7 students
- German 3203-1 (Intermediate Readings in the Modern Period) - 9 students

IV. Courses for which students pay a supplementary fee for individualized Fine Arts instruction.

Music 2171 (High Strings) - 8 students  
2171 (Low Strings) - 9 students  
2171 (Reeds) - 4 students  
Music 1143-1144 (Orchestra) - 7 students

V. Miscellaneous

Health and P.E. 1102-13 (Modified Section) - 3 students

B. Graduate Classes Having Fewer Than Five Students as of the Twelfth Class Day.

Bus. Adm. 3595-1 (Development of Major American Industries) - 1 student  
French 3590-1 (Seminar) - 2 students  
Edu. 3503-1 (Problems in Education) (A Seminar) - 3 students  
Edu. 3598-99 (Thesis Course) - 7 students  
Hist. 3598 (Thesis Course) - 2 students  
Hist. 3599 (Thesis Course) - ; student  
Spanish 3599 (Thesis Course) - 2 students

*See Deliberations of the Board* 17a

MAR 16 1957

February 21, 1957

Mr. William H. Vann, Secretary  
The Texas Institute of Letters  
Baylor Station  
Belton, Texas

Dear Mr. Vann:

Please allow me to acknowledge receipt of your letter of February 20, 1957, enclosing a copy of a resolution passed at a recent annual meeting of The Texas Institute of Letters.

You may be assured that I shall furnish each member of the Board of Regents with a copy of this resolution.

Sincerely yours,

Betty Anne Thedford

BAT:sn

J. FRANK DOBIE, PRESIDENT  
702 PARK PLACE, AUSTIN

ALLEN MAXWELL, VICE-PRESIDENT  
S. M. U. STATION, DALLAS

WILLIAM H. VANN, SECRETARY-TREASURER  
BAYLOR STATION, BELTON

THE TEXAS

# Institute of Letters

*Organized 1936*

February 20, 1957

MADISON COOPER, COUNCILOR  
1801 AUSTIN, WACO

ANNE PENCE DAVIS, COUNCILOR  
1823 VICTORY, WICHITA FALLS

WALTER P. WEBB, COUNCILOR  
UNIVERSITY STATION, AUSTIN

Betty Anne Thedford  
Box 8008 University Station  
Austin 12, Texas

Dear Madam:

The enclosed is a copy of the resolution passed at the recent annual meeting of the Texas Institute of Letters, with the direction that a copy of it be sent to each member of the Board of Regents of the University of Texas.

We shall appreciate your thoughtful consideration of this action; however, no personal reply is indicated.

With appreciation of your position, I am

Sincerely,



William H. Vann.  
Secretary

WHV:ah  
Enc.



WHEREAS, the Board of Regents of the University of Texas, during 1956 imposed new restrictions on the editors of the Daily Texan; and

WHEREAS, these restrictions approach very near to, if they do not amount to, severe censorship;

THEREFORE, be it resolved that

1. We, The Texas Institute of Letters, desire to reiterate our opposition to any restrictions which could be construed as censorship.

2. We request that the Board of Regents of the University of Texas reconsider as soon as possible the restrictions laid on the Daily Texan and undertake to reduce them to the minimum necessary in conducting a publication of a public educational institution.

ah

*See "Deliberations of the Board" 20*

THE UNIVERSITY OF TEXAS  
OFFICE OF THE PRESIDENT  
AUSTIN 12

MAR 16 1957

MEMORANDUM

TO: Dr. Wilson

February 26, 1957

FROM: M.A.C.

SUBJECT: Attachments.

Certainly this is a serious situation, a University Hospital and the main teaching hospital of a School of Medicine, functioning on a limited accreditation basis.

Dean Truslow is aware of this situation, for he has discussed it with me, primarily as an example of inefficiency on the part of the hospital administrator, not only in his apparent lack of corrective action but also in his failure to keep the Director of the Medical Branch informed.

Inadequacies rest in two major areas:

1. Professional responsibilities, such as medical records and staff organization.
2. Housekeeping responsibilities, such as kitchen facilities and fire disaster plans.

Corrections in the first area will require joint action by the Director and the hospital administrator, wherein the hospital staff must be shown the error of its ways and the serious consequences of continued inefficiency.

In the latter area, the competent hospital administrator should be able to put his house in order. Some of this problem is related to budget and might be used in supporting our budget requests for preventive maintenance.

Dr. Truslow, I believe, is aware of the problem and has initiated action toward a correction of the situation. I would recommend that you inform Dr. Truslow of your concern about this matter and request that he present the problem to the Medical Committee of the Board of Regents at their next convention.

*M.A.C.*

THE UNIVERSITY OF TEXAS  
THE BOARD OF REGENTS

LEROY JEFFERS, CHAIRMAN  
ESPENSON BUILDING  
HOUSTON 2, TEXAS

February 22, 1957

RECEIVED  
FEB 23 1957  
PRES. TO  
PRES. SHOWER  
PLEASE OPEN AND RETURN

AIR MAIL

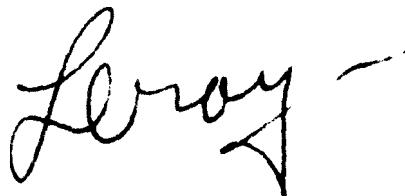
Dr. Logan Wilson  
Office of the President  
The University of Texas  
Austin 12, Texas

Dear Logan:

I am enclosing a copy of the report of the Joint Commission on Accreditation of Hospitals concerning The University of Texas Medical Branch at Galveston which has been forwarded to me by Tom Sealy. It does not appear that a copy of this went either to you, to Dr. Casberg or to Dr. Truslow. I wanted to be sure that all three of you see it. As I understand it, the report grants only limited accreditation of one year and that when this occurs on two successive occasions the hospital must achieve accreditation for three years on the third occasion or it will lose accreditation. I do not know whether next year will be our second or third time up but it is possibly the third.

This should also be passed on to the Medical Committee when a new Medical Committee has been appointed.

Sincerely yours,



LJ:m  
Enclosure

\* [Handwritten note]

G. A. W. Currie, M. D., Administrator  
University of Texas Medical Branch Hospitals  
8th and Mechanic Streets  
Galveston, Texas

Dear Doctor Currie:

The Board of Commissioners of the Joint Commission on accreditation of Hospitals has approved the recommendation that University of Texas Medical Branch Hospitals be accredited for a period of one year or until a subsequent survey is conducted. This is the result of the evaluation of the hospital survey conducted on January 21-22, 1957, by Harland I. Metz, M. D., a field representative of the Commission.

Attached are recommendations for the improvement of the quality of patient care based on the findings of the survey. These warrant your attention and should be put into effect before the next visit of a representative of the Commission.

A copy of this letter with the recommendations has been sent to the chief of staff and president of the governing board of your hospital. Since this report is confidential on the part of the Commission, the release of its contents is a matter for your mutual consideration and decision. Any publicity emanating from this report must of necessity come from your authorized spokesman.

Plans will be made to conduct another survey of your hospital in a year's time. We would like to remind you of the Commission's policy that if a hospital has been granted accreditation for one year on two successive surveys, it must achieve accreditation for three years on the third survey visit or be reduced to non-accreditation.

The Commission wishes to commend you for maintaining standards deserving of accreditation and for your constant effort to improve the quality of patient care. Please be assured of our interest and of our willingness to be of all possible help to you.

Sincerely yours,

/s/

Kenneth B. Babcock, M. D.  
Director

s

cc: A. W. Harrison, M. D., Chief of Staff  
Mr. Tom Sealy, President, Governing Board

University of Texas Medical Branch Hospitals  
Galveston, Texas

COMMENTS AND RECOMMENDATIONS

1. There should be a written fire disaster plan designed for the quick evacuation of patients, which is well known and frequently rehearsed by key hospital personnel (I A 1). \*
2. Expert advice should be obtained from Fire Marshal or insurance underwriter regarding the continued use of the old John Sealy and Psychopathic Buildings #1 and #2, or the need for sprinkler systems, etc., and all advice followed.
3. Additional fire extinguishers and fire hoses should be provided and regularly checked and dated.
4. Maintenance and housekeeping should be improved, especially in the psychiatric units, the kitchen, the walls and fans, the cupboard and walk-in refrigerators.
5. The written applications for staff membership should include a pledge against fee-splitting (II B 1 b).
6. Minutes of discussions at medical staff and departmental meetings should be concisely recorded and reveal a thorough review and analysis of the clinical work done in the hospital. The minutes should include a brief clinical abstract of cases presented and pertinent discussions on selected deaths, unimproved cases, infections, complications, errors in diagnosis and results of treatment, both on patients in the hospital at the time of the meeting and on cases recently discharged (II C 4).
7. The medical records should be indexed according to disease, operation and physician and the indexing kept up-to-date (I C 2 a 5).
8. Medical records should contain an admission or provisional diagnosis.
9. Medical records with patients' charts should be originals (not carbon copies) and should be signed.
10. Autopsy protocol should be signed.
11. A re-study should be made of the adequacy of the lead protection provided in the older x-ray units.
12. Additional space is recommended for the x-ray department.
13. The professional nursing staff, or each department staff, should hold conferences at least monthly for discussions of nursing problems and should record minutes of their discussions (III D).

University of Texas Medical Branch Hospitals - 2  
Galveston, Texas

14. There should be thermometers on all dishwashing machines.
15. Additional space is indicated for the pharmacy.
16. Cyclopropane should be stored separate from oxygen.
17. All gas cylinders should be supported in racks, or with straps or chains.
18. Cultures should be run at least monthly on autoclaves and water sterilizers.
19. The operating room register should record post-operative diagnosis and complications.
20. Airconditioning in surgery should be frequently checked to insure proper functioning.
21. There should be a review of selected obstetrical cases at medical staff meetings (II B 4).
22. Meetings of the obstetrical departmental staff should record minutes, showing the review and analysis of the clinical work.
23. Obstetrical records should be more informative, especially in regard to prenatal history and physical examination (I C 2 c).
24. The anesthesiologist should record and sign a post-anesthetic follow-up (II E 1 c).
25. There should be an adjunct section to the bylaws of the medical staff delineating the qualifications, duties and privileges of dentists.

\* Reference is made to the enclosed 1956 "Standards for Hospital Accreditation

J. C. A. H.

SURVEY OF: January 21-22, 1957

SURVEYOR: Harland I. Metz, M.D.

RATING: Accreditation for one year.

The following is the only reference that I am able to find in the minutes of the Board of Regents concerning the Fort Worth Laboratory for Surgical Research as it relates to The University of Texas Southwestern Medical School:

From the minutes of October 21, 1949: -

FOR ACTION OF  
**Regents**  
SEE MINUTES OF  
MAR 16 1957

**RESEARCH LABORATORY FOR FACULTY MEMBERS RESIDING IN FORT WORTH.** --President Painter presented a recommendation of the Medical Committee that the Board approve an arrangement whereby members of the faculty of The Southwestern Medical School who reside in Fort Worth can establish a local research laboratory under the direction of the medical school. He explained that in effect the doctors concerned would seek outside support through The Southwestern Medical School. He further stated that such aid, if awarded, would be given to The University of Texas and would be set up as a restricted account for The Southwestern Medical School, which would administer the donations or grants. On further recommendation by Dean Hart, the Board on motion by Mr. Kirkpatrick, seconded by Mr. Darden, approved the recommendation.

\* \* \* \* \*

/s/ Betty Anne Thedford

COPY

January 28, 1957

Dean A. J. Gill, M. D.  
The University of Texas  
Southwestern Medical School  
5323 Harry Hines Boulevard  
Dallas 19, Texas

Dear Dr. Gill:

Pursuant to your suggestion of January 25,  
I am placing on the agenda for the Medical  
Affairs Committee of the Regents to consider at  
the next regular meeting of the Board the matter  
of the relationship of the Southwestern Medical  
School to the Fort Worth Laboratory for Surgical  
Research.

Sincerely yours,

/s/

Logan Wilson

LW k

cc: Dr. Melvin A. Casberg



27

THE UNIVERSITY OF TEXAS  
SOUTHWESTERN MEDICAL SCHOOL      C O P Y  
5323 Harry Hines Boulevard  
DALLAS 19, TEXAS

OFFICE OF THE DEAN

January 25, 1957

Dr. Logan Wilson, President  
The University of Texas  
Austin, Texas

Dear Dr. Wilson:

Pursuant to our previous correspondence concerning the "Fort Worth Laboratory for Surgical Research" I have had some conversations with Mr. Wynn, Attorney for Harris Hospital, and with Dr. Clive Johnson, who has long been the Director of the Fort Worth Laboratory.

For many technical reasons they tell me that they are preparing to form a non-profit corporation for educational and research purposes and they would like to explore possibilities of increasing the number of non-paid clinical faculty members in Fort Worth who might be qualified for and interested in research opportunities within the new building which they soon expect to occupy. I am enclosing herewith a copy of a letter just received from Mr. Wynn in which he informs us of their plans to form a corporate body to hold title to the building and be empowered to receive donations, negotiate for affiliation of one kind or another with other institutions, etc.

If you will just add this to the previous materials which you may have accumulated on this subject, I believe it would be well for us to place this whole matter on the agenda for the Medical Committee of the Board of Regents to consider at the next regular meeting in April.

With best good wishes and kindest personal regards, I am

Sincerely yours,

/s/

A. J. Gill, M. D.  
Dean

AJG/cs  
Encl.

COPY

McDONALD, SANDERS, NICHOLS,  
LUDLUM, WYNN & GINSBURG  
Attorneys  
Oil and Gas Building  
Fort Worth 2, Texas

January 23, 1957

Dr. A. J. Gill, Dean  
University of Texas  
Southwestern Medical School  
Dallas, Texas

Re: Fort Worth Laboratory for  
Surgical Research

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Dear Doctor Gill:

Supplementing the report of Dr. Clive R. Johnson sent you with his letter of December 28th, it is my pleasure to give you some additional information.

As you know, the building to house the laboratory is almost completed and Harris Hospital has agreed to make it available for its use as long as the Laboratory is under the auspices of your school.

In view of the fact that the operation of this Laboratory is to be at no expense on the part of the University of Texas, the Laboratory needs to have an entity to whom the Hospital can turn over the use of this building and for other purposes of financial support and details in connection with completing the building, etc. As soon as the building is completed there will be considerable increased activity in the work of the Laboratory.

Therefore, we are preparing to incorporate a non-profit Texas corporation under the name of "Fort Worth Foundation for Medical Education and Research" with a purpose clause "to provide medical and scientific education and research in Fort Worth, and with authority to affiliate its activities with one or more recognized institutions of higher learning."

page 2,  
Dr. A. J. Gill, Dean

---

This corporation will then be an entity to receive the use of the building, finance the operations of the Laboratory, and carry on its own responsibilities. Being a non-profit corporation it will qualify for tax exemption status, and be able to receive donations from private individuals in Fort Worth who want to see its work continued.

I am sending a copy of this letter to Dr. Johnson and I wish to congratulate him and his colleagues for this generous contribution of their time and interest and you and your institution for the prestige and help it has given in connection with this very important project for the welfare of humanity.

Sincerely yours,

/s/

Sproesser Wynn

SW/sah

cc: Dr. Clive R. Johnson  
1216 Pennsylvania Avenue  
Fort Worth, Texas

C O P Y

January 21, 1957

Dean A. J. Gill, M. D.  
The University of Texas  
Southwestern Medical School  
5323 Harry Hines Boulevard  
Dallas 19, Texas

Dear Dean Gill:

You certainly put your finger on it when you said that a "rather odd situation...exists between this institution and the Fort Worth Laboratory for Surgical Research." If this Laboratory is to expand operations, I can see that we shall need to re-examine its relationship to the University and take a careful look at any future plans. By a copy of this letter to Dr. Casberg, I am asking him to have the Regents' minutes examined in order to ascertain precisely what the original understanding was. Likewise, I am asking him to go into the whole matter with you when he is in Dallas during the early part of February.

Perhaps we should prepare a memorandum on the subject for consideration by the Regents' Committee on Medical Affairs and review by the full Board at an early date.

Sincerely yours,

/s/

Logan Wilson

LW k

cc: Dr. M. A. Casberg

COPY

THE UNIVERSITY OF TEXAS  
SOUTHWESTERN MEDICAL SCHOOL  
5323 Harry Hines Boulevard  
Dallas 19, Texas

January 17, 1957

Doctor Logan Wilson, President  
The University of Texas  
Austin, Texas

Dear Doctor Wilson:

Enclosed herewith is a copy of a summary of the rather odd situation which exists between this institution and the Fort Worth Laboratory for Surgical Research. This arrangement has caused us a good deal of anxiety during the past several years, largely because the physical operation and lack of very close communication has made it almost autonomous. I believe that the general outline of the historical background is accurate, although I did not participate in the early organizational phases of this curious set-up.

It begins to appear that a real physical plant may soon be available, as mentioned in this report, and I have received quite a number of inquiries regarding the future of this laboratory and its relationship to the University. We have also received some critical comment regarding certain aspects of it and, within the last several months, have been considering what our future relationship, if any, should be.

I have no specific recommendations to make at this time, but I thought it might be helpful for you to see this report which was prepared by Doctor Clive Johnson, who is and has been the Director of this project since its inception.

Sincerely yours,

A. J. Gill, M. D.  
Dean

COPY

REPORT FROM DIRECTOR OF THE  
FORT WORTH LABORATORY FOR SURGICAL RESEARCH  
UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL SCHOOL

December 28, 1956

1. History.

Upon the recommendation of the Dean and of the Chairman of the Department of Surgery of Southwestern Medical School, the Board of Regents of the University of Texas created this Laboratory in October, 1949. It was stipulated that no financial support would be accorded by Southwestern Medical School and that space for the Laboratory would be provided in Fort Worth, Texas, without expense to the School. Doctor Moyer made the suggestion that one of the hospitals in Fort Worth might have a building which could be used for the physical plant of this Laboratory. Accordingly, after discussion with the Administrator of Harris Hospital in Fort Worth, it appeared that a portion of an old garage building which faced Pruitt Street might be used. In order to finance the conversion of this building into a surgical research laboratory and to provide the equipment needed therein, a brochure was prepared in which all aspects of this project were detailed with the intention of presenting it to Mr. Sid Richardson of Fort Worth for his consideration.

Announcement of the formation of this Laboratory was made to the Tarrant County Medical Society of Fort Worth by Dr. Carl Moyer in February, 1951. The first Director of the Laboratory was appointed on a non-salary basis by the Board of Regents of The University of Texas at that time.

At the suggestion of Reverend W. W. Ward, the completed brochure, which was to have been presented to Mr. Richardson, was shown to Mrs. Lucy Nored Wright of Fort Worth who expressed great interest in financing the construction of this laboratory building. Also, at this time the Board of Trustees of Harris Hospital decided that the garage building was needed for hospital repair work and that a suitable lot near the hospital would be furnished in lieu of this building upon which the Laboratory could be built.

With the help of Mr. G. O. Chromaster, a prominent architect and engineer, a surgical research laboratory was planned providing facilities for the following: experimental surgery; applied anatomy; investigative work in physiology; surgical pathology; tissue culture studies; radiographic studies; and a mechanical and electrical workshop. Mrs. Wright indicated that her gift would be in the amount of \$80,000.00, and this building was designed to be constructed within this financial limit. A Trust was formed by Mrs. Wright to build this building on the lot furnished by the Board of Trustees of Harris Hospital at 1410 Cooper Street. This building was to be known as the Martha C. Nored Memorial and

owned by Harris Hospital to be leased by the Fort Worth Laboratory for Surgical Research according to the following stipulation taken from the contract between the Hospital and the Wright Trustees: "The Hospital agrees that when the building is constructed, erected and equipped in accordance with said plans and specifications, that the Hospital will, for a nominal charge, lease the same to or for such nominal charge permit the same to be used by The Fort Worth Laboratory for Surgical Research of the Southwestern Medical School of the University of Texas so long as said Fort Worth Laboratory operates a laboratory for surgical research on the premises and is a part of the University of Texas. The nominal charge referred to shall not exceed \$10.00 per year plus the cost of insurance and any other charges and expenses occasioned the Hospital by virtue of its ownership of the premises."

Notification of this agreement was received in a letter from Harris Hospital dated March 5, 1954. Construction of this building was begun and proceeded without interruption until the walls were erected and some of the plumbing was provided. Construction on this building was then stopped due to the illness of Mrs. Wright. Because of Mrs. Wright's illness, new members of the Wright Trust were appointed, and after considerable negotiation, work was again resumed on this building within the past few weeks. It is expected that the building will be largely completed by March, 1957. It is known that professional work can be started in this building before that date.

2. Lack of Funds for Completion of the Laboratory Building.

Due to some deterioration of the unfinished building and matters related to the resumption of work on the project, it is estimated now that this building will cost in the neighborhood of \$91,000.00 instead of \$80,000.00. Procurement of an additional \$11,000.00 in order to complete this building is currently under study.

3. Financial Grants Made to the Laboratory.

To date these grants amount to \$22,188.50. Approximately \$9,500.00 remains on hand.

4. Endowment for the Fort Worth Laboratory for Surgical Research.

In several discussions with Doctor C. N. Aagaard, who succeeded Doctor Carl Moyer as Dean of Southwestern Medical School, it was decided that an endowment should be set up to finance the activities and obligations connected with this Laboratory. It has been hoped that a suitable endowment could be arranged to insure the perpetual growth and continued activities of this branch of the Medical School patterned after the Mayo Foundation.

#### 5. The Fort Worth Faculty.

It has been the feeling that there were many physicians residing in Fort Worth who by virtue of their professional background, training, and inclinations toward the academic aspects of medicine, would form a suitable nucleus to guide and carry out the professional work of this Laboratory. Discussions with many individuals interested in this work over the last few years have been most encouraging, and it is estimated that there are perhaps twenty physicians who could be considered soon for Faculty membership.

#### 6. Board of Governors.

It has been hoped by the Director of this Laboratory that a small Board of Governors could be selected from the Fort Worth Faculty to share responsibilities in directing this branch of the School.

#### 7. Faculty Committees.

Various small Faculty Committees have already been formed but it has been the experience of the Director that greater accomplishment in the professional work has resulted from delegation of duties to a single individual in most instances.

#### 8. Courses in the Basic Sciences.

It has been one of the goals of this Laboratory to provide very comprehensive courses in the Basic Medical Sciences designed to augment Intern and Resident Training Programs in the various hospitals in the city of Fort Worth. It has been the hope that these various courses could be carried out by organ systems and correlated well with the clinical work. It recently has been decided to begin this program a little more conservatively so that work would not get bogged down right in the beginning. In other words, the courses as now being planned consist of applied anatomy on the human cadaver, demonstrations in the Laboratory, and lectures in the Basic Sciences as they apply to the clinical practice of medicine. It is planned that certain distinguished teachers from Southwestern Medical School in Dallas, the University of Texas Medical School in Galveston, and Baylor University Medical School in Houston will be contributors to this program. This program is to begin in October, 1957.

A new Dissecting Table has been purchased by this Laboratory and will be transferred from the Medical School in Dallas to the Fort Worth Laboratory as soon as the building for the latter is completed.



9. Medical Literature Review Board.

Certain members of the Fort Worth Faculty are organizing a system of periodic meetings at which time current literature will be covered and discussed briefly but comprehensively. This work will be devoted principally to the fields of investigation in the medical sciences as well as to noteworthy contributions in the clinical fields.

10. Acquisition of Personnel.

The acquisition of personnel suitably trained to conduct investigative work and to carry out activities pertaining thereto, is of great importance to the success of a research establishment. It is hoped that at least one physician investigator may be employed at least part-time by January, 1958. Already a group of scientists from Convair have worked on projects requiring mechanical and electrical engineering. The Faculty of Texas Christian University has likewise expressed interest in this field of endeavor.

