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Austin, Texas  
 May 29, 1958  
 Meeting No. 570

The Board of Regents of The University of Texas met as a Committee of the Whole in the Office of the President, Main Building, Austin, Texas, on Thursday, May 29, 1958, at 10:00 a. m. with the Chairman presiding and the following in attendance:

Present

Chairman Jeffers  
 Vice-Chairman Sorrell  
 Regent (Mrs.) Devall  
 Regent Hardie  
 Regent Johnson  
 Regent Lockwood  
 Regent Minter  
 Regent Thompson  
 President Wilson  
 Secretary Thedford

Absent

Regent Bryan  
 (Only during morn-  
 ing session on  
 May 28, 1958)

Also in attendance were Vice-President Dolley, Vice-President Haskew, See Pages  
 Vice-President Casberg, Assistant to the President Cox; Comptroller 855, 1107  
 Sparenberg and Mr. Moore, Office of the Comptroller; Doctor Truslow,  
 Messrs. Walker and Hennings, representing the Medical Branch; Messrs.  
 George Page and Louis Southerland, representing the Consulting Archi-  
 tect Page, Southerland and Page; Mr. John McCullough, a member of the  
 Board of Directors and President of The Sealy and Smith Foundation;  
 Messrs. James A. Hamilton, Govier, and Reno, representing the James  
 A. Hamilton Associates. Mr. Bryan was present at the afternoon session.  
 [All members of the Board of Directors of The Sealy and Smith Founda-  
 tion had been extended an invitation to attend this meeting.]

## MEDICAL BRANCH

The Board spent the entire day discussing with those in attendance the See Page 856.  
 Physical Plant needs at The University of Texas Medical Branch with par-  
 ticular emphasis on a site plan and on the remodeling of the Marvin-Graves  
 (State Psychopathic) Building, Negro Hospital, Out-Patient Clinic, and  
 Rebecca Sealy Nurses Residence.

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Mr. James A. Hamilton discussed what he considered a few fundamentals for a first-class medical school. The Board was aware that any expansion, if funds were available, would need the approval of the Legislature. Should the Board adopt any plan subject to approval by the Legislature, it would be immediately discussed with the Texas Commission on Higher Education and the Legislative Budget Board.

The Board accepted two gifts from The Sealy and Smith Foundation for the Medical Branch and gave formal approval to an exchange of property between the Southwestern Medical School and the Southwestern Medical Foundation. However, both of these items are incorporated and made a part of the report of the Committee on Medical Affairs (Pages 53, 63, and 64).

See Pages  
906, 916, 917.

**CORRECTION OF 1958-59 ANNUAL BUDGET, MEDICAL BRANCH: DELETION OF DEPARTMENTS IN SCHOOL OF NURSING; AUTHORIZATION, APPLICATION FOR DEPARTMENTALIZATION FOR SCHOOL OF NURSING.** --It was recommended by President Wilson, moved by Doctor Minter, seconded by Mr. Thompson, and unanimously adopted that the 1958-59 Annual Budget of The University of Texas Medical Branch, on Pages 52-55, inclusive, be amended by deleting the Departments shown under the School of Nursing and the title of Chairman in each of the Departments, and that the Administration be authorized to submit a request to the Texas Commission on Higher Education for departmentalization of the School of Nursing.

**RECESS.** --The Committee of the Whole recessed at 4:45 p.m. to reconvene on Friday, May 30, at 1:00 p.m. Friday morning was devoted to the meeting of the standing committees.

Friday, May 30, 1958

The Committee of the Whole reconvened at 2:00 p.m. with all members of the Board and President Wilson. After this meeting, the Chairman of the Board dictated the following report of the Committee of the Whole:

**APPOINTMENT OF CONSULTING ARCHITECT FOR BIENNIUM 1958-60.** --It was moved by Mr. Johnson and seconded by Mr. Sorrell and adopted by a vote of "7" to "2" that a Consulting Architect's Contract for a term of two years be negotiated with the firm of Jessen, Millhouse and Greeven, Austin, Texas, to be effective September 1, 1958. The Chairman was authorized to sign the contract when it had been approved as to subject matter by Comptroller Sparenberg and as to form by Attorney Waldrep.