11. The Lupton-Brown Fellowship in Surgery.

The first Fellowship in Surgery was created in January, 1955, by the Brown Memorial Trust of Fort Worth. A Grant in the amount of \$10,800.00 was made to finance a Fellow in Surgery for a three-year period with a stipend of \$300.00 per month.

12. Investigative Work to Date.

Under makeshift quarters and circumstances, there have been several short-term projects already carried out which have pertained largely to newer surgical maneuvers and technics by a dozen or so physicians. One long-term investigative endeavor concerned with the coronary circulation in health and disease has been started by the Director of this Laboratory. It is the intention to keep this problem going indefinitely. It is, of course, our main goal to get other long-term investigative projects started as soon as possible.

13. Tissue Replacement Project.

During the past two years, it has been possible to set up the apparatus for the dry freeze method for the preparation of arteries as homografts. Forty-eight such homografts have been prepared to date. This is the only source of satisfactory homografts for the surgeons of Fort Worth at the present time. This project has been made possible through the creation of the Lupton-Brown Fellowship in Surgery.

14. Program for the Management of Cardiac Arrest.

Intensive work on this subject by this Laboratory has been carried out for the hospitals of Fort Worth during the past two years. This program is not complete but the results have been very gratifying. This project, too, has been greatly helped by the Lupton-Brown Fellowship in Surgery.

15. Current Activities.

In addition to the aforementioned projects which have been outlined only briefly, two important activities are currently being set up for the next one to two years. These projects may be loosely referred to as "The Artificial Kidney" and "Technics for Open Heart Surgery."

16. The Heart Laboratory.

Although the Heart Laboratory which has been developed by the Fort Worth Heart Association has no medical school affiliation as yet, the work in this institution is very closely correlated with activities of the Fort Worth Laboratory for Surgical Research.

FOR ACTION OF  
**Regents**  
SEE MINUTES OF  
MAR 16 1957

MEMBERSHIP OF COMMITTEE OF SEVENTY-FIVE

Pursuant to authorization by the Board of Regents at its meeting on January 11, 1957 the following persons were invited to become members of the Committee of 75 for the 75th Anniversary of The University of Texas, and have signified their acceptance:

- |   |                                      |
|---|--------------------------------------|
| W. J. Adkins, Laredo                          | Frank W. R. Hubert, Orange           |
| R. W. Armstrong, Ft. Worth                    | Ed Idar, Jr., McAllen                |
| John Ayres, Pt. Arthur                        | Bishop Everett H. Jones, San Antonio |
| Dr. Rex Baker, Houston                        | Herman Jones, Austin                 |
| A. R. Bivins, Amarillo                        | Lawrence B. Jones, Dallas            |
| Richard W. Blalock, Marshall                  | Senator Abraham Kazen, Jr., Laredo   |
| Julian Borschow, El Paso                      | Dr. Robert W. Kimbro, Cleburne       |
| Ralph Bullington, Wichita Falls               | Leonard F. McCollum, Houston         |
| Waggoner Carr, Lubbock                        | John W. McCullough, Galveston        |
| Dr. H. Frank Connally, Waco                   | George L. MacGregor, Dallas          |
| Landon H. Cullum, Wichita Falls               | Den A. McKnight, Rock Springs        |
| Jack Curlin, El Paso                          | A. G. McNeese, Jr., Houston          |
| Leroy G. Denman, Jr., San Antonio             | Wales Madden, Amarillo               |
| Dr. Kleberg Eckhardt, Corpus Christi          | Sherman A. Miles, Corsicana          |
| Judge James Elkins, Houston                   | Den Moody, Austin                    |
| Stanley M. Erskine, Midland                   | Hollis A. Moore, Tyler               |
| Harvey Gaylord, Ft. Worth                     | John D. Moseley, Sherman             |
| * Charles F. Haas, Corpus Christi             | Mrs. E. C. Northen, Galveston        |
| The Very Rev. Vincent M. Harris,<br>Galveston | Dr. L. S. Oates, Center              |
| Houston Harte, San Angelo                     | Rabbi Levi Olan, Dallas              |
| George P. Hill, Ft. Worth                     | N. R. Parsons, Ft. Worth             |
| Mrs. Oveta Culp Hobby, Houston                | Dr. Herbert F. Poyner, Houston       |
| W. V. Houston, Houston                        | Charles Prothro, Wichita Falls       |
|   | Smith P. Reynolds, Jr., Tyler        |

\* Has not accepted, as of March 5, 1957.

Membership of Committee of Seventy-five (Continued)

Mrs. Lem Scarbrough, Austin	Mrs. Ben F. Vaughan, Jr., Corpus Christi
Mr. Tom Sealy, Midland	Claude W. Voyles, Austin
Dr. Wm. Seybold, Houston	Ruel C. Walker, Austin
* Gov. Allan Shivers, Austin	Charles Wallace, Dallas
Carroll D. Simmons, Houston	D. M. Warren, Panhandle
John D. Simpson, Austin	Dr. Richard T. Weber, Austin
* E. W. (Bud) Smith, Lubbock	C. C. Welhausen, Yoakum
Charles A. Spears, Sherman	R. L. Williams, Corpus Christi
Dr. Henry T. Stilwell, Texarkana	George Williamson, Jr., Jacksonville
P. K. Stubblefield, Victoria	James Ralph Wood, Dallas
L. P. Sturgeon, Austin	William H. Wood, Midland
A. M. G. Swenson, Stamford	Dudley K. Woodward, Dallas
Gen. James E. Taylor, Austin	Don Wooten, Abilene
Mrs. Margaret Batts Tobin, San Antonio	Dr. H. A. Zappe, Mineral Wells

The first meeting of the Committee of Seventy-five has been scheduled for the morning of April 13.

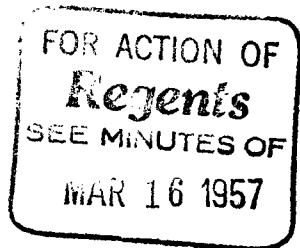
\* Has not accepted, as of March 5, 1957.

58a

THE UNIVERSITY OF TEXAS  
ENDOWMENT OFFICE  
AUSTIN 12

WM. W. STEWART  
ENDOWMENT OFFICER

March 4, 1957



To the Members of the Regents' Land and Investment Committee  
Mr. Lawry Jeffers, Chairman  
Mr. J. Lee Johnson III, Member  
Mr. J. R. Serrell, Member  
The University of Texas

Subject: MATERIAL FOR LAND AND INVESTMENT COMMITTEE MEETING  
SCHEDULED TO BE HELD ON SATURDAY, MARCH 16, 1957

Gentlemen:

Enclosed herewith for your consideration is a complete copy of all of the material for the meeting of the Land and Investment Committee, scheduled to be held at 8:30 a.m. on Saturday, March 16, 1957, in the Endowment Office. Although Miss Thadford is to forward to each member of the Board a bound copy of all material to be considered by the Board at the meeting, we thought each member of the Committee might find it convenient to have a full set of material from this office in addition to the mimeographed portions you will receive in bound form from Miss Thadford. However, to the other members of the Board of Regents we are sending only that material for the Land and Investment Committee that does not go on to the full Board for approval.

You will note that Items 6 and 7 under Permanent Fund Investment Matters are marked as special reports. These will be presented at the Committee meeting.

We have had rather definite indication that an offer for purchase of the Bettos Building (Mitchell Property) owned by Hogg Foundation - Varner Properties will be submitted prior to the meeting and some indication that there may be an offer on the Washen Property at Main and Clay in Houston owned by the Hogg Foundation. If any such offer is received, we shall attempt to have a report in your hands prior to the meeting.

As usual, the material submitted is a basis for discussion and is subject to any revisions you think necessary.

Sincerely yours  
Original Signed by  
Wm. W. Stewart  
Endowment Officer  
Wm. W. Stewart  
Endowment Officer

Enclosures

Copies to Mr. J. P. Bryan, Member, Board of Regents  
Mrs. Charles Devall, Member, Board of Regents  
Mr. Thornton Hardie, Member, Board of Regents  
Mr. Lee Lockwood, Member, Board of Regents  
Dr. Merton H. Minter, Member, Board of Regents  
Mr. J. C. Thompson, Member, Board of Regents  
Dr. Logan Wilson, President  
Dr. J. C. Bolley, Vice President for Fiscal Affairs  
Mr. C. H. Sparsberg, Comptroller  
Miss Betty Anne Thadford, Secretary, Board of Regents

## LAND AND INVESTMENT COMMITTEE REPORT.--

## PERMANENT UNIVERSITY FUND--INVESTMENT MATTERS.--

REPORT OF PURCHASES OF SECURITIES.--The following purchases have been made for the Permanent University Fund since the report of January 12, 1957. We ask that the Board ratify and approve these transactions:

## UNITED STATES GOVERNMENT BONDS PURCHASED

<u>Issue</u>	<u>Par Value</u>	<u>Purchase Price</u>	<u>Yield Basis</u>	<u>Principal Cost</u>	<u>Date of Delivery</u>
3-1/4% U. S. Treas. due 6/15/83-78	\$1,000,000	96.28125	3.49%*	\$ 962,812.50	1/4/57
Ditto	1,000,000	99.62500	3.28 *	996,250.00	2/4/57
Ditto	<u>1,000,000</u>	99.50000	3.28 *	<u>995,000.00</u>	3/1/57
Totals	<u>\$3,000,000</u>			<u>\$2,954,062.50</u>	

\*Yield to maturity.

## TEXAS MUNICIPAL BONDS PURCHASED

<u>Issue</u>	<u>Par Value</u>	<u>Purchase Price</u>	<u>Yield Basis</u>	<u>Principal Cost</u>	<u>Date of Delivery</u>
Lubbock 3-1/2% ISDs UT Schoolhouse, dated 12/1/56, due 2/1/71	\$ 75,000	97.283192	3.75%*	\$ 72,962.39	1/ 4/57
Brownfield 4% El. Lt. & Pwr. Sys. Revs., dated 11/1/56, due 11/1/70 & 73/66	75,000	101.138244	3.90 *	75,857.79	1/ 4/57
City of San Antonio 3-3/4% GOs, dated 12/1/56, due 12/1/75-76	200,000	102.077899	3.60 *	204,155.80	1/ 9/57
Bryan 3.90% ISDs UT, dated 12/1/56, due 12/1/83-85/71	150,000	100.000000	3.90 *	150,000.00	1/16/57
Weatherford 3-1/4% Wtr. & Lt. Sys. Revs., dated 2/1/55, due 2/1/82-70	15,000	88.204391	4.00 *	13,230.66	1/17/57
City of Houston 3-3/4% GOs, dated 1/1/57, due 1/1/79-82	500,000	100.000000	3.75 *	500,000.00	1/21/57
Waco 3-7/8% Wtr. Wks. Sys. Revs. Series 1957, dated 1/1/57, due 3/1/74-77/67	400,000	99.668779	3.90 *	398,671.45	1/24/57
Abilene 4% Wtr. Wks. & Swr. Sys. Revs. Series 1957, dated 11/1/56, due 11/1/85-86/69	400,000	102.001908	3.80 *	408,007.63	1/30/57
San Antonio 3-5/8% ISDs Sch. Bldg. Site & Equip., dated 1/15/57, due 1/15/74-75/67	400,000	98.408635	3.75 *	393,636.26	2/ 7/57

TEXAS MUNICIPAL BONDS PURCHASED  
(Continued)

Issue	Par Value	Purchase Price	Yield Basis	Principal Cost	Date of Delivery
Fort Worth 2-1/2% ISDs Schoolhouse Ser. 1957A, dated 2/1/57, due 2/1/80-82	\$ 400,000	79.671140	3.80%*	\$ 318,579.41	2/11/57
Houston 3.90% Wtr. Sys. Revs. Second Series, dated 8/1/53, due 12/1/82/79	<u>60,000</u>	104.632017	3.60 **	<u>62,779.21</u>	2/21/57
Totals	<u>\$2,675,000</u>			<u>\$2,597,880.60</u>	

\*Yield to maturity.

\*\*Yield to option.

MUNICIPAL BONDS PURCHASED WITH  
DELIVERY PENDING\*\*

Par Value	Issue	Maturity	Yield Basis	Date Purchased	Delivery on or About
\$112,000	San Angelo 3-1/2% ISDs Schoolhouse Refdg., dated 3/1/57, due	3/1/87-77	3.75%*	1/28/57	4/1/57
100,000	Sweetwater 3-3/8% Wtr. Wks. & Swr. Sys. Revs., dated 3/1/57, due	3/1/71-67	3.50 *	2/12/57	4/1/57
<u>110,000</u>	City of Midland 3.50% GOs, dated 2/15/57, due	2/15/77-78/72	3.55 *	2/21/57	4/2/57
<u>\$322,000</u>	Total Municipal Purchases Pending Delivery				

\*\*An official report will be made subsequent to delivery and payment; bonds bought on a "When, as and if issued basis."

\*Yield to maturity.

AUTHORIZATION FOR EMPLOYMENT OF McCALL, PARKHURST AND CROWE AS SPECIAL LEGAL COUNSEL IN MATTERS PERTAINING TO POSSIBLE REFUNDING OR RETIREMENT OF PERMANENT UNIVERSITY FUND BONDS ISSUED IN 1949.--It is recommended that the Board of Regents authorize the employment of the firm of McCall, Parkhurst and Crowe of Dallas, Texas, as special legal counsel in all matters pertaining to the possible refunding of (or purchase of) the Permanent University Fund Bonds issued in 1949, their fee for services and the source of funds for payment to be subject to approval of the Board of Regents.

PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - AUTHORIZATION TO EXECUTE PROXIES FOR CORPORATE SECURITIES TO BE HELD BY THE PERMANENT UNIVERSITY FUND.-- Included in the basic Investment Program for the Permanent University Fund, approved by the Board of Regents on January 11, 1957, was the policy, with few exceptions, of voting proxies by returning executed proxies to present management of voting stocks held for the Permanent University Fund, exceptions to this policy requiring approval of the Land and Investment Committee. In order to expedite the return of proxies for voting stocks to be held in due course by the Permanent University Fund, it is recommended by the Land and Investment Committee that the Board of Regents authorize the execution and return to management of such proxies by the Endowment Officer or Assistant to the Endowment Officer upon approval thereof by the Vice President for Fiscal Affairs.

PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - RATIFICATION OF INVESTMENT ADVISER SERVICE CONTRACT WITH LIONEL D. EDIE AND COMPANY, INC.--Pursuant to approval of the Board of Regents on February 9, 1957, of the retention of the firm of Lionel D. Edie and Company, Inc., as Investment Adviser for the Permanent University Fund Investment Program for one year beginning February 1, 1957, at an annual fee of \$7,500.00, payable quarterly in advance, a contract with the company on these terms was executed on behalf of the University by the Endowment Officer after approval thereof by the Vice President for Fiscal Affairs. Subsequently, the University was advised by the State Comptroller that payment could only be made at the end of each quarter after performance of the work required under the contract. The Edie Company has advised the University that deferring payment to the end of each quarter is entirely agreeable to the company and that the company does not feel it necessary to change the original agreement. Accordingly, it is recommended by the Land and Investment Committee that the Board ratify and approve the contract with the revised payment method at the end of each quarter to be in effect.

PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - ADDITIONS TO APPROVED LIST OF SECURITY DEALERS.--It is recommended that the following additions be made to the list of security brokers and dealers as approved on January 11 and February 9, 1957:

To Section IV.A., Group II (firms which serve as New York Correspondents of Texas firms having membership on the N.Y.S.E. but not floor privileges), add the following, both the Texas firm and New York correspondent to be on the list:

Goldman, Sachs and Company  
Eppler, Guerin and Turner (Dallas)

Gregory and Sons  
Dallas Rupe & Son, Inc. (Dallas)

To Section IV.B., Group I (firms having membership on exchanges other than the N.Y.S.E.), add the following:

Austin, Hart & Parvin (San Antonio)  
Fridley, Hess & Frederking (Houston)

To Section IV.C., for Corporate Bonds and Preferred Stocks (Primary and Secondary Markets), add the following:

Blyth and Company, Inc.  
Glore, Forgan and Company

*J. H. [unclear]*

A list to date of approved Brokers and Dealers, including approvals recommended above, ~~is attached~~. Other dealers will be recommended for approval as they apply and qualify under the policy requirements.



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:

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 886, COUNTY COMMISSIONERS' COURT, UPTON COUNTY, TEXAS.--This application for a highway right-of-way easement to the County Commissioners' Court, Upton County, Texas, covers two right-of-way tracts containing a total of 68.19 acres, out of Sections 12, 13 and 24, Block 4, and Sections 1, 2 and 3, Block 58, University Lands in Upton County for constructing and maintaining a public road or highway. The Commissioners' Court has agreed to construct an adequate stock-proof fence on each side of the right-of-way and also to provide sources of water supply if construction prevents ready access to existing sources. No consideration is involved in the easement.

BUSINESS SITE EASEMENT NO. 887, HAROLD McCLUNG, REAGAN COUNTY, TEXAS.--This application for a business site easement to provide a site for a junk yard covers an area 200 feet by 200 feet out of Section 7, Block 11, University Lands in Reagan County, Texas, for a period of one year, beginning February 1, 1957 and ending January 31, 1958, with an option to renew from year to year but not to exceed a total of ten years from February 1, 1957, upon payment of the annual rental of \$150.00 in advance. The consideration for the first year's rental has been tendered with the application.

PIPE LINE EASEMENT NO. 888, PHILLIPS PETROLEUM COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Phillips Petroleum Company covers 3,219 rods of 4-1/2-inch line at \$0.50 per rod in Sections 3, 4, 10, 11, 14, 23, 24 and 25 in Block 31, and Sections 30, 31, 32, 41, 43 and 44 in Block 30, University Lands in Crane County, Texas, for a ten-year period beginning September 1, 1955 and ending August 31, 1965. The full consideration of \$1,609.50 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 889, TEXAS-NEW MEXICO PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 289, EXPIRED DECEMBER 31, 1956).--This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 267 rods of 6-5/8-inch line at \$0.75 per rod, and 4,848.6 rods of 4-1/2-inch line at \$0.50 per rod in Sections 8, 9, 10, 15, 16, 17, 18, 19, 20, 21, 22, 29, 30 and 31 in Block 12, University Lands in Andrews County, Texas, for a ten-year period beginning January 1, 1957 and ending December 31, 1966. The full consideration of \$2,624.55 for the ten-year period has been tendered with the application. The number of rods in Easement No. 889 is less than that in Easement No. 289 since part of the original easement is not now in use.

CALICHE PERMIT NO. 104, YOUNGER CONSTRUCTION COMPANY, INC., REAGAN COUNTY, TEXAS.--This application for a caliche permit to Younger Construction Company provides for the removal of 970 yards of caliche from Block 49, University Lands in Reagan County, Texas, at the rate of 25 cents per cubic yard. The full consideration in the amount of \$242.50 has been tendered with the application.

ASSIGNMENT OF GRAZING LEASE NO. 617 FROM J. A. QUEEN TO P. H. COATES, REAGAN COUNTY, TEXAS.--Mr. J. A. Queen holds a grazing lease on approximately 6,416.6 acres of land in Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20 and 21 in Block 10 and Sections 30, 31 and 32 in Block 58, University Lands in Reagan County, Texas, at an annual rental of \$0.40 per acre for a ten-year period beginning July 1, 1948 and ending June 30, 1958, subject to the rental reduction for 1957 approved by the Board of Regents on November 3, 1956. Mr. Queen, who is about 80 years old, is assigning his lease to his brother-in-law, Mr. P. H. Coates. Mr. Queen has received a \$5,000.00 bonus for the assignment of the grazing lease and, under University regulations, Mr. Queen has submitted a check in the amount of \$2,500.00 as one-half due the Lessor. Also submitted with the assignment is a check in the amount of \$1.00 as the filing fee for the assignment.

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PIPE LINE EASEMENT NO. 890, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to Phillips Petroleum Company covers 754.8 rods of 12-inch and 16-inch line at \$1.50 per rod, 1,287.7 rods of 8-inch and 10-inch line at \$1.00 per rod, 817.2 rods of 6-5/8-inch line at \$0.75 per rod, 1,281.7 rods of 4-1/2-inch line at \$0.50 per rod, and 832.7 rods of 2-inch line at \$0.25 per rod in Sections 6 and 31 in Block 10 and Sections 1, 2, 11, 13, 22, 23, 24, 25, 26, 34, 35 and 36 in Block 11, University Lands in Andrews County, Texas, for a ten-year period beginning December 1, 1956 and ending November 30, 1966. The full consideration in the amount of \$3,881.83 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 891, PHILLIPS PETROLEUM COMPANY, CRANE AND UPTON COUNTIES, TEXAS.--This application for a pipe line easement to Phillips Petroleum Company covers 1,556.5 rods of 12-inch, 16-inch and 20-inch line at \$1.50 per rod, 1,201.2 rods of 8-inch and 10-inch line at \$1.00 per rod, 1,094.2 rods of 6-5/8-inch line at \$0.75 per rod, 1,597.7 rods of 4-1/2-inch line at \$0.50 per rod, and 495.3 rods of 3-inch line at \$0.25 per rod in Sections 14, 22, 23, 24, 25, 26, 27, 32, 34, 35, 39, 41, 42, 44, 45 and 46 in Block 30, University Lands in Crane and Upton Counties, Texas, for a ten-year period beginning December 1, 1956 and ending November 30, 1966. The full consideration in the amount of \$5,279.31 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 892, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to the El Paso Natural Gas Company covers 4.606 rods of 4-1/2-inch line at \$0.50 per rod in Section 10, Block 1, University Lands in Andrews County, Texas, for a ten-year period beginning March 1, 1957 and ending February 28, 1967. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 893, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to the El Paso Natural Gas Company covers 90.958 rods of 4-1/2-inch line at \$0.50 per rod in Sections 15 and 22, Block 1, University Lands in Andrews County, Texas, for a ten-year period beginning March 1, 1957 and ending February 28, 1967. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 894, GULF OIL CORPORATION, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Gulf Oil Corporation covers 3,327.05 rods of line in excess of 12-inches at \$1.50 per rod in Sections 42, 43, 44 and 45 in Block 30 and Sections 7, 17, 18, 20, 21, 22, 26, 27, 35, 36 and 37, Block 31, University Lands in Crane County, Texas, for a ten-year period beginning January 1, 1957 and ending December 31, 1966. The full consideration in the amount of \$4,990.58 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 895, PHILLIPS PETROLEUM COMPANY, ANDREWS AND ECTOR COUNTIES, TEXAS.--This application for a pipe line easement to Phillips Petroleum Company covers 8.9 rods of 8-inch line at \$1.00 per rod, 103 rods of 4-1/2-inch line at \$0.50 per rod, and 180.3 rods of 3-1/2-inch line at \$0.25 per rod in Sections 23 and 24, Block 12, University Lands in Andrews County, Texas, and Section 3, Block 35, University Lands in Ector County, Texas, for a ten-year period beginning March 19, 1956 and ending March 18, 1966. The full consideration in the amount of \$105.48 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 896, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to Phillips Pipe Line Company covers 155.1 rods of 4-1/2-inch line at \$0.50 per rod in Section 30, Block 9, University Lands in Andrews County, Texas, for a ten-year period beginning January 1, 1957 and ending December 31, 1966. The full consideration in the amount of \$77.55 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 897, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 165.01 rods of 4-inch line at \$0.25 per rod in Sections 35 and 38, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning November 1, 1955 and ending October 31, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 898, HUMBLE PIPE LINE COMPANY, REAGAN COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 89.21 rods of 4-inch line at \$0.25 per rod in Section 3, Block 49, University Lands in Reagan County, Texas, for a ten-year period beginning July 1, 1955 and ending June 30, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 899, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 188.28 rods of 4-inch line at \$0.25 per rod in Section 5, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning May 1, 1956 and ending April 30, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 900, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 146.05 rods of 4-inch line at \$0.25 per rod in Sections 37 and 38, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning April 1, 1956 and ending March 31, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 901, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 155.38 rods of 4-inch line at \$0.25 per rod in Sections 5 and 8, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning May 1, 1956 and ending April 30, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 902, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 194.59 rods of 4-inch line at \$0.25 per rod in Sections 37 and 38, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning January 1, 1956 and ending December 31, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 903, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 191.62 rods of 4-inch line at \$0.25 per rod in Section 36, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning May 1, 1956 and ending April 30, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 904, HUMBLE PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 175.19 rods of 4-inch line at \$0.25 per rod in Sections 11 and 12, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning April 1, 1956 and ending March 31, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 905, HUMBLE PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 135.87 rods of 4-inch line at \$0.25 per rod in Section 34, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning July 1, 1956 and ending June 30, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 906, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 122.80 rods of 4-inch line at \$0.25 per rod in Sections 35 and 36, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning December 1, 1955 and ending November 30, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 907, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 258.7 rods of 4-inch line at \$0.25 per rod in Sections 11, 14 and 15 in Block 30, University Lands in Crane County, Texas, for a ten-year period beginning May 1, 1956 and ending April 30, 1966. The full consideration in the amount of \$64.68 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 908, HUMBLE PIPE LINE COMPANY, CRANE COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 152.35 rods of 4-inch line at \$0.25 per rod in Section 38, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning February 1, 1956 and ending January 31, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 909, HUMBLE PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to Humble Pipe Line Company covers 218.48 rods of 4-inch line at \$0.25 per rod in Section 6, Block 9 and Section 1, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning January 1, 1956 and ending December 31, 1965. The full consideration in the amount of \$54.62 for the ten-year period has been tendered with the application.

BUSINESS SITE EASEMENT NO. 910, BENNETT SUPPLY COMPANY, REAGAN COUNTY, TEXAS.--This application for a business site easement to provide for a supply store site covers an area 200 feet by 200 feet in Section 7, Block 11, University Lands in Reagan County, Texas, for a period of one year beginning March 1, 1957 and ending February 28, 1958, with an option to renew from year to year but not to exceed a total of ten years from March 1, 1957, upon payment of the annual rental of \$200.00 in advance. The consideration for the first year's rental has been tendered with the application.

CAMP SITE EASEMENT NO. 911, HUMBLE OIL AND REFINING COMPANY, WARD COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 295, EXPIRED JANUARY 31, 1957).--This application for a camp site easement to the Humble Oil and Refining Company is for the NE/4 of the NE/4 of Section 1, Block 16, University Lands in Ward County, Texas, for a one-year period beginning February 1, 1957 and ending January 31, 1958, with the option to renew from year to year, not to exceed a total period of 10 years from and after February 1, 1957, by payment of an annual rental, in advance, in the amount of \$50.00. The full minimum consideration for the first year's rental in the amount of \$50.00 has been tendered with the application.

CAMP SITE EASEMENT NO. 912, SERVICE PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 300, EXPIRED MARCH 11, 1957).--This application for a camp site easement to the Service Pipe Line Company covers a tract of land 200 feet by 1,320 feet, containing 6.06 acres more or less, in the NE/4 of Section 20, Block 13, University Lands in Andrews County, Texas, for a one-year period beginning March 12, 1957 and ending March 11, 1958, with the option to renew from year to year, but not to exceed a total period of 10 years from and after March 12, 1957, by payment of the annual rental of \$60.60 in advance. The consideration for the first year's rental has been tendered with the application.

PIPE LINE EASEMENT NO. 913, CITIES SERVICE OIL COMPANY, UPTON COUNTY, TEXAS.--This application for a pipe line easement to Cities Service Oil Company covers 1,272 rods of 2-inch line at \$0.25 per rod in Sections 21, 22, 23, 28, 29 and 30 in Block 3, University Lands in Upton County, Texas, for a ten-year period beginning February 1, 1957 and ending January 31, 1967. The full consideration in the amount of \$318.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 914, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to El Paso Natural Gas Company covers 629.933 rods of 12-3/4-inch line at \$1.50 per rod, and 629.93 rods of 4-1/2-inch line at \$0.50 per rod in Sections 3 and 10 in Block 1, University Lands in Andrews County, Texas, for a ten-year period beginning March 1, 1957 and ending February 28, 1967. The full consideration in the amount of \$1,259.87 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 915, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to El Paso Natural Gas Company covers 53.212 rods of 12-3/4-inch line at \$1.50 per rod, 193.576 rods of 8-5/8-inch line at \$1.00 per rod, 176.158 rods of 6-5/8-inch line at \$0.75 per rod, and 60.029 rods of 4-1/2-inch line at \$0.50 per rod in Sections 10, 15, 22, 30, 31 and 42 in Block 9, University Lands in Andrews County, Texas, for a ten-year period beginning February 1, 1957 and ending January 31, 1967. The full consideration in the amount of \$435.54 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 916, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to El Paso Natural Gas Company covers 268.309 rods of 4-1/2-inch line at \$0.50 per rod in Sections 25, 28 and 29 in Block 1, University Lands in Andrews County, Texas, for a ten-year period beginning February 1, 1957 and ending January 31, 1967. The full consideration in the amount of \$134.16 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 917, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to El Paso Natural Gas Company covers 641.981 rods of 12-inch line at \$1.50 per rod and 150.163 rods of 8-inch line at \$1.00 per rod in Sections 30, 31 and 42 in Block 9, University Lands in Andrews County, Texas, for a ten-year period beginning February 1, 1957 and ending January 31, 1967. The full consideration in the amount of \$1,113.13 for the ten-year period has been tendered with the application.

CALICHE PERMIT NO. 105, D S & R CONSTRUCTION COMPANY, ANDREWS COUNTY, TEXAS.--This application for a caliche permit to D S & R Construction Company provides for the removal of 1,365 yards of caliche from Section 45, Block 13, University Lands in Andrews County, Texas, at the rate of \$0.25 per yard. The full consideration in the amount of \$341.25 has been tendered with the application.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 918, TEXAS STATE HIGHWAY COMMISSION, EL PASO COUNTY, TEXAS.--This application for a highway right-of-way easement to the Texas State Highway Commission covers two right-of-way tracts containing a total of approximately 76.845 acres out of Sections 1 and 24 in Block L, University Lands, El Paso County, Texas, for the development of a freeway on the designated route for the relocation of U. S. Highway 80 - Interstate - in El Paso County. The Commission will be required, upon request of the University, to provide an adequate stock proof fence on each side of the right-of-way and also provide sources of water supply if construction prevents ready access to existing sources. No consideration is involved in the easement.

COMPRESSOR STATION SITE EASEMENT NO. 919, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a Compressor Station site easement to El Paso Natural Gas Company covers 5.0 acres, more or less in the NW/4 SW/4 of Section 42, Block 9, University Lands in Andrews County, Texas, for a twenty-five-year period beginning March 1, 1957 and ending February 28, 1982. The full consideration of \$1,250 for the twenty-five-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 920, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to El Paso Natural Gas Company covers 1,583.303 rods of 4-1/2-inch line at \$0.50 per rod in Sections 16, 18, 19, 21 and 26 in Block 1 and Sections 11, 13 and 14 in Block 9, University Lands in Andrews County, Texas, for a ten-year period beginning March 1, 1957 and ending February 28, 1967. The full consideration for the ten-year period in the amount of \$791.65 has been tendered with the application.

RESIDENCE SITE EASEMENT NO. 921, WILLIE R. PRICE, CRANE COUNTY, TEXAS.--This application for a residence site easement to Willie R. Price covers a tract of land 400 feet by 400 feet out of the NE/4 of Section 34, Block 31, University Lands in Crane County, Texas. The Atlantic Refining Company is selling its camp houses to their employees, and the easement must be obtained to allow the house to remain on University Land. The easement is for a period of one year beginning January 1, 1957 and ending December 31, 1957, with an option to extend and renew from year to year, but not to exceed a total period of ten years from January 1, 1957, upon payment of the minimum annual rental of \$50.00 in advance. The consideration for the first year's rental has been tendered with the application.

RESIDENCE SITE EASEMENT NO. 922, C. O. MALTBY, ECTOR COUNTY, TEXAS.--This application for a residence site easement to C. O. Maltby covers a one acre tract out of the SW/4 of Section 6, Block 35, University Lands in Ector County, Texas. The Atlantic Refining Company is selling its camp houses to its employees and the easement must be obtained to allow the house to remain on University Land. The easement is for a period of one year beginning January 1, 1957 and ending December 31, 1957, with an option to extend and renew from year to year, but not to exceed a total period of ten years from January 1, 1957, upon payment of the minimum annual rental of \$50.00 in advance. The consideration for the first year's rental has been tendered with the application.

RESIDENCE SITE EASEMENT NO. 923, G. E. MOBBS, CRANE COUNTY, TEXAS.--This application for a residence site easement to G. E. Mobbs covers a tract of land 400 feet by 400 feet out of the SE/4 of Section 33, Block 31, University Lands in Crane County, Texas. The Atlantic Refining Company is selling its camp houses to its employees and the easement must be obtained to allow the house to remain on University Land. The easement is for a period of one year beginning January 1, 1957 and ending December 31, 1957, with an option to extend and renew from year to year, but not to exceed a total of ten years from January 1, 1957, upon payment of the minimum annual rental of \$50.00 in advance. The consideration for the first year's rental has been tendered with the application.

SUPPLEMENT NO. 3 TO U. S. GOVERNMENT LEASE NO. W-781-ENG-1437, UNIVERSITY EASEMENT NO. 186, PYOTE AIR FORCE BASE, WARD COUNTY, TEXAS.-- This lease, which was amended by Supplemental Agreement No. 2, dated November 1, 1952, covers approximately 2,445 acres of land in Sections 35, 36, 38 and 39, Block 16, University Lands, Ward County, Texas. The lease may be extended from year to year through October 29, 1972, at a rental of \$800 per year, payable in arrears. Supplement No. 3 is a request to amend the lease to grant the Government an option to renew for a term of 25 years after October 29, 1972, with a further option for a similar renewal for an additional 25 years thereafter. This request is predicated on the criteria established by the Secretary of Defense for the construction of permanent type improvements on leased lands.

GAP FILLER SITE AND ROAD ACCESS EASEMENT NO. 762, UNITED STATES GOVERNMENT, DEPARTMENT OF THE ARMY, HUDSPETH COUNTY, TEXAS - REVISION OF TERMS.--On September 22, 1956, the Board of Regents approved an application for a gap filler site and road access easement for use by the United States Air Force in Sections 19 and 24, Blocks J and K, University Lands in Hudspeth County, Texas. The easement was for a period of twenty-five years beginning February 1, 1956 and ending January 31, 1981, the easement to remain in force thereafter from year to year without further notice but in no event to extend beyond January 31, 2006. The rental was to be \$25.00 for the twenty-five-year period ending January 31, 1981, and \$25.00 for the twenty-five-year period ending January 31, 2006, with payment to be made at the beginning of each twenty-five-year period. We have ~~not~~ been advised that payment of the rental of \$1.00 per year or any portion of a year, can be made under government regulations only at the end of each fiscal year. We have also been advised that a clause must be inserted in the lease to provide for a waiver by the lessor for any and all claims for restoration of the premises upon the expiration or termination of the lease.

In view of the circumstances indicated above, the willingness of the government to enter into this arrangement rather than institute condemnation proceedings, it is recommended that you approve the revision of the terms as outlined and that the Chairman of the Board be authorized to execute the instrument upon approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

SUPPLEMENT TO PIPE LINE EASEMENT NO. 864, PASOTEX PIPE LINE COMPANY, WINKLER COUNTY, TEXAS.--This application for a: **supplement** to Pipe Line Easement 864 to Pasotex Pipe Line Company is for the substitution of field notes which properly describe the right-of-way for those attached to the original easement approved November 3, 1956. The incorrect notes were submitted by the Company. There are no other changes in the easement.

WATER LEASE CONTRACT NO. 72, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--On June 1, 1956, the El Paso Natural Gas Company was granted Gas Plant Site Easement No. 807 covering 40 acres, NE/4 of the NE/4 of Section 24, Block 9, Andrews County, Texas, for the period beginning May 1, 1956 and ending April 30, 1981. The Company has been unable to find an adequate water supply on the gas plant site covered by the easement and has requested that the University grant it a water lease to April 30, 1981, on a 10-acre tract, being the NW/4 of the NW/4 of the NE/4 of Section 23, Block 9, University Lands in Andrews County, Texas, on which an adequate water supply has been found. This 10-acre tract is included in the acreage covered by Water Exploration and Development Permit No. 71 granted to the Andrews Independent School District on January 12, 1957. The school district has agreed to have this 10-acre tract withdrawn from the acreage approved in Water Permit No. 71. The El Paso Natural Gas Company will pay monthly a royalty of ten (\$0.10) cents for each thousand gallons of the gross amount of water produced from the land covered by this lease.

REPORT ON PECOS COUNTY VACANCY MATTER AND RECOMMENDATION FOR PAYMENT OF ADDITIONAL FEE TO SURVEYOR REPRESENTING THE UNIVERSITY.--On January 12, 1957, a report was made to the Board of Regents on the Pecos County vacancy matters, particularly as to the vacancy claim filed by E. H. Cox, and the Board approved payment of a fee of \$825.00 to Mr. Jess Conklin, Surveyor representing the University, and up to \$175.00 for additional work. The surveyor appointed by the Commissioner of the General Land Office later went back on the land for additional work, and it became necessary for Mr. Conklin to accompany him and put in additional time in assembling ~~data~~ <sup>data</sup> Mr. Conklin is submitting a statement in the amount of \$975.00 covering this additional work computed at the rate of \$75.00 per day for his services, and it is recommended that the Board of Regents authorize the Land and Trust Attorney to pay this additional fee of \$975.00 from Account No. 89111, University Lands - Legal and Surveying, Office, Field, Clerical Assistants and Traveling Expenses. Some additional work by Mr. Conklin probably will be necessary, particularly in attendance at the hearing on the vacancy claim which has been set for April 9, 1957, in the General Land Office.

APPROVAL OF U. S. DEPARTMENT OF AGRICULTURE SOIL BANK CONSERVATION RESERVE CONTRACTS ON UNIVERSITY LANDS.--Land Agent Compton has received requests from four University grazing tenants, whose leases have less than five years to run, for the University to join with them in Soil Bank Contracts on certain tracts, all of these contracts being for five years, 1957 to 1961, inclusive, and cover oil fields cultivated at one time or another. The requests received are as follows:

<u>Grazing Lease No.</u>	<u>Tenant</u>	<u>Date Lease Expires</u>	<u>Acres under Soil Bank Contract</u>
635	W. W. Adams	6/30/59	130
638	Kathleen St. Clair	12/31/59	142
645	Louis Brooks	6/30/60	100
649	Aubrey Delong	6/30/60	193.6

It is recommended that the Board of Regents authorize the Endowment Officer to sign these and similar contracts that may be submitted by tenants under the current Soil Bank program, upon approval by the University Land Agent and the Land and Trust Attorney, as approved by the University but without the University's being a party to the contract and assuming any obligations under the contract other than that any releasing of the acreage during the five years will be subject to the Soil Bank contract. No adjustment will be made in the grazing rentals due the University under the leases, and all Soil Bank payments will go to the tenants.

PIPE LINE EASEMENT NO. 924, MAGNOLIA PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to Magnolia Pipe Line Company covers 4,098 rods of 4-inch line and 305.1 rods of 2-inch line at \$0.25 per rod in Sections 4, 6, 7, 8, 10, 14, 15, 16, 18, 20, 21, 22, 23, 27, 28, 29, and 32 in Block 4, University Lands in Andrews County, Texas, for a ten-year period beginning January 1, 1957 and ending December 31, 1966. The full consideration of \$1,100.78 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 925, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS.--This application for a pipe line easement to El Paso Natural Gas Company covers 38.271 rods of 4-1/2-inch line in Section 19, Block 1 and Sections 13 and 24 in Block 9, University Lands in Andrews County, Texas, for a ten-year period beginning March 1, 1957 and ending February 28, 1967. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.



## TRUST AND SPECIAL FUNDS--INVESTMENT MATTERS.--

REPORT OF PURCHASES AND SALES OF SECURITIES.--The following purchases and sales of securities have been made for the Trust and Special Funds since the report of January 12, 1957. We ask that the Board ratify and approve these transactions:

PURCHASES		
Date	Security	Principal Cost
1/23/57	35/100ths fractional Share Gulf Oil Corporation Capital Stock	\$ 41.15
	\$5,000 par value Aluminum Company of America 4-1/4% Debentures due 1/1/82 at 102.50 Net. Accrued interest paid to 1/29/57	5,125.00
	\$5,000 par value Oklahoma Gas & Electric Company 4-1/2% 1st Mortgage Bonds, Series due 1987, due 1/1/87, at 101.875 Net. Accrued interest paid to 1/29/57	5,093.75
	(Funds Grouped for Investment)	
	100 Shares General Mills, Inc. Common Stock at 64-5/8 per share	6,503.96
	100 Shares R. J. Reynolds Tobacco Company New Class B Common Stock at 55-3/4 per share	5,615.58
	100 Shares F. W. Woolworth Company Capital Stock at 44-3/4 per share	4,512.38
	(Hogg Foundation: W. C. Hogg Estate Fund)	
	200 Shares American Can Company Common Stock at 41-1/8 per share	8,296.12
	200 Shares R. J. Reynolds Tobacco Company New Class B Common Stock at 55-3/4 per share	11,231.16
	200 Shares F. W. Woolworth Company Capital Stock at 44-3/4 per share	9,024.76
	(Hogg Foundation: Varner Properties)	
	40 Shares Bethlehem Steel Corporation Common Stock at 180-1/4 per share	7,250.74
	200 Shares National Dairy Products Corporation Common Stock at 36-1/2 per share	7,366.50
	100 Shares R. J. Reynolds Tobacco Company New Class B Common Stock at 55-3/4 per share	5,615.58
	200 Shares Union Pacific Railroad Company Common Capital Stock at 28-3/8 per share	5,733.38
	(The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	
1/24/57	\$5,000 par value Public Service Electric & Gas Company 4-3/8% 1st Mortgage Bonds due 11/1/86 at 104.625 Net. Accrued interest paid to 1/30/57	5,231.25
	(Funds Grouped for Investment)	
	100 Shares The Borden Company Capital Stock at 55-1/8 per share	5,553.01
	(Hogg Foundation: Varner Properties)	
1/28/57	100 Shares National Biscuit Company Common Stock at 36 per share	3,633.00
	(The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	
2/ 4/57	25/100ths fractional Share Allied Chemical & Dye Corporation Common Stock	22.95
	(Hogg Foundation: W. C. Hogg Estate Fund)	
2/15/57	\$58,000 maturity value United States Savings Bonds, Series J, dated 2/1/57, due 2/1/69	41,760.00
	(Dormitory Revenue Bonds, Series 1954 - Reserve for Bond & Interest Sinking Fund)	

## PURCHASES (Continued)

Date	Security	Principal Cost
2/19/57	\$25,000 maturity value United States Savings Bonds, Series J, dated 2/1/57, due 2/1/69 (Dormitory Revenue Bonds (Medical Branch) Series 1955 - Reserve for Bond and Interest Sinking Fund)	\$18,000.00
2/21/57	40 Shares The Anaconda Company Capital Stock at 5 rights plus \$50.00 per share (Hogg Foundation: W. C. Hogg Estate Fund) 20 Shares Ditto (Hogg Foundation: Varner Properties)	2,000.00 1,000.00
2/25/57	50 Shares The Timken Roller Bearing Company Capital Stock at 92 per share (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	4,639.00
	\$6,000 par value United States 2-7/8% Treasury Notes of Series A-1958, due June 15, 1958, at 99:16 (99.50) Net. Accrued interest paid to 2/26/57 (Archer M. Huntington Museum Fund)	5,970.00
	\$13,000 par value United States 3-1/4% Treasury Bonds of 1983-78, due 6/15/83-78, at 99:20 (99.625) Net. Accrued interest paid to 2/26/57 (Student Property Deposit Scholarship Fund)	12,951.25
	\$8,000 par value United States 3-1/4% Treasury Bonds of 1983-78, due 6/15/83-78, at 99:20 (99.625) Net. Accrued interest paid to 2/26/57 (W. J. McDonald Observatory Fund)	7,970.00
	100 Shares Bristol-Myers Company Common Stock at 43-7/8 per share	4,424.44
	100 Shares General Mills, Inc., Common Stock at 63-7/8 per share	6,429.14
	100 Shares Owens-Illinois Glass Company Common Capital Stock at 58-5/8 per share (Hogg Foundation: W. C. Hogg Estate Fund)	5,903.36
	\$4,000.00 par value The Procter & Gamble Company 3-7/8% Debentures dated 9/1/56, due 9/1/81 at 101.38 Net to yield 3.79% to maturity. Accrued interest paid to 3/1/57.	4,055.00
	\$5,000 par value Wisconsin Electric Power 3-7/8% First Mortgage Bonds, dated 4/15/56, due 4/15/86 at 100.25 Net to yield 3.86% to maturity. Accrued interest paid to 3/1/57 (Funds Grouped for Investment)	5,012.50

## SALES

Date	Security	Net Proceeds
1/10/57	28/100ths fractional Share The Dow Chemical Company Common Stock (Funds Grouped for Investment)	\$ 19.08
	4/100ths Ditto (Hogg Foundation: W. C. Hogg Estate Fund)	2.73
	4/100ths Ditto (Wilbur S. Davidson Educational Fund)	2.72
	4/100ths Ditto (Will C. Hogg Memorial Scholarships Endowment)	2.72
1/23/57	20/100ths fractional Share Gulf Oil Corporation Capital Stock (Hogg Foundation: W. C. Hogg Estate Fund)	23.51
	30/100ths Ditto (Wilbur S. Davidson Educational Fund)	35.27
	20/100ths Ditto (Will Rogers Memorial Scholarship Fund)	23.51
	40/100ths Ditto (Rosalie B. Hite Endowment for Cancer Research)	47.03
2/ 4/57	15/100ths fractional Share Allied Chemical & Dye Corporation Common Stock (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	13.77
	4/100ths Ditto (Rosalie B. Hite Endowment for Cancer Research)	3.67
	30/100ths Ditto (Funds Grouped for Investment)	27.54
2/ 8/57	34/100ths fractional Share Monsanto Chemical Company Common Stock (Funds Grouped for Investment)	11.42
2/14/57	1630 rights to subscribe for Phillips Petroleum Com- pany Convertible Subordinated Debentures due 1987 at \$0.40625 each	629.57
	38 rights Ditto at \$0.375 each (Hogg Foundation: W. C. Hogg Estate Fund)	13.24
	600 rights Ditto at \$0.40625 each (Funds Grouped for Investment)	231.74
	400 rights Ditto (Rosalie B. Hite Endowment for Cancer Research)	154.49
	270 rights Ditto (James R. Dougherty Foundation: Rachael Dougherty Vaughn Fund)	104.29
	200 rights Ditto (Wilbur S. Davidson Educational Fund)	77.25
	200 rights Ditto (E. D. Farmer International Scholarship Fund)	77.25
	200 rights Ditto (Will C. Hogg Memorial Scholarships Endowment)	77.25
	200 rights Ditto (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	77.25
2/18/57	Fractional share as result of capital gains distri- bution of Massachusetts Investors Trust (Funds Grouped for Investment)	1.68

**TEXAS WESTERN COLLEGE - EXPANSION AND MODIFICATION OF STUDENT UNION BUILDING - AUTHORIZATION FOR THE CHAIRMAN OF THE BOARD TO EXECUTE LOAN AGREEMENT BETWEEN THE BOARD OF REGENTS AND THE HOUSING AND HOME FINANCE AGENCY FOR PROJECT TEX. 41-CH-56(S) AND ALSO AGREEMENT WITH LEGAL COUNSEL McCALL, PARKHURST AND CROWE.**--On September 22, 1956, the Board of Regents adopted a resolution authorizing the Chairman of the Board to approve and execute on behalf of the University the Loan Agreement which would in due course be tendered by the United States of America on behalf of the Housing and Home Finance Agency pursuant to the application for Texas Western College for loan assistance in the amount of \$580,000 to finance the expansion and modification of the Student Union Building on the campus at El Paso, Texas. Also on June 1, 1956, the Board approved the employment of the firm of McCall, Parkhurst and Crowe to handle the legal proceedings which would be necessary in connection with the issuance of any bonds to finance an expansion program and authorized the Chairman of the Board to execute an agreement for the legal services.