**APPOINTMENT OF ASSOCIATE ARCHITECT, BUSINESS ADMINISTRATION - ECONOMICS BUILDING.** --It was moved by Mr. Lockwood and seconded by Mr. Thompson and unanimously adopted that the firm of Page, Southerland and Page be designated as Associate Architect on the Business Administration - Economics Building. The Chairman was authorized to sign the contract when it had been approved as to subject matter by Comptroller Sparenberg and as to form by Attorney Waldrep. See Page 901



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APPOINTMENT OF ASSOCIATE ARCHITECT, REMODELING AND REPAIR OF MARVIN-GRAVES (STATE PSYCHOPATHIC) BUILDING, NEGRO HOSPITAL, OUT-PATIENT CLINIC, AND REBECCA SEALY NURSES RESIDENCE, MEDICAL BRANCH. --It was moved by Mr. Thompson and seconded by Mr. Lockwood and unanimously adopted that the firm of George Pierce and Abel B. Pierce, Houston, Texas, be designated as Associate Architect on the remodeling and repair of the Marvin-Graves (State Psychopathic) Building, Negro Hospital, Out-Patient Clinic, and Rebecca Sealy Nurses Residence at The University of Texas Medical Branch. The Chairman was authorized to sign the contract when it had been approved as to subject matter by Comptroller Sparenberg and as to form by Attorney Waldrep. See Page 1065.

E. D. FARMER INTERNATIONAL SCHOLARSHIP FUND - OFFER FROM JOHN R. DIAL FOR PURCHASE OF THE JENNINGS AVENUE PROPERTY, FORT WORTH, TEXAS. --Vice-Chairman Sorrell presented the following taken from the Land and Investment Committee Report: See Page 1056

The Board of Regents on March 15, 1958, accepted a proposal from John R. Dial to purchase for \$22,500 cash that part of the Jennings Avenue, Fort Worth, property which he now occupies as tenant. This part of the property is described approximately as the East 60 feet of Lots 1 and 2, Block 3, Jennings East Addition, fronting approximately 50 feet on Jennings Avenue and extending back approximately 60 feet in depth. It is improved with a two-story building having a common wall with a one-story building adjoining it on the remainder of the property owned by the University and leased to Motor Parts. The entire property is approximately the East 60 feet of Lots 1 to 8, inclusive, fronting approximately 215 feet on Jennings Avenue. Shortly after March 15, Mr. Dial gave consideration to purchase of the entire property, and arrangements for closing the sale of the part already agreed on have been deferred. Mr. Dial's latest offer for the entire property is \$57,500, with the understanding that he is still committed on the offer accepted March 15, with \$25,000 down and the remainder in monthly installments over approximately 6-1/2 years with interest at 5% and with full pre-payment privileges without penalty. The entire property was recently appraised by Mr. H. H. Morse of Fort Worth at fair market value of \$60,000, apportioned approximately \$20,000 to the part occupied by Mr. Dial and the remainder to the part occupied by Motor Parts. It is recommended that, with the understanding that closing sale of the part on which offer was accepted March 15 will be held in abeyance, Mr. Dial's offer of \$57,500 for the entire property be declined and that the Board make him a counter-offer, subject to acceptance by him on or before June 19, 1958, by deposit of 5% earnest money, to sell him the entire property for \$62,500, payable \$25,000 in cash and the remainder in monthly installments over approximately 7-1/2 years with interest at 5% per annum and with full pre-payment privileges without penalty.

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For the Board's information, the University established satisfactorily with the Fort Worth tax offices the exempt status of this property in the hands of the University when it was acquired in 1938. However, the City Assessor and Collector now maintains that the property is not exempt and is claiming taxes for 1956 and 1957 at approximately \$1,200 annually. Mr. Waldrep is in touch with the City's tax attorney, and it is expected that the question will be resolved without litigation. Subsequent developments will be reported to the Board of Regents.

Pursuant to the foregoing recommendation, Endowment Officer Stewart by telephone presented the counter-offer to Mr. Dial. Mr. Dial assured him that \$57,500 was the maximum he could offer for the Jennings Avenue Property.

Upon the recommendation of Vice-President Dolley and on motion of Vice-Chairman Sorrell, seconded by Mr. Johnson, Mr. Dial's offer to purchase all of the Jennings Avenue property described as the East 60 feet of Lots 1 through 8, Block 3, Jennings East Addition, City of Fort Worth, for \$57,500, payable \$25,000 in cash and the remainder in monthly installments over 6-1/2 years with interest at 5% and with full pre-payment privileges without penalty was unanimously accepted by the Board.