After some little delay, the Housing and Home Finance Agency submitted the final Loan Agreement to Business Manager A. A. Smith of Texas Western College. The agreement is for a loan of \$580,000, the bonds to be dated April 1, 1957, and to mature serially beginning April 1, 1960, and extending through April 1, 1987, at an interest rate of 2-7/8% per annum. The loan agreement requires that the bonds be offered to the public. In the event any public bidder or bidders offer to purchase all of the Bonds, or any portion of the Bonds in blocks as specified at an interest rate of not more than 2-7/8% per annum, the Bonds or any such portion thereof are to be sold to such public bidder or bidders. The Loan Agreement has been approved as to form by the Land and Trust Attorney and as to content by the Vice President for Fiscal Affairs, Comptroller, and Endowment Officer. It is recommended by the Land and Investment Committee that the Loan Agreement as submitted be approved by the Board of Regents and that the following resolution (submitted by HHFA), approving the Loan Agreement with the United States of America, be adopted by the Board of Regents, such resolution to supersede the resolution adopted on September 22, 1956.

" RESOLUTION APPROVING A LOAN AGREEMENT  
WITH UNITED STATES OF AMERICA

PROJECT NO.: Tex. 41-CH-56(S)

WHEREAS, there has been filed with the Housing and Home Finance Agency, in behalf of the Board of Regents of The University of Texas, acting for and on behalf of Texas Western College of The University of Texas (herein called the "Borrower"), an application for aid in financing college housing under the provisions of Title IV of the Housing Act of 1950, as amended, and the UNITED STATES OF AMERICA, Housing and Home Finance Administrator, has transmitted to the Borrower for consideration a Loan Agreement tendering such aid, dated March 1, 1957, in connection with the Project referred to in said application and generally described in said Agreement; and

WHEREAS, said Agreement has been duly read in open meeting, fully considered in accordance with all pertinent rules of procedure and legal requirements, and made a part of the Borrower's records; and

WHEREAS, it is deemed advisable that said Agreement be accepted;

NOW, THEREFORE, be it resolved by the Board of Regents of the Borrower that the said Agreement, a true and correct copy of which is hereto attached, be and the same hereby is accepted without reservation or qualification, and the proper officials of the Borrower are authorized to execute documents evidencing such acceptance and take such further action as is necessary to provide the project."

Since it is expected that the architects for the Project will not have final plans and specifications completed for Board approval prior to September, 1957, it is recommended that the Endowment Officer be authorized to negotiate with the Housing and Home Finance Agency for an amendment to the Loan Agreement as submitted so as to have the bond issue dated October 1, 1957, with the first maturity to fall on October 1, 1959.

AUTHORIZATION TO EXECUTE PROXIES FOR CORPORATE SECURITIES HELD BY THE VARIOUS TRUST AND SPECIAL FUNDS.--Included in the basic Investment Program for the Permanent University Fund, approved by the Board of Regents on January 11, 1957, was the policy, with few exceptions, of voting proxies by returning executed proxies to present management of voting stocks held for the Permanent University Fund, exceptions to this policy requiring approval of the Land and Investment Committee. It is recommended by the Land and Investment Committee that this same policy be adopted by the Board for voting stocks held for the various Trust and Special Funds under control of the Board of Regents as trustee. In order to expedite the return of proxies for voting stocks, it is further recommended that the Board authorize the execution and return to management of such proxies by the Endowment Officer or Assistant to the Endowment Officer upon approval thereof by the Vice President for Fiscal Affairs.

TEXAS WESTERN COLLEGE - EXPANSION AND MODIFICATION OF STUDENT UNION BUILDING - AUTHORIZATION FOR CHAIRMAN LEROY JEFFERS TO EXECUTE LOAN AGREEMENT BETWEEN THE BOARD OF REGENTS AND THE HOUSING AND HOME FINANCE AGENCY, PROJECT TEX. 41-CH-56(S), AND ALSO AGREEMENT WITH LEGAL COUNSEL McCALL, PARKHURST AND CROWE.--On November 3, 1956, the Board of Regents adopted a resolution authorizing Chairman Tom Sealy to approve and execute on behalf of the University the Loan Agreement which would in due course be tendered by the United States of America pursuant to the application for Texas Western College for loan assistance in the amount of \$580,000 from the Housing and Home Finance Agency to finance the expansion and modification of the Student Union Building on the campus at El Paso, Texas. Also on June 1, 1956, the Board approved the employment of the firm of McCall, Parkhurst and Crowe to handle the legal proceedings which would be necessary in connection with the issuance of any bonds to finance an expansion program and authorized Chairman Sealy to execute an agreement for the legal services. After some little delay, the Housing and Home Finance Agency has now advised Business Manager A. A. Smith of Texas Western College that the application for loan assistance has been approved and that the formal loan agreement would be forwarded to him within a short time. It is recommended by the Land and Investment Committee that the above-described actions of the Board of Regents be amended so as to substitute the name of Leroy Jeffers as Chairman of the Board of Regents as being authorized to execute the Loan Agreement and agreement for legal services on behalf of the University.

LA VERNE NOYES FOUNDATION - REPORT ON STOCK DISTRIBUTIONS TO FOUNDATION FROM ESTATE OF LA VERNE NOYES.--The La Verne Noyes Foundation is the owner of 30 shares of Aermotor Company Common Stock received from the Estate of La Verne Noyes. The company declared a dividend in kind, payable in a specified number of shares of common stock held in the company's investment portfolio, on December 27, 1956, and again on February 15, 1957. The La Verne Noyes Foundation received its pro rata share of 30/2660 shares of Aermotor stock held by the La Verne Noyes Estate, the following stocks being received by the University on January 9 and February 19, respectively:

	Common Stock Received by La Verne Noyes Foundation	
	No. Shares	Book Value
<u>Distribution Payable 12/27/56:</u>		
Goodyear Tire & Rubber	6	\$ 499.50
Standard Oil Co. of New Jersey	12	705.00
Standard Oil Co. of California	6	282.00
The Texas Company	12	697.50
U. S. Steel	6	434.25
National Dairy Products	6	221.25
Sub-Total		(2,839.50)
<u>Distribution Payable 2/15/57:</u>		
Inland Steel Company	6	501.00
Square "D"	6	175.50
Standard Oil Co. of California	6	268.50
Standard Oil Co. of Ohio	6	312.00
The Texas Company	6	339.00
Union Pacific Railroad Company	6	168.75
U. S. Steel Company	6	367.50
Sub-Total		(2,132.25)
Total		<u>\$4,971.75</u>

The book value of \$33,000.00 for the Aermotor Company Common Stock prior to the above distributions has been written down by the total of the book value of the stocks received, making the present book value of the Aermotor stock \$28,028.25.

The above distributions are reported for the information of the Board of Regents.

JOHN CHARLES TOWNES FOUNDATION, UNALLOTTED ACCOUNT - REPORT ON GIFT OF JAMES A. BAKER, JR., OF TWO SHARES HOUSTON LIGHTING AND POWER COMPANY COMMON STOCK AND AUTHORIZATION FOR ENDOWMENT OFFICER TO SELL STOCK.--The University has received from James A. Baker, Jr., of Houston, a gift of two shares of Houston Lighting & Power Company Common Stock, this gift being in response to a general letter of solicitation for annual gifts to the Law School of the University. It is recommended that the Board accept this gift and authorize the Endowment Officer to sell the stock with the proceeds to be credited to the unallotted account of the John Charles Townes Foundation.

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE, WILLIAM HEUERMAN FUND FOR CANCER RESEARCH - REPORT ON PARTIAL DISTRIBUTION FROM ESTATE AND RECOMMENDATION RE INVESTMENT OF CASH ON HAND.--The University has received the eighth partial distribution in the amount of \$9,000.00 from the Guaranty Title and Trust Company of Corpus Christi, Executor of the Estate of William Heuermann, Deceased, from that part of the Estate bequeathed to The University of Texas for the use and benefit of the M. D. Anderson Hospital and Tumor Institute. This distribution makes a total of \$234,000 that has now been turned over to the University. From an analysis of the statement accompanying the distribution, the following disposition was made of the proceeds of the check:

To Account No. 83320, William Heuermann Fund for Cancer Research (Endowment Account) . . . . .	\$7,228.06
To Account No. 82020, William Heuermann Fund for Cancer Research (Current Restricted Income Account) . . . . .	<u>1,771.94</u>
Total Distribution . . . . .	<u>\$9,000.00</u>

As of February 28, 1957, and after the above distribution, the assets of the endowment fund were as follows:

	Carrying Value 2/28/57	% of Total
Cash Balance . . . . .	<u>\$ 6,942.14</u>	<u>3.00%</u>
U. S. Government Bonds . . . . .	174,420.16	75.34
Common Stock . . . . .	<u>50,138.73</u>	<u>21.66</u>
Total Investments . . . . .	<u>224,558.89</u>	<u>97.00</u>
TOTAL ENDOWMENT FUND ASSETS. . . . .	<u>\$231,501.03</u>	<u>100.00%</u>

It is recommended that the endowment cash be invested in common stocks selected from the following list, the stocks purchased and the timing of the purchases to be subject to the approval of the Vice President for Fiscal Affairs and the Endowment Officer:

Industry	Common Stock	No. Shs. Held in Fund	Current Price*	Approx. Current Yield
Baking and Milling	General Mills	-0-	63	4.76%
Containers	American Can	-0-	41-1/8	4.86
Dairy Products	Borden	-0-	53-3/8	5.25
Retail Trade	F. W. Woolworth	-0-	43	5.81

\*Close for February 27, 1957.

SPECIAL FUND UNDER JOINT CONTROL OF THE SEALY AND SMITH FOUNDATION FOR THE JOHN SEALY HOSPITAL AND THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS - RECOMMENDATION RE INVESTMENT OF CASH ON HAND AND TO BE RECEIVED FROM MATURING SECURITIES.--The University has now been advised by Mr. John W. McCullough, President of The Sealy and Smith Foundation for the John Sealy Hospital that the Special Fund under joint control of the Foundation and the Board of Regents now has \$13,000 cash on hand from maturing U. S. Government bonds and will receive an additional \$24,000 from a March 1 maturity of U. S. Government Bonds.

A review of the Special Fund, based on reports furnished by the Foundation, shows the following breakdown of securities held:

	Carrying Value 8/31/56	% of Total
<u>Investments:</u>		
U. S. Government Bonds . . . . .	\$172,300.01	23.42%
Corporate Bonds . . . . .	88,808.80	12.07
Insured Shares . . . . .	4,100.00	0.56
Preferred Stock . . . . .	1,200.26	0.16
Common Stock . . . . .	<u>467,379.73</u>	<u>63.54</u>
Total Investments . . . . .	<u>733,788.80</u>	<u>99.75</u>
<u>Income Cash</u> (as part of repayment of advance for purchase of hospital furnishings) . . . . .		
	1,603.84	0.22
<u>Principal Cash</u> . . . . .	<u>247.90</u>	<u>0.03</u>
FUND TOTAL. . . . .	<u>\$735,640.54</u>	<u>100.00%</u>

In the light of the high percentage held in common stocks and the present market for corporate bonds, it is the recommendation of the Land and Investment Committee that the Foundation be advised that the Board of Regents approves investment of the \$37,000 cash in corporate bonds rated A or better, the particular bonds to be suggested by the Endowment Officer to the Foundation to be subject to the approval of the Vice President for Fiscal Affairs.

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

ESTATE OF FLORENCE RALSTON BROOKE, DECEASED - REPORT ON FIFTH AND FINAL DISTRIBUTION FROM BROWN BROTHERS IN BANKRUPTCY.--We have received a check in the amount of \$512.72 from the Trustee in Bankruptcy for Brown Brothers et al, Bankrupt. This is the fifth and final dividend on the claim filed in the Bankruptcy Court by the University against Brown Brothers on account of the indebtedness due the Estate of Florence Ralston Brooke, Deceased. The residue of this Estate had been bequeathed to the University. The bankruptcy matter has been pending since 1945. The amended unsecured claim of the University was \$6,746.29. The total received by the University from the Estate's claims against Brown Brothers is \$5,328.57, consisting of dividends of 47.6%, \$3,211.23 on the unsecured claims, and \$2,117.34 from sale of collateral under a secured claim.

The proceeds of this payment of \$512.72 are to be deposited one-half, or \$256.36, to the Florence Ralston Brooke Fund for Library Books and the other one-half to the Florence Ralston Brooke Scholarship in English Fund. Both accounts are in the Endowment Funds section under "Funds Which Will Probably be Transferred to Funds Grouped for Investment."

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

TEXAS WESTERN COLLEGE - RATIFICATION OF MINERALS (OTHER THAN OIL AND GAS) PROSPECTING PERMIT NO. 2 TO HENRY C. WALL, COTTON ESTATE PROPERTY, HUDSPETH COUNTY, TEXAS.--At its meeting held November 3, 1956, the Board of Regents ratified the application of Mr. Henry C. Wall to President Holcomb of Texas Western College for a minerals prospecting permit on all of Section 5, Block 5, G. C. & S. F. Ry. Co., Hudspeth County, Texas, being Cotton Estate Property. The application was for a period of 90 days beginning October 20, 1956, and ending January 18, 1957, with a consideration of \$50.00 for the period. Mr. Wall has requested the extension of the permit for another 90 days for the period commencing January 19, 1957, and ending April 19, 1957. Endowment Officer Stewart has executed Permit No. 2 for the period indicated for the consideration of \$50.00, paid by Mr. Wall.

The Land and Investment Committee recommends that the Board ratify and approve the minerals prospecting permit as described above.

HUNTINGTON LANDS - REPORT ON CLOSING OF SALE TO THE AMERICAN OIL COMPANY OF 112 ACRE TRACT, H. B. LITTLEFIELD SURVEY, GALVESTON COUNTY, TEXAS.--At the November 3, 1956, meeting of the Board of Regents, we reported the acceptance of the University's counter offer by The American Oil Company for the purchase of a tract of 112 acres, more or less, out of the Huntington Lands in the H. B. Littlefield Survey, Galveston County, Texas, for \$1,500.00 per acre cash. The deed was executed and delivered November 9, 1956, and we are in receipt of the total consideration in the amount of \$166,485.00. The completion of this transaction is reported for information. A signed copy of the deed is on file in the office of the Secretary of the Board of Regents.

HOGG FOUNDATION: VARNER PROPERTIES - PROPOSED EXTENSION OF LEASE TO CAPITOL PHARMACY ON SPACE IN RIVER OAKS BUILDING, HOUSTON, TEXAS.--The present lease on the space occupied by Capitol Pharmacy on the ground floor corner of the River Oaks Building in Houston fronting 42 feet on Fannin and 28 feet on Capitol Avenue, at rental of \$565.00 monthly expires August 31, 1957. The tenant has proposed an extension of at least one year at the same rental. It is recommended that the Board of Regents authorize extending the lease for one year to August 31, 1958, at rental of \$565.00 a month, and that the Chairman of the Board be authorized to execute the instrument upon approval by the Endowment Officer as to content and the Land and Trust Attorney as to form.

HOGG FOUNDATION: VARNER PROPERTIES - PROPOSED EXTENSION OF LEASE TO FRANK PITARRA ON SPACE IN BETTES BUILDING (MITCHELL PROPERTY), HOUSTON, TEXAS.--The present lease on the space at 610 Fannin Street in the Bettes Building in Houston with Frank Pitarra (Frank's Boot Shop) expires August 31, 1957. The tenant proposes a renewal for at least one year, and it is recommended that the Board of Regents authorize such renewal for one year to expire August 31, 1958, at the present rental of \$550.00 per month, and that the Chairman of the Board be authorized to execute the instrument upon approval by the Endowment Officer as to content and the Land and Trust Attorney as to form.



PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM  
APPROVED LIST OF SECURITY DEALERS  
(Through March 16, 1957)

- Section IV in Approved Program -

A. FOR ALL CORPORATE SECURITIES

Group I  
(Full Members of the N.Y.S.E.)

	<u>Date Approved by Regents</u>
Harris, Upham & Company	1/11/57
Merrill Lynch, Pierce, Fenner and Beane	"
Salomon Bros. & Hutzler	"
E. F. Hutton & Company	"
Shearson, Hammill & Company	2/ 9/57

Group II

(Firms which serve as New York correspondents of Texas firms having membership on the N.Y.S.E. but not floor privileges; approval to include both the New York correspondent and the Texas firm)

Dominick & Dominick--	
Dewar, Robertson and Pancoast (San Antonio)	1/11/57
Underwood, Neuhaus & Company, Inc. (Houston)	"
Schneider, Bernet & Hickman (Dallas)	2/ 9/57
Laurence M. Marks and Company--	
Dittmar & Company (San Antonio)	1/11/57
Kidder, Peabody & Company--	
Rauscher, Pierce & Company, Inc. (Dallas)	1/11/57
Clark, Dodge & Company--	
Rotan, Mosle & Company (Houston)	1/11/57
Goldman, Sachs & Company--	
Eppler, Guerin & Turner (Dallas)	3/16/57
Gregory & Sons--	
Dallas Rupe & Son, Inc. (Dallas)	3/16/57

Group III

(Firms which have neither branch offices in Texas nor correspondent firms in Texas)

A. C. Allyn & Company, Inc.	1/11/57
H. C. Wainwright & Company	"
White, Weld and Company	"
Lehman Bros.	"

APPROVED LIST OF SECURITY DEALERS  
(Continued)

B. FOR CORPORATE BOND OFFERINGS - SECONDARY DISTRIBUTIONS OF ELIGIBLE CORPORATE SECURITIES AND TEXAS BANK AND INSURANCE SHARES

Group I

(Texas firms having membership on exchanges other than the N.Y.S.E.)

Equitable Securities Corporation (Dallas)	1/11/57
Dallas Union Securities Company (Dallas)	"
Austin, Hart & Parvin (San Antonio)	3/16/57
Fridley, Hess & Frederking (Houston)	"

Group II

(Texas firms which from time to time underwrite national corporate offerings but which own no stock exchange membership)

	Date Approved by Regents
First Southwest Company (Dallas)	<u>1/11/57</u>

C. FOR CORPORATE BONDS AND PREFERRED STOCKS - PRIMARY AND SECONDARY MARKETS

The First Boston Corporation	2/ 9/57
Halsey, Stuart & Company, Inc. (Salomon Bros. & Hutzler)	"
Blyth and Company, Inc.	3/16/57
Glore, Forgan and Company	"

March 16, 1957

To the Members of the Regents' Land and Investment Committee  
The University of Texas

Subject: THE JAMES W. McLAUGHLIN FELLOWSHIP FUND - RESERVE FOR  
DEPLETION - RECOMMENDATION RE INVESTMENT OF ENDOWMENT  
CASH

Gentlemen:

As of February 28, 1957, the assets of the depletion reserve for the  
subject fund were as follows:

	Carrying Value 2/28/57	% of Total
Cash on Hand . . . . .	\$ <u>4,826.87</u>	<u>2.89%</u>
Investments:		
U. S. Government Bonds . . . . .	20,961.24	12.56
Corporate Bonds . . . . .	35,724.68	21.41
Preferred Stock . . . . .	4,513.38	2.70
Sub-Total - Fixed Income Bearing . .	( 61,199.30)	(36.67)
Common Stock . . . . .	<u>100,858.31</u>	<u>60.44</u>
Total Investments . . . . .	<u>162,057.61</u>	<u>97.11</u>
FUND TOTAL . . . . .	<u>\$166,884.50</u>	<u>100.00%</u>

It is recommended that the cash on hand as shown above together with any additions to the fund through April 30, 1957, currently running at approximately \$4,000 per month, be invested in corporate bonds rated "A" or better, the particular bonds and timing of the purchases to be subject to the approval of the Vice President for Fiscal Affairs and the Endowment Officer.

Respectfully submitted

Recommendation Approved:

Wm. W. Stewart, Endowment Officer

REGENTS' LAND AND INVESTMENT COMMITTEE

APPROVED:

J. C. Dolley, Vice President for  
Fiscal Affairs

March 16, 1957

To the Members of the Regents' Land and Investment Committee  
The University of Texas

Subject: DeROSSETTE THOMAS FUND FOR THE ASA MITCHELL GUIDANCE  
CENTER - RECOMMENDATION RE INVESTMENT OF ENDOWMENT CASH  
ON HAND AND TO BE RECEIVED FROM THE SALE OF THE TUCSON,  
ARIZONA, PROPERTY

Gentlemen:

At the November 28, 1956, meeting of the Board, approval was given to the sale of the Tucson, Arizona, property by the Arizona Administrator at \$6,525.00, this being the best offer available at that time. Subsequently, the Administrator has advised the University that he had been able to sell the property at \$7,250.00, which is 90% of the appraised value of the property. After payment of sales' commission, title costs, administrator's and attorney's fees, the net proceeds to the University should be approximately \$6,200.00.

Endowment cash on hand at the present time from the closing of the Texas portion of the DeRossette Thomas Estate is in the approximate amount of \$4,496.47. It is recommended that the cash on hand, after payment of any further expenses against the Estate, together with the cash to be received from the Arizona Administrator upon closing of the Arizona portion of the Thomas Estate, be placed in Funds Grouped for Investment, the income therefrom to be placed in the Current Restricted Income Account for the DeRossette Thomas Fund for the Asa Mitchell Guidance Center.

Respectfully submitted

Wm. W. Stewart, Endowment Officer

APPROVED:

J. C. Dolley, Vice President for  
Fiscal Affairs

Recommendation Approved:

REGENTS' LAND AND INVESTMENT COMMITTEE

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To the Members of the Regents' Land and Investment Committee  
The University of Texas

Subject: HOGG FOUNDATION: W. C. HOGG ESTATE FUND -  
INVESTMENT RECOMMENDATION

Gentlemen:

A summary of the assets, including cash and investments, held for the Hogg Foundation: W. C. Hogg Estate Fund as of February 28, 1957, is detailed below:

	Carrying Value 2/28/57	% of Total
Cash Balance . . . . .	\$ 45,794.36	1.46%
Investments:		
U. S. Government Bonds . . . . .	321,198.43	10.24
Municipal Bonds . . . . .	17,000.00	0.54
Corporate Bonds . . . . .	587,392.63	18.72
Preferred Stock . . . . .	184,495.00	5.88
Common Stock . . . . .	1,065,720.76	33.97
Real Estate--		
Mortgage Notes and Savings & Loan Shares. . .	439,619.08	14.01
Properties. . . . .	476,097.21	15.18
Mineral Rights and Royalties. . . . .	50.00	-
Total Investments. . . . .	<u>3,091,573.11</u>	<u>98.54</u>
TOTAL FUND. . . . .	<u>\$3,137,367.47</u>	<u>100.00%</u>

It is recommended that the endowment cash on hand February 28, 1957, in the approximate amount of \$45,794.36, together with mineral royalties received through April 30, 1957, be invested in common stocks selected from the following list, the stocks purchased and the timing of the purchases to be subject to the approval of the Vice President for Fiscal Affairs and the Endowment Officer:

<u>Industry</u>	<u>Common Stock</u>	No. Shs. Held in Fund	Current Price*	Approx. Current Yield	Rating
Metals - Nonferrous	Amer. Smelting & Rfg.	300	52	6.73%	A
Steel and Iron	Bethlehem Steel	100	42-1/2	5.00	A <sup>+</sup>
Utilities - Light and Power	Commonwealth Edison	430	41-7/8	4.78	A <sup>+</sup>
Ditto	Detroit Edison	400	39-1/2	4.56	A <sup>+</sup>
Baking and Milling	General Mills	300	63-3/4	4.71	A-
Meats & Dairy Prod.	National Dairy Products	300	36-3/8	4.81	A <sup>+</sup>
Containers	Owens-Illinois Glass	400	61-1/4	4.08	A <sup>+</sup>
Soaps & Veg. Oils	Procter and Gamble	-0-	44-3/4	4.25	A
Petroleum	The Texas Company	600	58-5/8	4.01	A
Auto Parts	Timken Roller Bearing	100	90-3/4	4.41	A-
Utilities--Tel & Tel	American Tel. & Tel. Co.	165	177-3/8	5.07	A <sup>+</sup>

\*Close as of February 28, 1957

Respectfully submitted

Recommendation Approved:

REGENTS' LAND AND INVESTMENT COMMITTEE

Wm. W. Stewart, Endowment Officer

APPROVED:

J. C. Dolley, Vice President for  
Fiscal Affairs

March 16, 1957

To the Members of the Regents' Land and Investment Committee  
The University of Texas

Subject: FUNDS GROUPED FOR INVESTMENT

Gentlemen:

As of March 1, 1957, the following additions, representing income being reinvested, new monies and funds being transferred, have been made to the "Funds Grouped for Investment," pursuant to the policy adopted by the Committee on July 9, 1948:

Bromberg Memorial Fund for Faculty Awards (New Fund)	\$7,000.00
Florence Ralston Brooke Fund for Library Books (\$17,176.66 already in Grouped)	256.36
Florence Ralston Brooke Scholarship in English Fund (\$3,903.94 already in Grouped)	256.36
Emma Dallenbach Clark Fellowship in Psychology (\$2,048.77 already in Grouped)	4,019.38
D. A. R. Scholarship (\$5,688.11 already in Grouped)	261.90
John Wallace Dallenbach Fellowship in Psychology (\$17,555.52 already in Grouped)	9,197.44
Donna Dellinger Memorial Scholarship Fund (Fine Arts Foundation) (\$2,645.28 already in Grouped)	49.00
Department of Drama Ex-Students Scholarship Fund (Fine Arts Foundation) (\$204.85 already in Grouped)	26.93
Mavis Alexander Fitzgerald Awards (New Fund)	120.00
Robert H. Cuyler Memorial Scholarship (Geology Foundation) (\$1,087.50 already in Grouped)	200.00
Frederick W. Simonds Memorial Scholarship (Geology Foundation) (\$2,087.50 already in Grouped)	200.00
Kappa Epsilon Scholarship Fund (\$601.18 already in Grouped)	106.96
I. M. Lewis Memorial Fund in Bacteriology (\$1,434.53 already in Grouped)	113.42
Raoul Rene Daniel "Daddy" Cline Memorial Endowment Fund (Pharmaceutical Foundation) (\$345.00 already in Grouped)	11.50
The Senior Class Endowment Fund (Pharmaceutical Foundation) (\$77.00 already in Grouped)	70.00
John Lang Sinclair Eyes of Texas Scholarship Fund (\$2,212.64 already in Grouped)	30.15
Texas Journalism Scholarship Endowment (\$10,242.59 already in Grouped)	133.92

To the Members of the Regents' Land and Investment Committee  
 March 16, 1956 - Page 2

Subject: FUNDS GROUPEd FOR INVESTMENT

The attached review shows as of February 28, 1957, that the diversification of securities in the Fund is as outlined below:

	Book Value <u>2/28/57</u>	% of Total Fund
U. S. Government Securities. . . . .	\$101,583.51	15.94%
Corporate Bonds. . . . .	183,708.05	28.83
Preferred Stock. . . . .	42,868.53	6.73
Sub-Total - Fixed Income Bearing. . . . .	(328,160.09)	( 51.50)
Common Stock . . . . .	308,100.66	48.35
Uninvested Cash. . . . .	<u>903.63</u>	<u>0.15</u>
Total Fund as at 2/28/57. . . . .	<u>\$637,164.38</u>	<u>100.00%</u>

It is recommended that the cash on hand February 28, 1957 (\$903.63), together with cash added to the Fund on March 1, 1957 (\$22,053.32), a total of approximately \$22,956.95, be invested in common stocks selected from the following list, the stocks purchased and the timing of the purchases to be subject to the approval of the Vice President for Fiscal Affairs and the Endowment Officer:

Industry	Common Stock	No. Shs. Held in Fund	Current Price*	Approx. Current Yield
Baking and Milling	General Mills	-0-	63	4.76%
Containers	American Can	-0-	41-1/8	4.86
Dairy Products	Borden	-0-	53-3/8	5.25
Railroads	Union Pacific	100	28	6.25
Retail Trade	F. W. Woolworth	100	43	5.81

\*Close for February 27, 1957

Respectfully submitted

\_\_\_\_\_  
 Wm. W. Stewart, Endowment Officer

APPROVED:

\_\_\_\_\_  
 J. C. Dolley, Vice President for  
 Fiscal Affairs

Recommendation Approved:

REGENTS' LAND AND INVESTMENT COMMITTEE

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March 16, 1957

To the Members of the Regents' Land and Investment Committee  
The University of Texas

Subject: GEORGE STUART HEYER SCHOLARSHIP FUND - INVESTMENT  
RECOMMENDATION

Gentlemen:

Mrs. Jane Gregory Marechal has now presented an additional 200 shares of General Crude Oil Company Capital Stock to be added to the 300 shares previously given to establish the George Stuart Heyer Scholarship Fund. This gift of 200 additional shares is being presented to the Board of Regents for acceptance at the current meeting.

At the September 22, 1956, meeting of the Land and Investment Committee, authorization was granted for the Endowment Officer to sell the 300 shares of General Crude, provided a suitable market could be found, it being Mrs. Marechal's wish that the stock be sold and the proceeds placed in the University's "Funds Grouped for Investment" account. To date, a suitable market has not been found. It is recommended that the Endowment Officer be authorized to sell the additional 200 shares together with the 300 shares originally given to the University, the timing of the sales, probably in installments, and prices for the sales to be subject to the approval of the Vice President for Fiscal Affairs, and that the proceeds of any sales be placed in the "Funds Grouped for Investment" account at the next quarterly entrance date.

Respectfully submitted

Wm. W. Stewart, Endowment Officer

APPROVED:

Recommendation Approved:

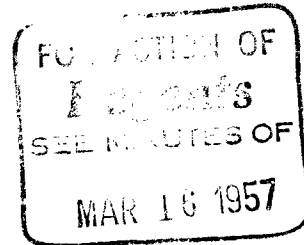
REGENTS' LAND AND INVESTMENT COMMITTEE

J. C. Dolley, Vice President for  
Fiscal Affairs

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THE UNIVERSITY OF TEXAS  
OFFICE OF THE PRESIDENT  
AUSTIN 12



March 8, 1957

Memorandum

To: Dr. Logan Wilson, President

From: J. C. Dolley, Vice-President for Fiscal Affairs

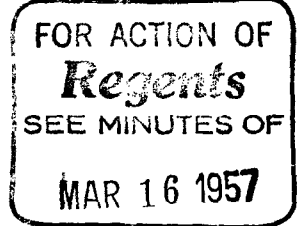
I request permission to travel to New York and possibly to Boston for these purposes:

- (1) To confer with Phelps, Fenn & Co. concerning the refunding of the outstanding Permanent University bonds, and
- (2) To confer with various brokers and dealers with reference to the revised investment program for the Permanent University Fund.

The dating of this trip is as yet uncertain, depending, among other things, upon a pending opinion of the Attorney General, but it is very probable that the necessity will develop before the next following meeting of the Board of Regents. Accordingly, it is requested that the Board of Regents approve this travel, with the understanding that the actual date will be determined later and that travel expenses will be paid from Account No. 89171.

JCD:jj

March 8, 1957



Doctor Merton M. Minter  
Minter Clinic  
1734 Nix Professional Building  
San Antonio 5, Texas

Dear Doctor Minter:

The enclosed letter to the Driskill Hotel is self-explanatory, and you may be assured that your room will be held for "Late Arrival."

Please allow me to take this opportunity to thank you for your thoughtfulness in furnishing me with a copy of "Resolution on Proposed Medical Center" from the Board of Trustees of Trinity University. It is most helpful when I receive information of this type, and I am getting from the President's office a copy of your letter that went to the members of the Board and to President Logan Wilson in order that the file on this important subject may be completed in this office.

Sincerely yours,

Betty Anne Thedford

BAT:jm  
Encl.

THE UNIVERSITY OF TEXAS  
THE BOARD OF REGENTS

March 5, 1957

MERTON M. MINTER, M. D., F. A. C. P.  
NIX PROFESSIONAL BUILDING  
SAN ANTONIO, TEXAS

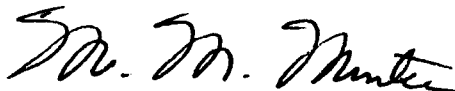
Miss Betty Anne Thedford  
The University of Texas  
Board of Regents  
Austin, Texas

Dear Miss Thedford:

I am sending you a resolution from Trinity University Board of Trustees which you may put on file.

I have sent copies of this resolution together with an explanatory letter to the members of the Board and to Doctor Wilson.

Sincerely yours



Merton M. Minter, M. D.

MMM:emc  
~~Handwritten~~

68

Resolution on Proposed Medical Center

**RESOLVED**, that the Board of Trustees of Trinity University communicate officially to the Board of Regents of the University of Texas the desire and readiness of Trinity University to cooperate in any way possible with the proposed establishment in San Antonio of a branch of the University Medical School, including such sharing in the teaching program as may be deemed desirable and practical, and that the Administration be empowered to explore such areas of cooperation as may be feasible and beneficial.

I hereby certify that the foregoing is a true and correct copy of the resolution passed by the Trinity University Board of Trustees on February 20, 1957.



Carl F. Parker, Assistant Secretary  
Trinity University Board of Trustees

THE UNIVERSITY OF TEXAS  
THE BOARD OF REGENTS

**COPY**

PRESIDENT'S OFFICE, U OF T	
ACKNOWLEDGED	FILE
REC'D	MAR 13 - 1957
REF'D TO	
PLEASE ANSWER	

MERTON M. MINTER, M.D., F.A.C.P.  
NIX PROFESSIONAL BUILDING  
SAN ANTONIO, TEXAS

**The Board of Regents  
The University of Texas**

**Mrs. Devall and Gentlemen:**

I am enclosing a copy of a resolution on the proposed Medical Center in San Antonio which has been directed to me as a member of the Board of Regents.

Doctor James Laurie, president of Trinity University, has asked that this resolution be sent to the members of the Board of Regents.

Trinity University is interested in working out an agreement with the University of Texas should a medical school be established whereby teachers at Trinity University in the basic sciences might be utilized in the medical school.

Sincerely yours

*M. M. Minter*

Merton M. Minter, M. D.

MMM:cmc

CC: Dr. Logan Wilson  
Enclosure

*See Deliberations of the Board*

MAR 16 1957

THE UNIVERSITY OF TEXAS  
SUMMARY FINANCIAL STATEMENTS  
Three Months Ending November 30, 1956

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Office of the President  
FDG:dds  
3/16/57

THE UNIVERSITY OF TEXAS  
SUMMARY REPORT - CENTRAL ADMINISTRATION  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
THREE MONTHS ENDING NOVEMBER 30, 1956

<u>General Budget</u>	<u>Adjusted Budget (1)</u>	<u>Expended (2)</u>	<u>Encumbered (3)</u>	<u>Unencumbered (4)</u>
<b>General Administration</b>				
Office of the Board of Regents	\$ 25,647.00	\$ 4,745.03	\$ 10,530.00	\$ 10,371.97
Office of the President	124,922.79	30,033.45	72,322.42	22,566.92
Office of the Comptroller	47,944.00	11,098.74	31,896.84	4,948.42
Workmen's Compensation Insurance	<u>                    </u>	<u>17.17</u>	<u>                    </u>	<u>17.17*</u>
Total General Administration	<u>\$ 198,513.79</u>	<u>\$ 45,894.39</u>	<u>\$ 114,749.26</u>	<u>\$ 37,870.14</u>
<b>General Expenses</b>				
University Development Board	\$ 38,160.08	\$ 7,499.36	\$ 23,176.02	\$ 7,484.70
University News and Information Service	36,781.45	8,374.33	23,781.80	4,625.32
<b>O.A.S.I. - Central Administration</b>				
Matching Contributions		75.06		75.06*
Insurance Survey of The University of Texas System Insurance Audit and Inspection Company Contract	<u>750.00</u>	<u>750.00</u>	<u>                    </u>	<u>                    </u>
Total General Expenses	<u>\$ 75,691.53</u>	<u>\$ 16,698.75</u>	<u>\$ 46,957.82</u>	<u>\$ 12,034.96</u>
<b>Total Central Administration Budget</b>	<u>\$ 274,205.32</u>	<u>\$ 62,593.14</u>	<u>\$ 161,707.08</u>	<u>\$ 49,905.10</u>
Percent to Adjusted Budget	100.0%	22.8%	59.0%	18.2%

\* Overdraft

THE UNIVERSITY OF TEXAS - AVAILABLE UNIVERSITY FUND  
SUMMARY REPORT  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
(EXPENSES OF REVENUE-BEARING PROPERTY)  
THREE MONTHS ENDING NOVEMBER 30, 1956

	Adjusted Budget (1)	Expended (2)	Encumbered (3)	Unencumbered (4)
Auditing Oil and Gas Production	\$ 47,561.77	\$ 10,503.63	\$ 34,989.23	\$ 2,068.91
Board for Lease of University Lands	4,348.00	972.38	2,736.00	639.62
University Lands:				
Geology	66,412.00	15,903.62	45,483.02	5,025.36
Legal and Surveying	25,330.00	3,780.56	20,370.02	1,179.42
Oil Field Supervision and Geophysical Exploration	29,236.00	5,131.84	12,947.26	11,156.90
University Lands - Surface Leasing	11,953.00	2,497.60	7,097.10	2,358.30
Investment Office	36,312.00	7,583.59	23,500.02	5,228.39
O.A.S.I. - Matching Contributions		301.54		301.54*
Workmen's Compensation Insurance	<u>35.00</u>	<u>5.50</u>		<u>29.50</u>
<b>Total Available University Fund Budget</b>	<u>\$ 221,187.77</u>	<u>\$ 46,680.26</u>	<u>\$ 147,122.65</u>	<u>\$ 27,384.86</u>
Percent to Adjusted Budget	100.0%	21.1%	66.5%	12.4%

\* Overdraft



THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY  
SUMMARY REPORT  
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE  
AS OF NOVEMBER 30, 1956

General Budget	Budget Estimates		Revenues 3 Mos. Ending Nov. 30, 1956 (3)	Excess Over* or Under Budget (4)	Estimated Funds Available (5)
	% Realized To Date (1)	Amounts (2)			
Student Fees, Forfeits, Etc.:					
Main University	48.7%	\$ 1,365,060.00	\$ 664,877.05	\$ 700,182.95	
Extension Division	35.8	117,979.00	42,173.25	75,805.75	
Federal Government:					
Overhead Allowances	29.2	450,000.00	131,354.16	318,645.84	
V. A. and ROTC Fees, Etc.	40.2	38,500.00	15,475.02	23,024.98	
Texas Education Agency		168,372.00	26,384.72*	194,756.72	
Sales and Services	32.8	57,050.00	18,726.92	38,323.08	
Other Sources	103.2	30,126.00	31,098.74	972.74*	
Subtotal	39.4	\$ 2,227,087.00	\$ 877,320.42	\$1,349,766.58	
Legislative Appropriations		7,836,048.00			
Total Estimated Income		<u>\$ 1,000,000.00</u>			\$ 10,063,135.00
Transfers from Available University Fund					2,023,300.00
Transfers from Intercollegiate Athletic Funds					7,125.00
Texas Petroleum Research Committee					50,000.00
Balances Available for Appropriation, September 1, 1956:					
Res. for Orders and Contracts Outstanding					243,185.75
Res. for Balances Subject to Reappropriation					75,910.14
Unappropriated Surplus					1,432,420.75
Total Balances Available for Appropriation, September 1, 1956					1,751,516.64
Revised Estimate of Funds Available					13,895,076.64
Adjusted Budget, 1956-57 (Schedule 2)					13,313,952.67
Excess Estimate of Funds Available over Adjusted Budget					\$ 581,123.97

THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY  
SUMMARY REPORT  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
THREE MONTHS ENDING NOVEMBER 30, 1956

General Budget	Adjusted Budget (1)	Expended (2)	Encumbered (3)	Unencumbered (4)	Unfilled Positions# (5)
General Administration	\$ 388,403.38	\$ 109,961.43	\$ 249,450.58	\$ 22,874.70	\$ 6,116.67
General Expenses	653,236.13	169,056.99	342,013.22	137,237.41	4,928.51
Resident Instruction and Departmental Research					
School of Architecture	\$ 98,509.01	\$ 25,277.67	\$ 59,784.73	\$ 5,396.61	\$ 8,050.00
College of Arts and Sciences	3,293,183.22	892,906.95	2,017,438.33	257,659.61	125,178.33
College of Business Administration	521,876.33	134,697.21	330,775.56	28,686.56	27,717.00
College of Education	455,323.92	107,490.29	268,916.55	66,067.08	12,850.00
College of Engineering	902,899.33	229,256.05	567,446.63	89,996.65	16,200.00
College of Fine Arts	539,926.92	146,843.41	330,115.39	62,281.09	687.03
School of Law	269,836.82	75,662.77	182,272.39	10,101.66	1,800.00
Graduate School of Library Science	34,663.78	9,261.07	21,604.19	3,798.52	
College of Pharmacy	158,455.63	41,253.66	97,552.87	19,649.10	
Graduate School of Social Work	42,574.88	11,346.14	27,024.61	4,204.13	
Air Science	8,547.55	2,134.29	5,566.78	846.48	
Military Science	6,380.32	1,530.37	3,969.00	880.95	
Naval Science	3,020.00	740.42	1,890.00	389.58	
Military Property Custodian	25,433.50	6,008.87	18,782.16	642.47	
Physical Training	158,268.12	44,992.68	103,499.19	9,776.25	
Graduate School - Office of the Dean	34,073.64	8,994.62	22,906.11	2,172.91	
<b>Total Instructional Departments</b>	<b>\$ 6,552,972.97</b>	<b>\$ 1,738,396.47</b>	<b>\$ 4,059,544.49</b>	<b>\$ 562,549.65</b>	<b>\$ 192,482.36</b>
Unallocated Accounts					
Salaries	\$ 190,965.81	\$	\$	\$	\$ 190,965.81
Maintenance, Equipment, Office and Travel	51,340.01			51,340.01	
	<b>\$ 242,305.82</b>	<b>\$</b>	<b>\$</b>	<b>\$ 51,340.01</b>	<b>\$ 190,965.81</b>
Summer Session - 1956	\$ 1,895.99	\$ 926.24	\$	\$	\$ 969.75
Summer Session - 1957	657,000.00				657,000.00

THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY  
SUMMARY REPORT  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
THREE MONTHS ENDING NOVEMBER 30, 1956

<u>General Budget (Continued)</u>	<u>Adjusted Budget (1)</u>	<u>Expended (2)</u>	<u>Encumbered (3)</u>	<u>Unencumbered (4)</u>	<u>Unfilled Positions# (5)</u>
Organized Research	\$ 723,591.78	\$ 156,720.63	\$ 398,367.12	\$ 125,722.94	\$ 42,781.09
Division of Extension	702,872.79	169,678.70	361,919.42	134,048.27	37,226.40
Library	644,978.38	122,929.43	331,507.95	175,248.63	15,292.37
Physical Plant	2,383,018.76	583,087.28	1,068,059.23	686,075.84	45,796.41
Organized Activities Relating to Instructional Departments	182,448.67	44,716.23	119,798.73	21,053.71	5,880.00
Non-Educational Expenses	91,000.00	30,224.99		60,775.01	
<b>Total - General Budget</b>	<b><u>\$13,223,724.67</u></b>	<b><u>\$ 3,125,698.39</u></b>	<b><u>\$ 6,921,660.74</u></b>	<b><u>\$ 1,976,926.17</u></b>	<b><u>\$1,199,439.37</u></b>
<b>Transfers:</b>					
Special Activities	4,500.00	4,500.00	----	----	----
Service Departments	30,368.00	30,368.00	----	----	----
Auxiliary Enterprises	55,360.00	55,360.00	----	----	----
	<u>90,228.00</u>	<u>90,228.00</u>	----	----	----
<b>Grand Total</b>	<b><u>\$13,313,952.67</u></b>	<b><u>\$ 3,215,926.39</u></b>	<b><u>\$ 6,921,660.74</u></b>	<b><u>\$ 1,976,926.17</u></b>	<b><u>\$1,199,439.37</u></b>
Percent to Adjusted Budget	100.0%	24.2%	52.0%	14.8%	9.0%

# Includes Unallocated Salaries and Summer Session Salaries

THE UNIVERSITY OF TEXAS - TEXAS WESTERN COLLEGE  
SUMMARY REPORT  
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE  
AS OF NOVEMBER 30, 1956

General Budget	Budget Estimates		Revenues 3 Mos. Ending Nov. 30, 1956 (3)	Excess Over* or Under Budget (4)	Estimated Funds Available (5)
	% Realized To Date (1)	Amounts (2)			
Registration, Laboratory and Course Fees					
Long Session	49.6%	\$ 215,090.00	\$106,778.13	\$108,311.87	
Summer Session	---	49,960.00	-0-	49,960.00	
Miscellaneous Income	30.9	<u>15,000.00</u>	<u>4,630.32</u>	<u>10,369.68</u>	
Subtotal	39.8	\$ 280,050.00	<u>\$111,408.45</u>	<u>\$168,641.55</u>	
Legislative Appropriations:					
For 1956-57		<u>1,166,664.00</u>			
Total Estimated Income		<u>\$1,446,714.00</u>			<u>\$1,446,714.00</u>
Balances Available for Appropriation, September 1, 1956					
Reserve for Orders and Contracts Outstanding					18,485.41
Reserve for Balances Subject to Reappropriation					31,335.34
Unappropriated Surplus					<u>242,125.67</u>
Total Balances Available for Appropriation, September 1, 1956					<u>291,946.42</u>
Revised Estimate of Funds Available					1,738,660.42
Adjusted Budget, 1956-57 (Schedule 2)					<u>1,516,497.75</u>
Excess Estimate of Funds Available over Adjusted Budget					<u>\$ 222,162.67</u>