COMMITTEE OF THE WHOLE WITH INSTITUTIONAL HEADS. --Each institutional head was given an opportunity to come into the meeting and discuss any matters relating to his particular institution. The following item presented by Doctor Holcomb required action:

Appropriation of \$3,300, Frank B. Cotton Trust Income; Authorization for Bids and Award of Contracts, New Roofs on (1) Cotton Memorial Building and (2) Magoffin Auditorium, the Garage and Carpenter Shop, Texas Western College. --It was moved by Doctor Minter, seconded by Mr. Hardie, and unanimously adopted that:

1. \$3,300 be appropriated from the Frank B. Cotton Trust Income surplus to the maintenance account for Cotton Memorial Building in the Current Restricted Funds Budget. This is to cover the cost of a new roof and other repairs.
2. Business Manager A. A. Smith be authorized to call for bids on the construction of a new roof on Cotton Memorial Building in accordance with specifications prepared by E. M. Thomas, Dean of Mines and Engineering.
3. Business Manager A. A. Smith be authorized to call for bids and award contracts for the construction of new roofs on Magoffin Auditorium, the Garage and Carpenter Shop, in accordance with specifications prepared by E. M. Thomas, Dean of Mines and Engineering. The cost of construction is to be paid from the budgeted account for Improvements and Repairs.

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## MAIN UNIVERSITY

Vice-Chairman

FIRST FLOOR, LITTLEFIELD HOME. --It was moved by Mr. Sorrell, seconded by Mr. Lockwood, and unanimously adopted that the Registrar of the Main University (Chairman of the Committee on the Use of Classroom, Laboratory, and Office Facilities) be requested if it is at all possible and feasible to vacate the first floor of the Littlefield Home in order that The Ex-Students' Association may have use of it by September 1, 1958.

## CENTRAL ADMINISTRATION

MEETING OF INVESTMENT ADVISORY COMMITTEE. --Vice-President Dolley announced that the next meeting of the Investment Advisory Committee would be in Austin on June 7, 1958, and extended an invitation to each Regent to be present at that time. He stated that a representative of the Lionel D. Edie Company would be in attendance.

Regular Meeting. --At 3:00 p.m. the Committee of the Whole resolved itself into regular meeting, and other University officials and press representatives came into the meeting.

## COMMITTEE REPORTS

REPORT OF EXECUTIVE COMMITTEE. --The following report of the Executive Committee which had been furnished to each Regent in the Material Supporting the Agenda was unanimously adopted upon a motion duly made and seconded:

The Executive Committee during the period March 1 through May 15, 1958, approved the following by individual vote by mail ballot:

1. Budgetary Items, Medical Branch. --Six budgetary items for The University of Texas Medical Branch upon recommendation of Doctor Truslow, concurred in by President Wilson. These items are Nos. 5, 10, 11, 12, 21, and 22 and are reported in the Medical Branch portion of the docket dated May 16, 1958.

2. Award of Contracts for New Engineering Building and Utility Tunnel on Twenty-Fourth Street, Main University. --The following report of Comptroller Sparenberg, concurred in by Vice-President Dolley and President Wilson:

See Page 920.  
and 1160.

In accordance with authority granted by the Board of Regents at its meeting on March 15, 1958, the Comptroller advertised for bids on the projects above indicated, which bids were received, opened, and tabulated on May 1, 1958, as shown by the attached copy on Pages 67-69. After consideration of the bids received by the Special Building Committee of the College of Engineering, Jessen, Jessen, Millhouse and Greeven, Associate Architect,

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Page, Southerland, and Page, Consulting Architect,  
and the Comptroller's Office, it was the recommenda-  
tion of the Executive Committee that the contract awards  
be made to the low bidders as set out below:

	<u>Amount of Proposal</u>	<u>Amount In- cluded for Tunnel on 24th Street</u>	<u>Amount Included for New Engineering Building</u>
General Contract:			
B. L. McGee Construction Co., Austin, Texas Base Proposal	<u>\$665,800.00</u>	<u>\$50,000.00</u>	<u>\$615,800.00</u>
Heating and Ventilating Contract:			
Way Engineering Co., Houston and Austin, Tex. Base Proposal	<u>\$213,500.00</u>	<u>\$22,200.00</u>	<u>\$191,300.00</u>
Add Alternate No. HV-1	<u>12,549.00</u>	<u>-0-</u>	<u>12,549.00</u>
	<u>\$226,049.00</u>	<u>\$22,200.00</u>	<u>\$203,849.00</u>
Plumbing Contract:			
V. R. Wattinger, Austin, Texas Base Proposal	<u>\$ 84,872.00</u>	<u>\$ 5,050.00</u>	<u>\$ 79,822.00</u>
Electrical Contract:			
Seco Smith Electric Co., Austin, Texas Base Proposal	<u>\$247,871.00</u>	<u>\$ 327.00</u>	<u>\$247,544.00</u>
Add Alternate No. E-1	<u>250.00</u>	<u>-0-</u>	<u>250.00</u>
	<u>\$248,121.00</u>	<u>\$ 327.00</u>	<u>\$247,794.00</u>
Elevator Contract:			
Hunter-Hayes Elevator Co., Dallas and Austin, Texas Base Proposal	<u>\$ 32,980.00</u>	<u>\$ -0-</u>	<u>\$ 32,980.00</u>
Laboratory Equipment Contract:			
American Desk Manufac- turing Co., Temple, Tex. Base Proposal	<u>\$ 96,500.00</u>	<u>\$ -0-</u>	<u>\$ 96,500.00</u>
Total Recommended Contract Awards	<u>\$1,354,322.00</u>	<u>\$77,577.00</u>	<u>\$1,276,745.00</u>

Sufficient funds are available in the Allotment Accounts  
of these projects to cover the contract awards recom-  
mended and the architects' fees thereon.

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REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE  
(See Page 9 for Adoption). --At the request of Chairman Jeffers, Mrs. See P. 862  
Devall, Chairman of the Academic and Developmental Affairs Committee,  
presented the following report:

PROGRESS REPORTS. --The Academic and Developmental Affairs Com-  
mittee received progress reports on the FM radio station, nuclear reactor,  
computation laboratory, insurance program, library development, and  
faculty travel at the Main University. Each Regent had been furnished in  
the Material Supporting the Agenda brief reports on these subjects, as well  
as a report on the plans for the Texas-O.U. game and a progress report  
on study space at night for fraternities and interested student groups.

AUTHORIZED LEGISLATION FOR OPERATION OF NUCLEAR REACTOR. --  
It was pointed out to the Academic and Developmental Affairs Committee  
that the Atomic Energy Commission has just indicated it will henceforth  
interpret its authorizing legislation to require that state agencies licensed  
to operate a nuclear reactor - regardless of how low-powered - will be re-  
quired to waive their tort immunity, enter into an indemnifying agreement  
with the Federal government and purchase liability insurance coverage of  
\$300,000 minimum up to \$500,000,000 depending upon reactor size.

Since The University of Texas cannot do these things nor can practically  
any other state university in the nation, efforts are underway to get either  
a modification of this ruling or a change in authorizing Federal legislation  
so that state institutions may engage in research with nuclear reactors.  
The Academic and Developmental Affairs Committee recommends that  
Central Administration be authorized to communicate with officials and  
members of Congress concerned, the official position of the Board of  
Regents that The University of Texas should be licensed to operate nu-  
clear reactors for research and teaching purposes within the provisions  
of the Texas Constitution and statutes governing tort immunity, indemni-  
fication of damages, and purchases of liability insurance.

POLICY RE COMPENSATION FOR FUTURE BOWL GAMES. --The Aca-  
demic and Developmental Affairs Committee recommends that the follow-  
ing policy regarding extra compensation to the personnel of the Inter-  
collegiate Athletics for future bowl games be adopted:

Extra Per Cent  
of Annual Salary

Group I	
Head Football Coach, Assistant Foot- ball Coaches, Trainer, Athletic Equipment Supervisor, and Team Physicians (part-time)	5%
Group II	
Athletic Director and Business Manager	-
Sports News Director and Assistant Athletic Director	-
Ticket Manager, Assistant Business Manager, Administrative Assistant, Assistant Sports News Director	-
Athletic Office Personnel with added ticket sales and extra correspondence duties	-



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Extra Per Cent  
of Annual Salary

Group III  
 Grounds Crew Foreman and Hill Hall -  
 Dining Room Manager -  
 Stadium Laborers

For Groups II and III - Compensatory time off for clerical and other related employees in nonadministrative positions.