THE UNIVERSITY OF TEXAS - TEXAS WESTERN COLLEGE  
SUMMARY REPORT  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
THREE MONTHS ENDING NOVEMBER 30, 1956

General Budget	Adjusted Budget (1)	Expended (2)	Encumbered (3)	Unencumbered (4)	Unfilled Positions# (5)
General Administration	\$ 124,758.66	\$ 30,108.09	\$ 76,234.24	\$ 18,416.33	---
General Expenses	61,763.05	12,598.10	18,182.22	30,982.73	---
Resident Instruction	832,698.55	233,366.05	515,316.78	75,965.72	\$ 8,050.00
Evening Classes	3,694.00	1,138.32	2,015.68	540.00	---
Intramurals	8,531.00	2,369.64	6,161.36	---	---
Summer Session	98,138.00	---	---	---	98,138.00
Division of Extension	720.00	5.88	---	714.12	---
Library	61,815.69	20,088.86	32,237.03	9,489.80	---
Physical Plant	239,263.46	52,511.00	46,089.13	140,663.33	---
Museum	14,348.69	4,143.16	6,554.09	3,651.44	---
Educational Television Program	210.00	---	210.00	---	---
Unallocated Accounts:					
School of Nursing	32,270.00	---	---	---	32,270.00
Salaries	33,446.65	---	---	---	33,446.65
Maintenance and Equipment	4,840.00	---	---	4,840.00	---
Total - Unallocated Accounts	70,556.65	---	---	4,840.00	65,716.65
Grand Total - General Budget	<u>\$1,516,497.75</u>	<u>\$356,329.10</u>	<u>\$703,000.53</u>	<u>\$285,263.47</u>	<u>\$171,904.65</u>
Percent to Adjusted Budget	100.0%	23.5%	46.4%	18.8%	11.3%

# Includes Unallocated Salaries and Summer Session Salaries

THE UNIVERSITY OF TEXAS - MEDICAL BRANCH  
SUMMARY REPORT  
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE  
AS OF NOVEMBER 30, 1956

General Budget	Budget Estimates		Revenues	Excess	Estimated
	% Realized To Date (1)	Amounts (2)	3 Mos. Ending Nov. 30, 1956 (3)	Over* or Under Budget (4)	Funds Available (5)
Student Fees:					
Registration Fees					
Medical Students	44.7%	\$ 28,000.00	\$ 12,511.94	\$ 15,488.06	
Nursing Students	19.0	16,000.00	3,043.24	12,956.76	
Postgraduate	---	4,000.00	---	4,000.00	
Veterans Administration	---	---	---	---	
Student Health Fees	35.5	17,500.00	6,210.91	11,289.09	
Laboratory Fees	44.2	16,500.00	7,299.02	9,200.98	
Filing Fees	---	2,500.00	---	2,500.00	
Student Deposits Forfeited	.5	1,000.00	4.60	995.40	
Total Student Fees	34.0	<u>85,500.00</u>	<u>29,069.71</u>	<u>56,430.29</u>	
Miscellaneous	20.8	20,000.00	4,167.83	15,832.17	
Overhead on Government Contracts	---	37,500.00	-0-	37,500.00	
Hospitals	25.0	2,400,000.00	599,050.46 <sup>a</sup>	1,800,949.54	
Subtotal	24.9	<u>2,543,000.00</u>	<u>632,288.00</u>	<u>1,910,712.00</u>	
Legislative Appropriations:					
For 1956-57		5,326,732.00			
Total Estimated Income		<u>\$7,869,732.00</u>			\$7,869,732.00
Balances Available for Appropriation, September 1, 1956:					
Reserve for Orders and Contracts Outstanding					159,592.03
Reserve for Balances Subject to Reappropriation					4,198.62
Unappropriated Surplus					<u>204,190.38</u>
Total Balances Available for Appropriation, September 1, 1956					367,981.03
Revised Estimate of Funds Available					<u>8,237,713.03</u>
Adjusted Budget, 1956-57 (Schedule 2)					<u>8,077,558.12</u>
Excess Estimate of Funds Available over Adjusted Budget					<u>\$ 160,154.91</u>

<sup>a</sup>Hospital billings made during the three months ending November 30, 1956 amounted to \$667,490.77.

THE UNIVERSITY OF TEXAS - MEDICAL BRANCH  
SUMMARY REPORT  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
THREE MONTHS ENDING NOVEMBER 30, 1956

General Budget	Adjusted Budget (1)	Expended (2)	Encumbered (3)	Unencumbered (4)	Unfilled Positions# (5)
General Administration	\$ 365,096.45	\$ 91,579.70	\$ 22,520.39	\$ 250,096.36	\$ 900.00
General Expenses	<u>235,198.15</u>	<u>70,332.64</u>	<u>11,180.96</u>	<u>153,684.55</u>	---
Resident Instruction and Departmental Research					
School of Medicine	1,493,069.14	364,970.01	9,932.97	1,067,266.16	50,900.00
School of Nursing	147,588.85	32,508.01	927.75	109,953.09	4,200.00
Total Instructional Depts.	<u>1,640,657.99</u>	<u>397,478.02</u>	<u>10,860.72</u>	<u>1,177,219.25</u>	<u>55,100.00</u>
Organized Research	74,549.59	18,828.52	2,812.85	49,668.22	3,240.00
Extension	9,777.20	1,433.80	221.06	8,122.34	---
Library	53,015.66	12,592.13	6,738.38	33,685.15	---
Operation & Maint. of Phy. Plant	<u>860,740.36</u>	<u>236,983.21</u>	<u>62,677.72</u>	<u>554,911.43</u>	<u>6,168.00</u>
Hospitals					
General Adm. and Expense	79,204.00	15,228.99	---	63,975.01	---
Admissions & Business Activities	78,783.50	19,456.71	815.00	58,511.79	---
Professional Care of Patients	2,888,600.14	738,984.76	13,661.90	2,135,953.48	---
Professional Divisions	619,995.28	161,154.07	26,229.86	432,611.35	---
General Services	1,184,344.43	203,430.22	56,081.46	924,832.75	---
Total Hospitals	<u>4,850,927.35</u>	<u>1,138,254.75</u>	<u>96,788.22</u>	<u>3,615,884.38</u>	---
Unallocated Salaries	<u>12,404.63*</u>	---	---	---	<u>12,404.63*</u>
Total - General Budget	<u>\$8,077,558.12</u>	<u>\$1,967,482.77</u>	<u>\$213,800.30</u>	<u>\$5,843,271.68</u>	<u>\$53,003.37</u>
Percent to Adjusted Budget	100.0%	24.4%	2.6%	72.3%	.7%

# Includes Unallocated Salaries.

\* Overdraft

THE UNIVERSITY OF TEXAS - SOUTHWESTERN MEDICAL SCHOOL  
SUMMARY REPORT  
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE  
AS OF NOVEMBER 30, 1956

General Budget	Budget Estimates		Revenues 3 Mos. Ending Nov. 30, 1956 (3)	Excess Over* or Under Budget (4)	Estimated Funds Available (5)
	% Realized To Date (1)	Amounts (2)			
Student Fees - Non-Veteran					
Tuition	114.0%	\$ 16,600.00	\$18,930.52	\$ 2,330.52*	
Postgraduate Registration Fees	37.6	7,348.00	2,765.00	4,583.00	
Laboratory and Health Fees	114.9	18,720.00	21,501.00	2,781.00*	
Graduation Fees	100.0	1,750.00	1,750.00	---	
Student Fees - From Veterans Adm.	16.7	300.00	50.00	250.00	
Overhead Allowances - Special Projects	.3	20,000.00	50.18	19,949.82	
Sales and Services:					
Medical Art	43.6	2,000.00	872.35	1,127.65	
Other Sources	53.9	4,400.00	2,369.63	2,030.37	
Subtotal	67.9	<u>71,118.00</u>	<u>\$48,288.68</u>	<u>\$22,829.32</u>	
Legislative Appropriations:					
For 1956-57		<u>1,484,276.04</u>			
Total Estimated Income		<u>\$1,555,394.04</u>			<u>\$1,555,394.04</u>
Balances Available for Appropriation, September 1, 1956:					
Reserve for Orders and Contracts Outstanding					27,468.07
Reserve for Balances Subject to Reappropriation					6,934.28
Unappropriated Surplus					<u>256,259.71</u>
Total Balances Available for Appropriation, September 1, 1956					<u>290,662.06</u>
Revised Estimate of Funds Available					1,846,056.10
Adjusted Budget, 1956-57 (Schedule 2)					<u>1,687,898.55</u>
Excess Estimate of Funds Available over Adjusted Budget					<u>\$ 158,157.55</u>



THE UNIVERSITY OF TEXAS - SOUTHWESTERN MEDICAL SCHOOL  
SUMMARY REPORT  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
THREE MONTHS ENDING NOVEMBER 30, 1956

<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 Administrative Offices	\$ 121,988.71	\$ 30,308.11	\$ 1,603.97	\$ 90,076.63	\$ ---
General Expense	59,614.42	14,676.37	4,118.19	40,819.86	---
Instruction and Departmental Research					
School of Medicine	1,116,200.95	226,799.70	24,117.95	748,221.30	117,062.00
Extension - Postgraduate Program	14,535.77	2,616.39	285.50	11,633.88	---
Library	69,165.60	12,991.79	12,715.46	43,458.35	---
Operation & Maint. of Physical Plant & Other Gen. Services	244,628.33	57,116.69	21,660.45	154,247.19	11,604.00
Unallocated Accounts					
Salaries	43,664.33	---	---	---	43,664.33
Maintenance and Equipment	18,100.44	---	---	18,100.44	---
<b>Total - General Budget</b>	<b><u>\$1,687,898.55</u></b>	<b><u>\$344,509.05</u></b>	<b><u>\$64,501.52</u></b>	<b><u>\$1,106,557.65</u></b>	<b><u>\$172,330.33</u></b>
Percent to Adjusted Budget	100.0%	20.4%	3.8%	65.6%	10.2%

#Includes Unallocated Salaries.

THE UNIVERSITY OF TEXAS - DENTAL BRANCH  
SUMMARY REPORT  
REALIZATION OF REVENUE AND ESTIMATE OF GENERAL BUDGET FUNDS AVAILABLE  
AS OF NOVEMBER 30, 1956

General Budget	Budget Estimates		Revenues 3 Mos. Ending Nov. 30, 1956 (3)	Excess Over* or Under Budget (4)	Estimated Funds Available (5)
	% Realized To Date (1)	Amounts (2)			
Student Fees:					
Registration Fees	30.9%	\$ 82,700.00	\$25,575.94	\$ 57,124.06	
Laboratory Fees and Miscellaneous Fees	68.7	5,000.00	3,436.38	1,563.62	
Outpatient Division	31.5	<u>90,000.00</u>	<u>28,361.73</u>	<u>61,638.27</u>	
Subtotal	32.3	177,700.00	<u>\$57,374.05</u>	<u>\$120,325.95</u>	
Legislative Appropriations:					
For 1956-57		<u>1,384,933.00</u>			
Total Estimated Income		<u>\$1,562,633.00</u>			<u>\$1,562,633.00</u>
Balances Available for Appropriation, September 1, 1956:					
Reserve for Orders and Contracts Outstanding					35,271.38
Unappropriated Surplus					<u>757,207.60<sup>a</sup></u>
Total Balances Available for Appropriation, September 1, 1956					<u>792,478.98</u>
Revised Estimate of Funds Available					2,355,111.98
Adjusted Budget, 1956-57 (Schedule 2)					<u>1,675,441.38</u>
Excess Estimate of Funds Available over Adjusted Budget					<u>\$ 679,670.60</u>

<sup>a</sup>In Addition to the Unappropriated Surplus, \$600,000 is reserved for Estimated Lapses of State Appropriations.

THE UNIVERSITY OF TEXAS - DENTAL BRANCH  
 SUMMARY REPORT  
 STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
 THREE MONTHS ENDING NOVEMBER 30, 1956

<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 and Expense	\$ 219,609.57	\$ 39,840.02	\$119,722.43	\$ 53,567.12	\$ 6,480.00
Resident Instruction and Departmental Research	1,090,319.28	177,752.11	566,665.54	116,871.63	229,030.00
Organized Research	21,183.35	3,494.68	8,636.53	9,052.14	---
Library	19,358.93	4,419.24	9,196.18	2,719.51	3,024.00
Physical Plant	222,396.31	37,368.87	101,519.65	75,863.79	7,644.00
Outpatient Division	64,781.00	9,630.39	52,126.61	---	3,024.00
Unallocated Salaries	<u>37,792.94</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>37,792.94</u>
<b>Total - General Budget</b>	<b><u>\$1,675,441.38</u></b>	<b><u>\$272,505.31</u></b>	<b><u>\$857,866.94</u></b>	<b><u>\$258,074.19</u></b>	<b><u>\$286,994.94</u></b>
Percent to Adjusted Budget	100.0%	16.3%	51.2%	15.4%	17.1%

# Includes Unallocated Salaries.

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 NOVEMBER 30, 1956

General Budget	Budget Estimates		Revenues 3 Mos. Ending Nov. 30, 1956	Excess Over* or Under Budget	Estimated Funds Available
	% Realized To Date	Amounts			
	(1)	(2)	(3)	(4)	(5)
Income from Patients	11.6%	\$1,156,600.00	\$133,697.95	\$1,022,902.05	
Other Income	453.2	5,400.00	24,470.57	19,070.57*	
Overhead Allowances	.9	16,000.00	146.83	15,853.17	
Subtotal	13.4	<u>\$1,178,000.00</u>	<u>\$158,315.35</u>	<u>\$1,019,684.65</u>	
Legislative Appropriations For 1956-57		<u>3,293,275.00</u>			
Total Estimated Income		\$4,471,275.00			\$4,471,275.00
Transfers from Unexpended Plant Funds (Net)					83,500.00
Balances Available for Appropriation, September 1, 1956:					
Reserve for Orders and Contracts Outstanding					62,291.02
Unappropriated Surplus					<u>282,863.49</u>
Total Balances Available for Appropriation, September 1, 1956					<u>345,154.51</u>
Revised Estimate of Funds Available					4,899,929.51
Adjusted Budget, 1956-57 (Schedule 2)					<u>4,853,752.15</u>
Excess Estimate of Funds Available over Adjusted Budget					<u>\$ 46,177.36</u>

THE UNIVERSITY OF TEXAS - M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE  
SUMMARY REPORT  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
THREE MONTHS ENDING NOVEMBER 30, 1956

<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 and Expense					
General Administration	\$ 205,089.32	\$ 49,887.13	\$ 135,403.13	\$ 17,159.06	\$ 2,640.00
General Expense	12,982.00	2,700.52	----	10,281.48	----
Total General Adm. & Expense	<u>218,071.32</u>	<u>52,587.65</u>	<u>135,403.13</u>	<u>27,440.54</u>	<u>2,640.00</u>
The Tumor Institute					
Medical Staff	609,638.96	135,791.34	409,485.87	10,361.75	54,000.00
Division of Research	750,825.91	169,336.41	409,336.73	91,336.77	80,816.00
Division of Education	199,251.98	32,695.81	82,262.05	35,658.12	48,636.00
Total The Tumor Institute	<u>1,559,716.85</u>	<u>337,823.56</u>	<u>901,084.65</u>	<u>137,356.64</u>	<u>183,452.00</u>
Division of Patient Care Activities	2,332,945.08	466,509.47	1,131,628.02	459,552.59	275,255.00
Division of General Services	288,669.70	65,990.98	186,048.47	28,062.25	8,568.00
Operation & Maint. of Phy. Plant	<u>342,141.70</u>	<u>93,804.14</u>	<u>119,548.80</u>	<u>124,204.76</u>	<u>4,584.00</u>
Reserves					
Reserve for Salaries	327.50	----	----	----	327.50
Reserve for Maint. & Equipment	111,880.00	----	----	111,880.00	----
Total Reserves	<u>112,207.50</u>	<u>----</u>	<u>----</u>	<u>111,880.00</u>	<u>327.50</u>
Grand Total General Budget	<u>\$4,853,752.15</u>	<u>\$1,016,715.80</u>	<u>\$2,473,713.07</u>	<u>\$888,496.78</u>	<u>\$474,826.50</u>
Percent to Adjusted Budget	100.0%	20.9%	51.0%	18.3%	9.8%

# 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 NOVEMBER 30, 1956

General Budget	Budget Estimates		Revenues 3 Mos. Ending Nov. 30, 1956 (3)	Excess Over* or Under Budget (4)	Estimated Funds Available (5)
	% Realized To Date (1)	Amounts (2)			
Estimated Income:					
Tuition and Fees	41.9%	\$14,000.00	\$5,860.00	\$ 8,140.00	
Other Gifts	----	----	36.35	36.35*	
M. D. Anderson Foundation Grant	----	<u>12,500.00<sup>a</sup></u>	----	<u>12,500.00</u>	
Total	22.3	<u>\$26,500.00</u>	<u>\$5,896.35</u>	<u>\$20,603.65</u>	
Total Estimated Income					<u>\$26,500.00</u>
Balances Available for Appropriation, September 1, 1956:					
Unappropriated Surplus - General Funds					3,046.98
Unappropriated Surplus - Current Restricted Funds					<u>44,534.66<sup>a</sup></u>
Revised Estimate of Funds Available					74,081.64
Adjusted Budget, 1956-57 (Schedule 2)					<u>46,548.00</u>
Excess Estimated Funds Available over Adjusted Budget					<u>\$27,533.64</u>

a \$12,500 of original estimate received in 1955-56.

THE UNIVERSITY OF TEXAS - POSTGRADUATE SCHOOL OF MEDICINE  
SUMMARY REPORT  
STATEMENT OF GENERAL BUDGET APPROPRIATIONS  
THREE MONTHS ENDING NOVEMBER 30, 1956

<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)
Central Administrative Office	\$37,514.66	\$5,685.37	\$15,410.97	\$ 9,418.28	\$7,000.04
Teaching Aids Program	3,000.00	415.00	900.00	1,685.00	----
Extension Teaching Program	6,000.00	1,393.75	----	4,606.25	----
Reserve for Salaries	<u>33.34</u>	----	----	----	<u>33.34</u>
Total - General Budget	<u>\$46,548.00</u>	<u>\$7,494.12</u>	<u>\$16,310.97</u>	<u>\$15,709.53</u>	<u>\$7,033.38</u>
Percent to Adjusted Budget	100.0%	16.1%	35.0%	33.7%	15.2%

#Includes Unallocated Salaries.

SUPPLEMENTAL DATA  
M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE  
JANUARY 31, 1957

<u>I. Income</u>	<u>Amount</u>	<u>Per Cent</u>
Budgeted Income	\$1,178,000	100%
Receipts - Five Months	263,817	22
Balance to be Realized	<u>\$ 914,183</u>	<u>78%</u>
Collections:		
September	\$ 58,700	
October	56,683	
November	42,932	
December	49,381	
January	56,167	
Five-month Average	<u>\$ 52,763</u>	
Projection:		
Budgeted Income	\$1,178,000	100%
Five-month Average by 12	633,156	54
Estimated Balance that will not be realized	<u>\$ 544,844</u>	46%
<u>II. Expenditures</u>		
Budgeted Expenditures	\$4,853,752	100%
Expended - Five Months	1,718,557	35
Encumbrances	2,000,628	41
Balances	<u>\$1,134,567</u>	<u>24%</u>
Projection		
Budgeted Expenditures	\$4,853,752	100%
Estimated Expenditures - Five-month Average of \$343,711 by 12	4,124,532	85
Unexpended Balance	<u>\$ 729,220</u>	<u>15%</u>
Less - Estimated Encumbrances at August 31, 1957	100,000	
Unencumbered Balance	<u>\$ 629,220</u>	
<u>III. Summary</u>		
Unencumbered Balance (Estimated)		
Closed to Surplus	\$ 629,220	
Less - Income Not Realized	544,844	
	<u>84,376</u>	
Less - Additions to Reserve for Doubtful Accounts and for Inventories (Est.)	20,000	
Estimated Clearance - August 31, 1957	<u>\$ 64,376</u>	



IV. Unfilled Line-Item Positions

89

Amount Included in Budget:

November 30, 1956	\$474,499
February 28, 1957	340,075

As unfilled line-items are filled and expended, the estimated clearance will decrease!

V. General Comments

Due to writing the 1956-57 operating budget \$312,213 in excess of estimated income and to transferring unappropriated surplus balances to Unexpended Plant Funds for construction purposes, the Estimated Clearance (per Schedule 1) indicates approximately \$46,000. This clearance was possible only after transferring back from Unexpended Plant Funds the net amount of \$83,500.

As of January 31, 1957, the general operating funds owe the Unexpended Plant Funds \$223,828.

VI. Recommendations

- (a) Make every effort to improve revenue realization.
- (b) Hold expenditure level to a minimum; particularly, do not fill vacant positions except on an emergency basis.
- (c) Consider using gift and grant funds for construction purposes and transferring back to operations from Unexpended Plant Funds (minimum of \$223,828), to further increase the estimated clearance of \$46,000.

THE UNIVERSITY OF TEXAS  
OFFICE OF THE DEAN OF STUDENT LIFE  
AUSTIN 12

March 7, 1957

FOR ACTION OF  
**Regents**  
SEE MINUTES OF

90

MAR 16 1957

PRESIDENT'S OFFICE, U OF T  
ACKNOWLEDGED \_\_\_\_\_ FILE \_\_\_\_\_  
REC'D MAR 8 - 1957  
REFER TO OK W  
PLEASE ANSWER \_\_\_\_\_  
DATE RECEIVED \_\_\_\_\_

OK CFB

President Logan Wilson  
Main Building 101A  
The University of Texas  
Austin, Texas

Dear Dr. Wilson:

I am enclosing a petition from the University of Texas Bar Association asking permission to invite each candidate for the U. S. Senate to speak in the Townes Hall Auditorium.

Article IV of our present regulations reads as follows:

A. 1. a. (1) Off-Campus Speakers.

- (a) The sponsor and officers of an organization which has the privilege of meeting in University buildings shall be held responsible to exercise the utmost of good faith in the selection of off-campus speakers and in arranging their discussion topics so as not to affect adversely the reputation or well-being of The University of Texas.
- (b) Candidates for public office, or other off-campus speakers appearing in the interest of a particular candidate or candidates for public office shall not be allowed the use of University buildings.

This regulation does not permit our granting the request mentioned above. After consultation with Dean Keeton and Dean McCown we agree that the Regents should consider changing Article IV to read as follows:

President Logan Wilson    March 7, 1957

Page 2

A. l. a. (1) (a) (No change)\*

(b) Candidates for public office, or other off-campus speakers appearing in the interest of a particular candidate or candidates for public office may be allowed the use of University buildings under the following conditions:

- i. The meeting will be open only to members of the recognized sponsoring organization and their personally invited guests, other students and faculty.
- ii. The places of meetings will be limited to Townes Hall auditorium and the Texas Union on dates regularly reserved for meetings of this nature.

This proposal was discussed by our Student Life Staff and we voted unanimously to submit this proposal to you.