Group IV - Payment of transportation and appropriate living expenses to bowl games on the part of University officials and members of the Athletic Council whose presence is required on such occasions. This list would be submitted by the Athletic Council to the Office of the President for advance approval prior to notification of any individuals listed.

All payments are to come from Bowl receipts.

MEMBERSHIP OF TEXAS STUDENT PUBLICATIONS BOARD. --The Academic and Developmental Affairs Committee has considered the request of Mr. Harley Clark, President of the Students' Association, that student editors be made voting members of the Board of Student Publications and recommends that the Board of Regents not approve the change requested. The Committee seems it inadvisable and contrary to good administrative procedure to place on a policy making board an administrative person who is responsible to that board.

APPROVAL OF REPORT TO TEXAS COMMISSION ON HIGHER EDUCATION, INVENTORIES OF DEPARTMENTS, DEGREES, AND DEGREE PROGRAMS (MAIN UNIVERSITY, TEXAS WESTERN COLLEGE, MEDICAL BRANCH, DENTAL BRANCH, AND SOUTHWESTERN MEDICAL SCHOOL). --The Academic and Developmental Affairs Committee recommends the approval of the inventories of departments, degrees, and degree programs in effect at the Main University, Texas Western College, Medical Branch, Dental Branch, and Southwestern Medical School -- component units of The University of Texas -- on September 1, 1956. There are no reports for M. D. Anderson Hospital and Tumor Institute and for the Postgraduate School of Medicine because these two units have neither teaching departments nor degree or certificate programs. Copies of these inventories are in the Secretary's Files, Volume V, Page 180 .



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PROPERTY DEPOSITS, MAIN UNIVERSITY. --The Academic and Developmental Affairs Committee recommends that the Board adopt the following recommendations of the Administration regarding the handling of property deposits at the Main University:

1. The property deposit of \$7.00 required for the initial registration of a student in the University shall be continued.
2. This property deposit shall remain with the University so long as the student continues to enroll in The University of Texas.
3. Refund of the property deposit shall be made to the student upon his request and indication that he does not plan to re-enroll in the University.
4. A student not planning to re-enroll in the University who wishes to assign his property deposit to a student organization or to the University for some specific purpose shall request that the refund of property deposit issued payable to the student be mailed to the assignee. Arrangements for the endorsement of the refund check shall be made between the student and the assignee.
5. The present regulation that a student must replenish his property deposit to \$7.00 when the balance in the deposit drops below \$3.50 shall be discontinued. The student shall be asked to reinstate his property deposit to \$7.00 at the time when he no longer has a credit balance in his property deposit account at the University.

AUTHORIZATION TO PURCHASE BOOKS FROM FACULTY MEMBERS. --The Academic and Developmental Affairs Committee recommends that the Board authorize the purchase of the following faculty collections as recommended by Vice-President and Provost Ransom:

1. The Latin-American Collection and Rousseau Collection of Professor J. R. Spell for a sum not to exceed \$13,000.00.
2. The Library of the late Professor L. W. Payne, now owned by the estate, at a sum not to exceed \$7,500.00.

Adoption of Report. --The foregoing report of the Academic and Developmental Affairs Committee was unanimously adopted upon motion of Mrs. Devall, seconded by Mr. Johnson.

REVISION, POLICY ON FRESHMAN CAR BAN. --Mrs. Devall, Chairman of Academic and Developmental Affairs Committee, reported that the Committee had reconsidered the freshman car ban and for the purpose of application had revised the policy in the following manner:

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1. A freshman shall be defined as a student who has less than 26 semester hours of course credits recognized by the University
2. A freshman student who in his first semester in the University earns 14 or more semester hours of course credit with a "B" average will be entitled to exclusion from the provisions of the car ban upon submission of a written application to the Parking, Traffic and Safety Committee, together with his grade report, and if he is a minor a written statement from his parents.

It was moved by Mrs. Devall, seconded by Doctor Minter, and carried that the foregoing revision be adopted. Mr. Sorrell voted "No."

CONCESSIONS FOR STUDENTS, AUSTIN MUNICIPAL GOLF COURSE. -- Mrs. Devall reported that the Academic and Developmental Affairs Committee recommends that the Administration be asked to approach the City of Austin in an effort to obtain concessions at the Austin Municipal Golf Course for students engaged in an intramural or physical training program.

This recommendation was adopted upon motion of Mrs. Devall, seconded by Doctor Minter.