Sincerely yours,



Arno Nowotny  
Dean of Student Life

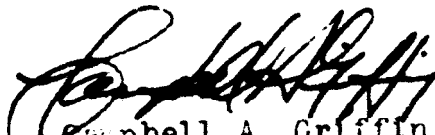
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THE UNIVERSITY OF TEXAS BAR ASSOCIATION  
SCHOOL OF LAW  
AUSTIN 12

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March 1, 1957

The Board of Governors of the Law School hereby sponsors a program inviting all candidates seeking the office of U. S. Senator in the April 2nd. election to speak on the University campus. The Board of Governors respectfully asks for approval of this program.



Campbell A. Griffin  
Acting-President

Committee

Jack Wahlquist - Chairman  
Owen Cecil  
Sam Perry  
Foy Clement  
Maco Stewart

Dean Kenny,

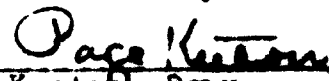
So that we may arrange space for speakers, we would like your approval of the Board of Governors' series of addresses to be held at Townes Hall Auditorium, by each of the senatorial candidates who may wish to appear.

We are preparing to issue invitations for this series, beginning two weeks from the presentation of this request.

Please note that we are not sponsoring or endorsing any candidate, but are attempting to offer the University community an opportunity to hear these candidates.

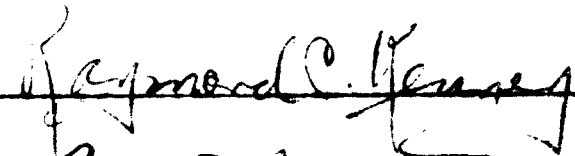
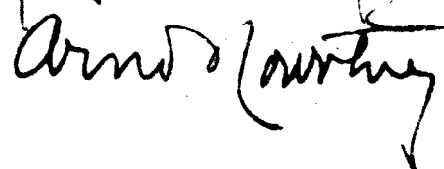
  
 Jack Wahlquist, Program Chairman

Subject to approval of this program by the University administration, I am willing to oversee this program.

  
 Page Keeton, Dean

Approved subject to the approval of President Wilson and the Board of Regents.

Please indicate your approval by signing below so that we may extend our invitations and arrange for exact dates. We will be happy to comply with any additional requirements of form that may be necessary.

THE UNIVERSITY OF TEXAS  
OFFICE OF THE PRESIDENT  
AUSTIN 12

FOR ACTION OF  
**Regents**  
SEE MINUTES OF

94

March 8, 1957

FOR ACTION OF  
**Regents**  
SEE MINUTES OF  
MAY 10 1957

MAY 10 1957

Memorandum

Concerning: University of Texas Administrative Views with Regard  
to Educational Television

On March 5, 1957, a meeting was called in the Office of the President of those administrative officers representing the larger academic divisions of the University for the purpose of getting their views about the stand this institution ought to take regarding the development of educational television. Those in attendance were: Messrs. Hulen Black, Paul Boser, Lanier Cox, J. C. Dalley, E. W. Doty, J. R. D. Eddy, L. D. Haskov, Page Keeton, Harry Ransom, W. R. Sprigal, W. R. Woolrich, and myself.

I stated that I thought the University was very fortunate in obtaining the services of Mr. Robert Schenkkan as Director and expressed satisfaction at the developments which had occurred during the two years he has been here. Others expressed similar regard for the work of Mr. Schenkkan. It was also explained to those present that when Mr. Schenkkan was brought here it was made known to him that the prospects were very remote for the University's activation of any channel and for any actual operation of an educational television station. I further commented to the effect that the University nonetheless has an obligation as well as an opportunity to develop leadership in this whole area.

After an extended discussion of various aspects of the subject, the following consensus emerged:

1. Immediate priority should be given to the development of closed-circuit television offerings on the campus, and Radio-Television should be asked to pursue this development with vigor.
2. Second in priority should come the development of filmed programs for circulation throughout the State.
3. While the operation of an educational television station is seen as a very desirable future achievement, efforts toward establishment of such a station should be considered of lesser priority than the two preceding items.

It was the opinion of the group as a whole that the University lacks the funds at the present time to get into such a venture, and

that it will be necessary to secure outside funds to provide for both capital investment and operating costs. The justification for the University entering the educational television field is sufficiently great, however, to warrant effort to secure such outside funds. The opinion was expressed that perhaps the Board of Regents should be asked to express its interest in acquiring an educational television station with guaranteed operating funds, and to request the Development Board to give attention to this matter without interfering with its other projects.

Logan Wilson

LW k

cc: Mr. Hulon W. Black  
Dr. Paul Bemer  
Mr. Lanier Cox  
Dr. J. C. Dolley  
Dean E. W. Doty  
Dean J. R. D. Eddy  
Dr. L. D. Haskew  
Dean Page Keeton  
Dean Harry Ransom  
Mr. Robert F. Schenkkan  
Dean W. R. Spriegel  
Dean W. R. Woolrich

C O P Y

*See Deliberations of Board* 96

THE UNIVERSITY OF TEXAS--MEDICAL BRANCH  
Galveston

MAR 16 1957

March 6, 1957

Mr. Bernard Rogers  
410 Market Street  
Galveston, Texas

Dear Mr. Rogers:

On the basis of the most thorough and careful deliberations by official committees of the Faculty of Medicine, followed by special committee deliberations and a thorough personal review of the problem, I am requesting your withdrawal from the School of Medicine of the University of Texas Medical Branch at this time. This action is taken in accordance with authority which is vested in the faculty, as described in the Catalog of the Medical Branch on page 19 in the paragraph on personal qualifications.

This action does not deny you the opportunity for re-admission to the School of Medicine at some future date. It is clearly the opinion of the faculty members most familiar with this problem, however, that your chances for favorable consideration for re-application would not be very great for at least two years during which time presumably you will have the opportunity to gain in experience and maturity.

May I call to your attention the fact that we have the obligation to inform your local draft board of your discontinuance in the School of Medicine.

Very truly yours,

John B. Truslow, M. D.  
Executive Director,  
Dean of Medicine

JBT/mjs



March 6, 1957

97

Mr. Ben Rogers  
3395 North Street  
Beaumont, Texas

Dear Mr. Rogers:

It is with sincere regret that I must inform you that the recommendation by the official faculty committees of the withdrawal of Bernard from school at this time has been thoroughly reviewed, and reconfirmed, and has my endorsement. I have so written to Bernard today.

Pursuant to our interview I have spent many hours on this problem. I have satisfied myself that the hours that have been spent by committees not only in the past two weeks but indeed at intervals over the past eleven months have been in the spirit of respect for the individual, awareness of the implications and seriousness of the issue. There are many evidences of a prevailing atmosphere of fairness and justice. I am satisfied that Bernard has on several occasions been presented with the charges or allegations in detail; and that he has had adequate chance, both formally and informally, to state the facts as he saw them. I am satisfied that neither this final action, nor any major development leading to this action, has effectively been precipitated by pressure from one person or a small group of people.

I concur with the following statement approved by the final review committee which included faculty members most closely associated with the facts and the decisions in this case.

"In the opinion of the faculty most closely associated with Mr. Bernard Rogers, certain characteristics and attitudes displayed by him with reference to basic interpersonal relations and with respect to rules and regulations of the University, specifically the Honor Code, disqualify him for the privilege of continuing in his medical studies at The University of Texas at this time".

On the basis of the frankness and friendliness of our conversation last week I cannot help but express to you a deep sense of regret for the necessity of coming to this conclusion. If the language of the above statement appears unsatisfactory to you, I ask you to accept my assurance that it was so expressed in order not to close the door of hope to this boy, many of whose qualifications appear outstanding. At the same time you may be sure that I would be delighted to review the record in more detail with you at any time.

Very truly yours,

John B. Truslow, M. D.  
Executive Director  
Dean of Medicine

JBT/mjs

MEMORANDUM CONCERNING THE CASE OF  
MR. BERNARD ROGERS

This memorandum sets forth a summary of the circumstances concerning the case of Mr. Bernard Rogers, who was requested to withdraw from The University of Texas Medical Branch on March 6, 1957. The circumstances leading to this action date back to March 29, 1956, and involve a number of subsequent events, evaluations, and recommendations which finally led to the severance of the student's connection with the Medical Branch approximately a year later.

1. The first event has to do with Mr. Rogers' conduct concerning an Anatomy examination taken on March 29, 1956. Highly suspicious circumstances led the instructor in the course to refer the problem to the Student Honor Council. The Student Honor Council made a careful investigation and reviewed circumstantial evidence which seemed to point to the conclusion that the student in question had violated the honor code; however, the circumstantial nature of the evidence was not sufficiently conclusive to warrant anything more than a review with Mr. Rogers of the grounds for suspicion and a warning to him regarding his future behavior.

2. In the fall of 1956, in the course in Bacteriology Mr. Rogers was again reported to the Student Honor Council, this time by a student member of his class. It was alleged that he received information from another student which caused him to change one of his answers on the examination. The members of the Student Honor Council reviewed the evidence and concluded that he had breached the honor code. As a result of the action of the Honor Council, Mr. Rogers was put on probation, a status which is considered to have the weight of a stern warning. In connection with this incident there were written communications between the student and Dean Calvin emphasizing the seriousness of the episode and inviting a personal interview with the Dean. Mr. Rogers did not respond to this invitation.

3. On February 3, 1957, the third episode occurred in a final examination in Bacteriology. Mr. Rogers was reported to have absented himself from the examination room for a period in excess of one hour, without permission, and to have taken his examination paper with him. A fellow student who noticed him leave with his paper reported the incident to the faculty proctor. The faculty proctor and three students confirmed the fact of his absence from the classroom. As a result of this circumstance, Mr. Rogers was again brought before the Student Honor Council and, when confronted with the evidence, gave a confused explanation. When the confused nature of his explanation was pointed out to him, he is reported to have stated that he realized that it was not a good one and that he would have to think of another. His only subsequent explanation, however, was that perhaps he had forgotten just where he went and what he had done during the period during which he was absent. The Council reviewed the matter fully with Mr. Rogers and gave him ample time and opportunity to think the whole matter over and to offer further

explanation of the situation. It was the finding of the Council that "he simply went from one refuted prevarication to another." In view of the former appearances Mr. Rogers had made before the Council and of their findings in this third instance, the Honor Council recommended that he be asked to withdraw from school.

4. The Student Honor Council transmitted their recommendation to Dr. D. Bailey Calvin, Dean of Students, and on February 19, 1957, Dean Calvin in turn submitted the recommendation to the Sophomore Faculty Committee, which group discussed the whole matter for two hours.

5. Two days later, on February 21, there was a special meeting of the Sophomore Faculty Committee, which lasted from 7:00 p.m. to 11:15 p.m., and included interviews with the Student Honor Council, the faculty members involved, and the student in question.

6. Between February 21 and 27, the parents of the student in question, Mr. and Mrs. Ben Rogers, came to Galveston from Beaumont and discussed the whole matter with several members of the faculty, including Dean Calvin, who were directly concerned. Since Dr. John Truslow, Director of The University of Texas Medical Branch, had not participated in the matter actively up to this point, he was not drawn into any of the discussion.

7. It was about this time that President Logan Wilson received a call from one of the officers at the Capitol about the whole matter, the substance of which was to request that Dr. John Truslow give the parents a hearing prior to any final action. In accordance with this request, Dr. Wilson called Dr. Truslow and the latter promptly called Mr. Ben Rogers in Beaumont and indicated his willingness to discuss the matter with him in full at any time. On that same day, February 26, Dr. Truslow called the student in and spent about an hour discussing the situation with him. Dr. Truslow's main purpose in this conference was to inform the student of Medical Branch procedures in such instances and to let him know that due process was being observed.

8. On February 8, Dr. Truslow called a special meeting of the Dean's Advisory Committee, made up of all department chairmen, to review the recommendations of the Sophomore Faculty Committee in the light of over-all Medical Branch policy on such matters. The discussion of the matter lasted for more than three and one-half hours.

9. On March 1, Dr. Truslow met in his office with Mr. Ben Rogers from 10:00 a.m. until 12:30 p.m., with Dean Calvin being present. Dr. Truslow then had lunch with Mr. and Mrs. Rogers. Directly after lunch, Dr. Truslow had extended conversation with the professor of Physiology under whom Mr. Bernard Rogers had studied during the previous summer, and with members of the Bacteriology Department. Later during the afternoon, Dr. Truslow again had a discussion with Mr. Ben Rogers.

10. On March 2, Dr. Truslow devoted the entire afternoon to individual discussions with the acting president of the Student Honor Council and with individual members of the Sophomore Faculty Committee. During his March 1 meetings with Mr. Ben Rogers, Dr. Truslow had taken copious notes on the questions raised by the boy's father and it was Dr. Truslow's desire to satisfy himself that every aspect of the case had been thoroughly explored and fairly handled; in his individual discussions on March 2, he went specifically into all these questions with pertinent individuals and so satisfied himself.

11. On March 4, Dr. Truslow called in Mr. Arvey Rogers, a junior student at the Medical Branch and an older brother of Mr. Bernard Rogers, to give him an opportunity to present any opinions he might have about the whole matter and to throw any additional light he could on the case itself. This conference lasted for about two hours. During that same afternoon, Dr. Truslow likewise had a conference which lasted for more than an hour with the student president of the sophomore class and with the sophomore member of the Student Honor Council.

12. On March 5, Dr. Truslow had his second meeting with the student in question, Mr. Bernard Rogers, which lasted for more than an hour.

13. On March 6, Dr. Truslow called a special meeting, which included the following: three members from the Dean's Advisory Committee, three members from the Sophomore Faculty Committee, and two members of the Student Honor Council. Also present were Dr. Raymond Blount, professor of the student's course in Anatomy, Dr. Morris Pollard, whose name had been mentioned by the student's father as a character witness, and Dr. Lothar L. Salomon, Associate Professor of Biochemistry, with whom the student had worked closely when he was on a fellowship the previous summer. (Several other faculty persons who were directly concerned in the matter had been invited to the meeting but were out of the city and unable to be present.) This special meeting lasted for two hours. At the end of this meeting, Dr. Truslow held extended interviews with two fellow students who had been suggested by Mr. Bernard Rogers as character witnesses.

14. On March 6, Dr. Truslow drew up a letter to the student in question, Mr. Bernard Rogers, informing him that the School of Medicine of The University of Texas Medical Branch was at that time requesting his withdrawal. (A copy of this letter is attached.) Dr. Truslow personally delivered the letter to the student. Likewise, on March 6, Dr. Truslow drew up a letter to Mr. Ben Rogers, the student's father. (A copy of this letter is attached.)

15. On March 14, Dr. Truslow came to Austin in advance of a Medical Affairs Council meeting to be held on March 15 and a Regents' meeting to be held on March 16, for the primary purpose of discussing in detail the entire matter with Dr. Logan Wilson, President of the University, and Dr. Melvin Casberg, Vice-President for Medical Affairs. Dr. Truslow, Dr. Casberg, and Dr. Wilson devoted approximately two hours to a review of the situation.

The purpose of the preceding chronology of events is not to review the evidence or set forth in any detail the circumstances involved, but rather to establish the fact that a great deal of time and attention have been given by a considerable number of individuals to make certain that this entire situation was handled with deliberation, care, and objectivity.

March 14, 1957  
Office of the President  
The University of Texas  
LW k

SUPPLEMENT TO  
RECOMMENDATIONS TO REGENTS' BUILDINGS  
AND GROUNDS COMMITTEE

FOR ACTION OF  
**Regents**  
SEE MINUTES OF  
MAR 16 1957

March 16, 1957

7. AWARD OF CONTRACTS FOR AIR CONDITIONING IN MAIN BUILDING AND ADDITION TO CENTRAL WATER CHILLING STATION AND MODIFICATIONS TO UTILITY SYSTEMS, MAIN UNIVERSITY.--Pursuant to authorization given by the Board at the meeting held January 12, 1957, bids were opened and tabulated on March 12, 1957, for Air Conditioning in Main Building and Addition to Central Water Chilling Station and Modifications to Utility Systems, both at the Main University, as shown on the tabulation sheet. Bids were called for on each project separately and also on a combination basis. The bids have been considered by Zumwalt and Vinther, Engineers on the project, representatives of the Main University Physical Plant staff, and the Comptroller's Office. The low bidder is J. M. Boyer, Mechanical Contractor, Austin, Texas, on the basis of his combination bid on the two projects. The amount of money which will be needed if award of contracts is made to the low bidder is as follows:

Air Conditioning in Main Building		\$660,554.00	
Engineering Fees, Zumwalt and Vinther	\$46,238.78		
Less Amount already Paid	<u>35,715.50</u>	<u>10,523.28</u>	\$ 671,077.28
Addition to Central Water Chilling Station and Modifications to Utility Systems		469,639.00	
Engineering Fees, Zumwalt and Vinther		<u>28,178.34</u>	<u>497,817.34</u>
Total			<u>\$1,168,894.62</u>

Appropriations already made from which this amount should be secured are as follows:

Account No. 90885 - Air Conditioning Main Building - New Centrifugal Compressor in Central Water Chilling Station		\$ 100,000.00
Account No. 90890 - Air Conditioning Work in Main Building		699,861.05
Account No. 90880 - For Air Conditioning Work - Additional Unit Installations at Existing Central Water Chilling Station in Experimental Science Building - Engineering Fees - Zumwalt and Vinther		15,125.00
Account No. 91060 - Main Building - Alteration and Refinishing		5,843.97
Account No. 94375 - Utilities Extensions and New Air Conditioning Equipment to Service Kinsolving Dormitory		<u>348,064.60</u>
Total		<u>\$1,168,894.62</u>

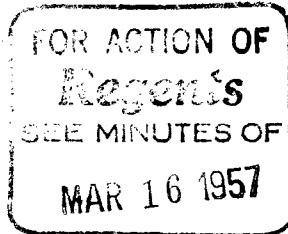
Since the needed money is available from the sources of funds as given above, it is recommended by Zumwalt and Vinther and Comptroller Sparenberg, which recommendation is concurred in by Vice President Dolley, Vice President Boner, and President Wilson, that contracts be awarded to J. M. Boyer, Mechanical Contractor, Austin, Texas, on the basis of his combination bid on the two projects, in the amounts as set out above and that these contract accounts and the Engineering Fee accounts related thereto be set up on the University's books from the sources listed above. It is further recommended that the Chairman of the Board be authorized to sign the contract documents.

In order that Zumwalt and Vinther, Consulting Engineers, who prepared the plans and specifications for the two projects referred to above, may supervise these contracts while under construction, it is recommended that authorization be given for them to continue as Engineers during the construction phase of the two projects, under the terms and conditions set forth in their contract with The University of Texas dated February 27, 1954.

8. APPROPRIATION FOR IMPROVING LIGHTING IN GARRISON HALL, MAIN UNIVERSITY.--

At the Regents' Meeting held April 6, 1956, an appropriation of \$231,000.00 was made to cover Major Repairs and Rehabilitation Projects at the Main University, with the individual projects to be itemized later. Several projects have been presented for the Regents' approval at various times, and specific appropriations have been made from the original amount set up. It is now recommended that an appropriation of \$12,000.00 for Replacement of Inadequate Lighting in Garrison Hall be set up out of this Account, No. 91500, Major Repairs and Rehabilitation Projects. Since the estimated cost of this project is less than \$20,000.00, it is further recommended that the Main University Business Manager be authorized to have plans and specifications prepared, advertise for bids, and award contracts for the work.

RECOMMENDATIONS OF REGENTS' BUILDINGS  
AND GROUNDS COMMITTEE



March 16, 1957

9. SERVICE BUILDING AT SOUTHWESTERN MEDICAL SCHOOL.--A report was made to the Regents' Buildings and Grounds Committee that Mr. Edwin A. Salmon, a consultant employed by the Southwestern Medical Foundation to prepare a master plan for the development of the Campus of the Medical Center, had not yet submitted his report but had promised that a preliminary report would be placed in the mail the first part of next week. This preliminary report is to include a recommendation for the site of the Service Building for which an appropriation has already been made. Until this report has been received, it is not advisable for Page, Southerland, and Page, Consulting Architect, to complete the preliminary plans for this Service Building, but since it is a comparatively small building, these plans can be completed within a very short time after the determination of the site.

Since the building is badly needed by Southwestern Medical School, and since there may be some further complications if the award of the contract is postponed beyond September 1, it is recommended that a Special Committee consisting of Comptroller Sparenberg, Dean Gill, Vice President Dolley, President Wilson, and Mr. Lee Lockwood, Chairman of the Regents' Buildings and Grounds Committee, be appointed to approve the preliminary plans prior to the next meeting of the Board.

In order that preparation of the working drawings and specifications may be started as soon as the preliminary plans are approved, it is also believed that an Associate Architect for the project should be selected at this time. After consultation with Dean Gill, Comptroller Sparenberg, and Page, Southerland, and Page, it is recommended that Mark Lemmon, Architect, Dallas, Texas, be appointed as Associate Architect for the Service Building at Southwestern Medical School. Mr. Lemmon has been the architect for the other two buildings on the new Campus of this school, one of which is currently under construction.



FOR ACTION OF  
**Regents**  
SEE MINUTES OF  
MAR 16 1957

March 16, 1957

The Chairman of the Board of Regents  
The University of Texas

Subject: PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - RECOMMENDED  
INITIAL APPROVED LIST OF CORPORATE SECURITIES

Dear Sir:

Time has not permitted the University staff to complete the necessary coverage of all of the corporations which should be reviewed prior to recommending an approved list of corporate securities for the Permanent University Fund Investment Program.

Because of the size and importance of the project and because of the desirability of initiating the revised investment program at the earliest appropriate time, it is recommended that the Board of Regents authorize the Land and Investment Committee to come to Austin for a one-day meeting prior to the next meeting of the Board to consider, among other things, the corporate securities recommended for the approved list. It is further recommended that the Committee be authorized to approve corporations for Permanent Fund investment subject to later ratification by the full Board of Regents.

Respectfully submitted

REGENTS' LAND AND INVESTMENT COMMITTEE

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

APPROVED:

\_\_\_\_\_  
Vice President for Fiscal Affairs

\_\_\_\_\_  
Endowment Officer

March 16, 1957

The Chairman of the Board of Regents  
The University of Texas

Subject: RATIFICATION OF SUBMISSION TO THE 55TH LEGISLATURE OF BILL  
RELATING TO REFUNDING OF PERMANENT UNIVERSITY FUND BONDS  
AND AUTHORIZATION FOR REFUNDING NEGOTIATIONS

Dear Sir:

In 1949, \$10,000,000 Board of Regents of The University of Texas Permanent University Fund Bonds and \$5,000,000 Board of Directors of The Agricultural and Mechanical College of Texas Permanent University Fund Bonds were sold to provide building funds. The bonds were dated July 1, 1949, mature serially through July 1, 1969, and are callable in whole or in part on July 1, 1959, at par plus a premium of 2%. After payment of July 1, 1957, maturities, there will be outstanding \$6,450,000 bonds for the University and \$3,225,000 for A. & M. The bonds carried a 4% coupon through the July 1, 1954, maturity and a 1½% coupon thereafter through maturity. Under the bond resolution adopted by the governing boards, these bonds have an exclusive lien on the income from the Permanent University Fund.

If additional building bonds are to be issued under the authorization provided in H. J. R. 15, adopted by the voters in November, 1956, which provision of the amendment becomes effective January 1, 1958, it will be necessary either to refund or to retire the outstanding bonds. Accordingly, it is recommended that the Vice President for Fiscal Affairs, after consultation with the officials of A. & M. College, be authorized to negotiate with Phelps, Fenn & Company, the head of the syndicate for the purchase of the 1949 bonds, for an agreement to handle the refunding on terms least disadvantageous to the University, such refunding agreement to be submitted in due course to the Board of Regents for consideration.

In connection with the refunding, legal counsel for the University advised that a refunding bill would be necessary and, upon request of the University, a bill was drafted by McCall, Parkhurst and Crowe and has been submitted in both houses of the 55th Legislature. It is recommended that the Board of Regents ratify and approve this action. A copy of the bill submitted is attached for information.

Respectfully submitted

REGENTS' LAND AND INVESTMENT COMMITTEE

\_\_\_\_\_ Chairman

\_\_\_\_\_ Member

\_\_\_\_\_ Member

\_\_\_\_\_ Member

APPROVED:

\_\_\_\_\_  
Vice President for Fiscal Affairs

\_\_\_\_\_  
Endowment Officer

.B. No. \_\_\_\_\_

By \_\_\_\_\_

A BILL  
TO BE ENTITLED  
AN ACT

IMPLEMENTING THE PROVISIONS OF ARTICLE 7, SECTION 18 OF THE TEXAS CONSTITUTION, APPROVED BY VOTE OF THE PEOPLE ON AUGUST 23, 1947, AND THE AMENDMENT TO SAID ARTICLE 7, SECTION 18, APPROVED BY VOTE OF THE PEOPLE ON NOVEMBER 6, 1956, BY PROVIDING THAT BONDS OR NOTES HEREAFTER ISSUED PURSUANT TO SAID CONSTITUTIONAL PROVISIONS SHALL BE REGISTERED BY THE COMPTROLLER OF PUBLIC ACCOUNTS; PROVIDING AUTHORITY FOR REFUNDING OF ALL BONDS OR NOTES ISSUED PURSUANT TO SAID CONSTITUTIONAL PROVISIONS OR THIS ACT; PROVIDING FOR THE APPROVAL OF SUCH REFUNDING BONDS OR NOTES BY THE ATTORNEY GENERAL AND REGISTRATION BY THE COMPTROLLER OF PUBLIC ACCOUNTS; PROVIDING THAT ALL BONDS AND NOTES, WHETHER ORIGINAL OR REFUNDING, ISSUED PURSUANT TO SAID CONSTITUTIONAL PROVISIONS OR THIS ACT SHALL BE FULLY NEGOTIABLE INSTRUMENTS, AND MAKING THEM AUTHORIZED FOR INVESTMENTS AND FOR SECURING PUBLIC FUNDS AND EXEMPTING THEM FROM TAXATION; PRESCRIBING A SEVERABILITY PROVISION; ENACTING OTHER PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. All bonds or notes hereafter issued pursuant to the provisions of Article 7, Section 18 of the Texas Constitution, approved by vote of the people on August 23, 1947, or pursuant to the provisions of the amendment to said Article 7, Section 18, approved by vote of the people on November 6, 1956, shall be registered by the Comptroller of Public Accounts of the State of Texas after they have been approved by the Attorney General of Texas.

Section 2. Any bonds or notes heretofore or hereafter issued pursuant to the Constitutional provisions described in Section 1 hereof, or issued pursuant to this Act, may be refunded by the governing board which issued any such bonds or notes, upon such terms and conditions, including interest rates and maturities, as may be determined by said Board, provided that such terms and conditions shall not be inconsistent with the applicable Constitutional provisions. Any such bonds or notes may be so refunded by the issuance of refunding bonds or notes, either to be exchanged for the bonds or notes being refunded and cancelled, or to be sold, with the proceeds thereof to be used for the redemption and cancellation of the bonds or notes being refunded.

Section 3. All refunding bonds or notes authorized to be issued hereunder and the records relating to their issuance, including any proceedings relating to the redemption of any outstanding bonds or notes, shall be submitted to the Attorney General of Texas for examination, and if he finds that they have been issued in accordance with law, he shall approve

them, and thereupon they shall be registered by the Comptroller of Public Accounts of the State of Texas, and after such approval and registration, they shall be incontestable. When any such refunding bonds or notes are issued to be exchanged for any outstanding bonds or notes, the Comptroller of Public Accounts shall register and deliver such refunding bonds upon surrender for cancellation of the bonds or notes being refunded. When any such refunding bonds or notes are sold, with the proceeds thereof to be used for redeeming any outstanding bonds or notes, the Comptroller of Public Accounts shall register such refunding bonds or notes, even though the bonds or notes to be redeemed shall not have been surrendered for redemption or cancellation.

Section 4. All bonds and notes, whether original or refunding, heretofore or hereafter issued pursuant to the Constitutional provisions described in Section 1 hereof, or issued pursuant to this Act, shall be fully negotiable instruments, and all said bonds and notes shall be and are hereby declared to be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, trustees, guardians and for the sinking funds of cities, towns, villages, counties, school districts and all other political corporations or subdivisions of the State of Texas; and all said bonds and notes shall be eligible to secure the deposit of any and all public funds of the State of Texas, and any and all public funds of cities, towns, villages, counties, school districts and all other political corporations or subdivisions of the State of Texas; and all said bonds and notes shall be lawful and sufficient security for said deposits to the extent of their par value when accompanied by all unmatured coupons appurtenant thereto.

Section 5. The carrying out of the purposes of the aforesaid Constitutional provisions and of this Act will be performing an essential public function under the Constitution, and all said bonds and notes, whether original or refunding, heretofore or hereafter issued pursuant to said Constitutional provisions or this Act, and their transfer and the income therefrom, including the profits made on the sale thereof, shall at all times be free from taxation within this state.

Section 6. In case any one or more of the sections, provisions, clauses or words of this Act or the application of such sections, provisions, clauses or words to any situation or circumstance shall for any reason be held

to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect any other sections, provisions, clauses or words of this Act or the application of such sections, provisions, clauses or words to any other situation or circumstance, and it is intended that this law shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, provision, clause or word had not been included herein.

Section 7. The fact that Article 7, Section 18 of the Constitution of Texas requires implementation in order to improve the marketability of bonds and notes to be issued thereunder, and the fact that obligations are outstanding pursuant to Article 7, Section 18 of the Constitution of Texas, which require immediate refunding and the fact that no statutory authority for such refunding exists, create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and such Rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

March 16, 1957

The Chairman of the Board of Regents  
The University of Texas

Subject: PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM -  
RECOMMENDED LIST OF MEMBERS FOR INVESTMENT ADVISORY  
COMMITTEE

Dear Sir:

The policy for the Permanent University Fund Investment Program, approved at the January 11, 1957, meeting of the Board of Regents, provides for an Investment Advisory Committee to be comprised of four members selected from the investment and trust department staffs of the larger commercial banks in Texas the members to be recommended by the Vice President for Fiscal Affairs.

Listed below are four members recommended by the Vice President for Fiscal Affairs to function as the initial advisory committee, such committee to serve through August 31, 1958:

Carroll D. Simmons, Vice President and Senior Trust Officer, First City National Bank of Houston, Houston, Texas;

O. Roy Stevenson, Vice President and Trust Officer, The Fort Worth National Bank, Fort Worth, Texas;

DeWitt Ray, Senior Vice President, Republic National Bank of Dallas, Dallas, Texas; and

Donald D. James, Vice President, The Austin National Bank of Austin, Austin, Texas.

It is recommended by the Land and Investment Committee that the above-listed bank officers be approved by the Board of Regents as the initial Investment Advisory Committee and that the Vice President for Fiscal Affairs be authorized to invite the approved list of members to serve, the first meeting date to be subject to the convenience of the members and the University's administrative staff involved.

Respectfully submitted

REGENTS' LAND AND INVESTMENT COMMITTEE

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

APPROVED:

\_\_\_\_\_  
Vice President for Fiscal Affairs

\_\_\_\_\_  
Endowment Officer

*To replace second item on p. 14*

TEXAS WESTERN COLLEGE - EXPANSION AND MODIFICATION OF STUDENT UNION BUILDING - AUTHORIZATION FOR THE CHAIRMAN OF THE BOARD TO EXECUTE LOAN AGREEMENT BETWEEN THE BOARD OF REGENTS AND THE HOUSING AND HOME FINANCE AGENCY FOR PROJECT TEK. 41-CH-56(S) AND ALSO AGREEMENT WITH LEGAL COUNSEL McCALL, PARKHURST AND CROWE.--On September 22, 1956, the Board of Regents adopted a resolution authorizing the Chairman of the Board to approve and execute on behalf of the University the Loan Agreement which would in due course be tendered by the United States of America on behalf of the Housing and Home Finance Agency pursuant to the application for Texas Western College for loan assistance in the amount of \$580,000 to finance the expansion and modification of the Student Union Building on the campus at El Paso, Texas. Also on June 1, 1956, the Board approved the employment of the firm of McCall, Parkhurst and Crowe to handle the legal proceedings which would be necessary in connection with the issuance of any bonds to finance an expansion program and authorized the Chairman of the Board to execute an agreement for the legal services.

After some little delay, the Housing and Home Finance Agency submitted the final Loan Agreement to Business Manager A. A. Smith of Texas Western College. The agreement is for a loan of \$580,000, the bonds to be dated April 1, 1957, and to mature serially beginning April 1, 1960, and extending through April 1, 1967, at an interest rate of 2-7/8% per annum. The loan agreement requires that the bonds be offered to the public. In the event any public bidder or bidders offer to purchase all of the Bonds, or any portion of the Bonds in blocks as specified at an interest rate of not more than 2-7/8% per annum, the Bonds or any such portion thereof are to be sold to such public bidder or bidders. The Loan Agreement has been approved as to form by the Land and Trust Attorney and as to content by the Vice President for Fiscal Affairs, Comptroller, and Endowment Officer. It is recommended by the Land and Investment Committee that the Loan Agreement as submitted be approved by the Board of Regents and that the following resolution (submitted by HHFA), approving the Loan Agreement with the United States of America, be adopted by the Board of Regents, such resolution to supersede the resolution adopted on September 22, 1956.

" RESOLUTION APPROVING A LOAN AGREEMENT  
WITH UNITED STATES OF AMERICA

PROJECT NO.: Tex. 41-CH-56(S)

WHEREAS, there has been filed with the Housing and Home Finance Agency, in behalf of the Board of Regents of The University of Texas, acting for and on behalf of Texas Western College of The University of Texas (herein called the "Borrower"), an application for aid in financing college housing under the provisions of Title IV of the Housing Act of 1950, as amended, and the UNITED STATES OF AMERICA, Housing and Home Finance Administrator, has transmitted to the Borrower for consideration a Loan Agreement tendering such aid, dated March 1, 1957, in connection with the Project referred to in said application and generally described in said Agreement; and

WHEREAS, said Agreement has been duly read in open meeting, fully considered in accordance with all pertinent rules of procedure and legal requirements, and made a part of the Borrower's records; and

WHEREAS, it is deemed advisable that said Agreement be accepted;

~~NOW, THEREFORE~~, be it resolved by the Board of Regents of the Borrower that the said Agreement, a true and correct copy of which is hereto attached, be and the same hereby is accepted without reservation or qualification, and the proper officials of the Borrower are authorized to execute documents evidencing such acceptance and take such further action as is necessary to provide the project."

Since it is expected that the architects for the Project will not have final plans and specifications completed for Board approval prior to September, 1957, it is recommended that the Endowment Officer be authorized to negotiate with the Housing and Home Finance Agency for an amendment to the Loan Agreement as submitted so as to have the bond issue dated October 1, 1957, with the first maturity to fall on October 1, 1959.

Project No. Tex. 41-CH-56(S)  
 Texas Western College  
 El Paso, Texas  
 Contract No. H-502-117

FOR ACTION OF  
**Regents**  
 SEE MINUTES OF

MAR 16 1957

L O A N   A G R E E M E N T

THIS LOAN AGREEMENT, dated as of March 1, 1957, by and between the Board of Regents of the University of Texas, acting for and on behalf of Texas Western College of the University of Texas, a public, non-profit educational institution of higher learning located in El Paso, Texas (herein called the "Borrower"), and the United States of America (herein called the "Government"), WITNESSETH:

Section 1. Amount, Purchase Price, and Purpose. Subject to the Terms and Conditions (8-56) attached hereto, and made a part hereof, and the provisions of this Agreement, the Borrower will sell and the Government, acting by and through the Housing and Home Finance Administrator (herein called the "Administrator"), will purchase \$580,000 aggregate principal amount of the obligations of the Borrower described below (herein called the "Bonds"), or such lesser amount thereof as the Administrator estimates will be required, together with the Borrower's funds provided from other sources, to pay the development cost of the Project (estimated to be \$580,000) hereinafter described, at a price equal to the principal amount thereof plus accrued interest, the proceeds of the sale of such Bonds to be used solely for the development of the said Project.

Section 2. Description of the Bonds. The Bonds which the Borrower agrees to sell and the Government agrees to purchase are described as follows:



- (a) Designation: Board of Regents of the University of Texas, Texas Western College Student Union Revenue Bond, Series 1957.
- (b) Date: April 1, 1957.
- (c) Principal Amount: \$580,000, being all of an authorized issue of such Bonds.
- (d) Denomination: \$1,000.
- (e) Type: Negotiable, serial, coupon bonds, payable to bearer.
- (f) Interest Rate: 2-7/8% per annum, payable semi-annually on April 1 and October 1 in each year, first interest payable October 1, 1957.
- (g) Maturities: April 1, in years and amounts as follows:

<u>Years</u>	<u>Principal Payment</u>	<u>Years</u>	<u>Principal Payment</u>
1960-1961	\$14,000	1976-1977	\$22,000
1962-1964	15,000	1978	23,000
1965-1966	16,000	1979-1980	24,000
1967-1968	17,000	1981	25,000
1969-1970	18,000	1982	26,000
1971-1972	19,000	1983-1984	27,000
1973-1974	20,000	1985	28,000
1975	21,000	1986-1987	29,000

- (h) Numbers: 1 to 580 inclusive, in order of maturity.
- (i) Security: Special obligation of the Borrower secured by:
1. A first lien on and pledge of the net revenues derived from the operation of the Student Union Building; and
  2. A first lien on and pledge of all Student Union Fees levied and collected for both the regular semesters and for the summer sessions.
- (j) Place and Medium of Payment: Payable as to both principal and interest at the principal office of the official depository of the Borrower, or, at the option of the holder, at a bank or trust company in the Borough of Manhattan, City and State of New York, in any coin or currency which, on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America.

(k) Registerability: Registerable, at the option of the holder as to principal only.

(l) Redemption Provisions: Bonds numbered 1 through 122 inclusive, maturing April 1, 1960 through April 1, 1967 inclusive, to be non-callable. Bonds numbered 123 through 440 inclusive, maturing April 1, 1968 through April 1, 1982 inclusive, to be callable at the option of the Borrower prior to the stated maturities thereof, in whole or in part and in inverse numerical order on any interest payment date after April 1, 1967 upon at least thirty (30) days' prior notice, at the principal amount thereof, plus accrued interest to the date of redemption and a premium for each bond as follows:

2%	if redeemed	October 1, 1967	through	April 1, 1972	inclusive
1½%	"	"	"	1, 1972	"
1%	"	"	after	April 1, 1977	"

Bonds 441 through 580 inclusive, maturing April 1, 1983 through April 1, 1987 inclusive, to be callable at the option of the Borrower in whole or in part and in inverse numerical order on any interest payment date during the entire life of the loan, upon at least thirty (30) days' prior notice, at par plus accrued interest to the date of redemption.

Priority as to call shall extend to Bonds numbered 441 through 580 inclusive over Bonds numbered 123 through 440 inclusive.

Section 3. Sale of the Bonds. The Bonds will be sold by the Borrower at public sale, the call for bids specifying that bids will be received and considered on the following basis:

- For (1) all maturities in the years 1960 through 1974;
- (2) all maturities in the years 1975 through 1987;
- (3) the entire issue.

The Government will submit its bid for the Bonds and such bid will be for all of the Bonds at their par value, plus accrued interest, at the rate of two and seven-eighths per centum (2-7/8%) per annum on all of any one or more of the above blocks of Bonds.

In the event any other bidder or bidders offer to purchase all the Bonds, or any portion of the Bonds in blocks as specified at an interest

cost of not more than two and seven-eighths per centum (2-7/8%) per annum, the Bonds or any such portion thereof shall be sold to such bidder or bidders. In the event of a sale of all the Bonds to a purchaser or purchasers other than the Government, this Agreement shall terminate except with respect to obligations hereunder between the Borrower and the Government as of the date of such sale of the Bonds. In the event any of the Bonds are awarded to the Government, it is agreed that the obligations hereunder shall continue in the same manner as if all the Bonds were sold to the Government. In the event no bid is received from a bidder or bidders other than the Government within the terms herein specified, all the Bonds shall be sold to the Government. It is agreed that so long as the Government owns any of such Bonds it will waive the non-callable provisions, redemption premium and publication of notice of call applicable thereto.

Section 4. Description of the Project. The Project shall consist of a Student Union Building addition, including remodeling of existing building, together with necessary appurtenances (herein called the "Project").

Section 5. Audit and Inspection Expenses. The amount of the fixed fee for audit and inspection expenses referred to in Section 36 of the attached Terms and Conditions shall be \$2,655.

Section 6. Special Conditions. The Government's obligation to purchase the Bonds of the Borrower is subject to the following special conditions:

- (a) The Borrower shall covenant and agree that, as soon as any portion of the project becomes revenue-producing, all rentals, charges, income and revenue arising from the operation or owner-

ship of the Student Union and the pledged income derived from the collection of Student Union fees levied for the regular semesters and the summer sessions shall be deposited to the credit of a special fund, to be known as the "Project Revenue Fund Account" and held in the custody of the Treasurer of the Borrower, separate and apart from all other funds. Such Project Revenue Fund Account shall be maintained, so long as any of the Bonds are outstanding, in the bank which is the official depository of the Borrower, and shall be expended and used by the Treasurer only in the manner and order specified in (b), (c), (d) and (e) below.

- (b) Current expenses shall be payable as a first charge from the Project Revenue Fund Account as the same become due and payable. Current expenses shall include all necessary operating expenses, current maintenance charges, expense of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation of the Project, but shall exclude depreciation, and all general administrative expenses of the Borrower and the payments into the "Maintenance and Equipment Reserve Account" hereinafter provided for.
- (c) The Borrower shall establish with the bank which is its official depository and maintain so long as any of the Bonds are outstanding, a separate Bond and Interest Sinking Fund Account, which may be designated as the "Bond Fund" into which shall be deposited all accrued interest received from the sale of the Bonds. Thereafter, the Borrower shall transfer from the Project Revenue Fund Account after providing for the payment of Current Expenses and deposit to the credit of the Bond Fund, on or before each March 15 and September 15 the balance therein until the funds and/or investments therein are sufficient to meet debt service requirements on the outstanding Bonds for the then current year plus a debt service reserve of \$61,000 and, thereafter, on or before each March 15 and September 15, such sums as may be necessary to meet the then current year's debt service and maintain a reserve of \$61,000.
- (d) As soon as the required reserve is accumulated in the Bond Fund, the Borrower shall establish with the Trustee a separate account called the "Maintenance and Equipment Reserve Account" into which shall be deposited from the Project Revenue Fund Account on or before the close of each fiscal year, not more than \$5,000 annually until the funds and/or investments shall aggregate \$50,000 and thereafter such sums, but not more than \$5,000 annually as may be required to restore and maintain the balance of \$50,000. All monies in the "Maintenance and Equipment Reserve Account" may be drawn on and used by the Borrower for the purpose of paying the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, and the renovating or replacement of the furniture and equipment not

paid as part of the ordinary and normal expense of Project operation. However, in the event the funds in the Bond Fund should be reduced below the amount required to meet the then current year's debt service and a debt service reserve of \$61,000 on the outstanding Bonds, funds on deposit in the "maintenance and Equipment Reserve Account" shall be transferred to the Bond Fund to the extent required to eliminate the deficiency in that Account.

- (e) Subject to the foregoing, the Borrower may use the balance of excess funds in the Project Revenue Fund Account (1) to redeem outstanding Bonds on the next interest payment date, in inverse numerical order and in amounts of not less than \$5,000 par value at one time, or (2) for any expenditures, including the payment of debt service, in improving or restoring any existing housing and dining facilities or providing any such additional facilities, or (3) for any other lawful purpose.

IN WITNESS WHEREOF, this Agreement has been executed in the name and on behalf of the United States of America, Housing and Home Finance Administrator, by the undersigned Community Facilities Commissioner, under the seal of the Housing and Home Finance Agency, attested by its Attesting Officer, and in the name of the Board of Regents of the University of Texas, acting for and on behalf of Texas Western College of the University of Texas, by the undersigned Chairman of the Board of Regents, and under its official seal, attested by the Secretary of said Board.

UNITED STATES OF AMERICA  
Housing and Home Finance Administrator

(SEAL)

ATTEST:

By \_\_\_\_\_  
Community Facilities Commissioner

\_\_\_\_\_  
Attesting Officer  
Office of the Administrator  
Housing and Home Finance Agency

BOARD OF REGENTS OF THE UNIVERSITY OF  
TEXAS, ACTING FOR AND ON BEHALF OF  
TEXAS WESTERN COLLEGE OF THE UNIVERSITY  
OF TEXAS

(SEAL)

ATTEST:

By \_\_\_\_\_  
Chairman, Board of Regents

\_\_\_\_\_  
Secretary, Board of Regents

RESOLUTION APPROVING A LOAN AGREEMENT  
WITH UNITED STATES OF AMERICA

PROJECT NO.: Tex. 41-CH-56(S)

WHEREAS, there has been filed with the Housing and Home Finance Agency, in behalf of the Board of Regents of the University of Texas, acting for and on behalf of Texas Western College of the University of Texas (herein called the "Borrower"), an application for aid in financing college housing under the provisions of Title IV of the Housing Act of 1950, as amended, and the UNITED STATES OF AMERICA, Housing and Home Finance Administrator, has transmitted to the Borrower for consideration a Loan Agreement tendering such aid, dated March 1, 1957, in connection with the Project referred to in said application and generally described in said Agreement; and

WHEREAS, said Agreement has been duly read in open meeting, fully considered in accordance with all pertinent rules of procedure and legal requirements, and made a part of the Borrower's records; and

WHEREAS, it is deemed advisable that said Agreement be accepted;

NOW, THEREFORE, be it resolved by the Board of Regents of the Borrower that the said Agreement, a true and correct copy of which is hereto attached, be and the same hereby is accepted without reservation or qualification, and the proper officials of the Borrower are authorized to execute documents evidencing such acceptance and take such further action as is necessary to provide the project.

ADOPTED AND APPROVED by the Board of Regents of the Borrower on the

\_\_\_\_\_ day of \_\_\_\_\_, 1957.

ATTEST:

\_\_\_\_\_  
Chairman, Board of Regents

\_\_\_\_\_  
Secretary, Board of Regents

## CERTIFICATE OF RECORDING OFFICER

I, the undersigned, the duly qualified and acting Secretary of the Board of Regents of the University of Texas, acting for and on behalf of Texas Western College of the University of Texas (herein called the "Borrower") and the keeper of the records of the Borrower, including the Journal of Proceedings of the Board of Regents (herein called the "Board"), do hereby certify:

1. That the attached resolution is a true and correct copy of the resolution as finally adopted at a meeting of the Board held on the \_\_\_\_\_ day of \_\_\_\_\_, 1957, and duly recorded in my office;

2. That said meeting was duly convened and held in all respects in accordance with law and to the extent required by law due and proper notice of such meeting was given; and a legal quorum was present throughout the meeting, and a legally sufficient number of members of the Board voted in the proper manner and for the adoption of said resolution; that all other requirements and proceedings under the law incident to the proper adoption or passage of said resolution, including publication, if required, have been duly fulfilled, carried out, and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 1957.

\_\_\_\_\_  
Secretary, Board of Regents

(SEAL)