REPORT OF LAND AND INVESTMENT COMMITTEE (See Page 47 See Page 900. for adoption). --At the request of Chairman Jeffers, the following report was presented by Vice-Chairman Sorrell, Chairman of the Land and Investment Committee:

INVESTMENT AND LAND MATTERS OF PERMANENT UNIVERSITY FUND; INVESTMENT, GIFT, BEQUEST, AND ESTATE, REAL ESTATE, AND REVENUE BOND FINANCING MATTERS, AND AMENDMENTS TO GENERAL INVESTMENTS HELD FOR THE VARIOUS TRUST AND SPECIAL FUNDS. --Each member of the Board of Regents had been furnished in the Material Supporting the Agenda the formal recommendations of the Endowment Officer to the Land and Investment Committee. Attention of the Board was called by Vice-Chairman Sorrell to two additional items to these recommendations and to one item in these recommendations that had already been approved by the Board of Regents; namely:

I. Additional Items

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|--|-----|
| A. Amendment to Compressor Station Site Easement No. 919, El Paso Natural Gas Company, Andrews County, Texas, (Page 42). | 895 |
| B. Texas Western College - Cotton Estate Property - Grazing Lease to Ike Kelcy, Hudspeth County, Texas, (Page 41).       | 894 |

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|---|-----|
| II. Item Already Approved by Committee (Page 3)<br>E. D. Farmer International Scholarship Fund - Offer of John R. Dial for Purchase of Jennings Avenue Property, Fort Worth, Texas. | 856 |
|---|-----|

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

REPORT OF PURCHASES OF SECURITIES AND SALE OF STOCK RIGHTS. --The following purchases of securities and sale of stock rights have been made for the Permanent University Fund since the report of March 15, 1958. We ask that the Board ratify and approve these transactions:

## PURCHASE OF SECURITIES

## COMMON STOCKS

Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
3/3/ & 4/58	Public Service Co. of Indiana Common Stock	1,300	38-1/8(900) 38-1/4(400)	\$ 50,055.56	5.19%
3/3/58	Westinghouse Electric Corp. Common Stock	800	60-3/4	48,928.64	3.27
3/4/58	National Dairy Products Corp. Common Stock	1,300	40-7/8(300) 41 (1000)	53,723.82	4.36
3/4 & 5/58	Pittsburgh Plate Glass Company Capital Stock	700	72-1/4(100) 72-3/4(100) 73-1/2(100) 73-3/4(400)	51,646.38	3.73
3/5/58	American Home Products Corp. Capital Stock	600	80 (500) 80-1/8(100)	48,270.51	3.73
3/5/58	Potomac Electric Power Company Common Stock	2,100	24-1/4(300) 24-3/8(1800)	51,720.81	4.87
3/6 & 7/58	The Dow Chemical Company Common Stock	900	57-1/2(500) 57-5/8(400)	52,166.79	2.07
3/10/58	The Texas Company Capital Stock	900	60	54,369.00	3.89
3/7/58	Socony-Mobil Oil Company, Inc. Capital Stock	1,100	48 (200) 48-1/8(800) 48-1/4(100)	53,354.61	5.15

\*Includes brokerage commission paid.

\*\*Yield at present indicated annual dividend rate.

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Date of Purchase	Security	No. of Shares Purchased	Market Price at-Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
3/7/58	Cincinnati Gas & Electric Company Common Stock	1,700	30-1/8(300) 30-1/4(1400)	\$ 51,899.50	4.91%
3/10/58	Baltimore Gas & Electric Company Common Stock	1,300	39 (100) 39-1/4(1200)	51,450.06	4.55
3/10/58	Ex-Cell-O Corp. Capital Stock	1,600	31-3/4	51,294.08	4.68
3/11/58	The Chase Manhattan Bank (N. Y.) Capital Stock	400	50	20,108.00	4.77
3/17, 18, 19, 20, 21 & 24/58	Consumers Power Company Common Stock	1,000	49-1/2(300) 49-3/8(200) 49-5/8(500)	49,935.18	4.81
3/17, 18 & 24/58	Norfolk & Western Railway Company Common Stock	1,000	57-1/2(200) 57 (100) 56-3/4(100) 56-1/2(100) 56 (200) 58 (300)	57,532.13	6.95
3/17, 21 & 24/58	Kennecott Copper Corporation Capital Stock	600	85 (200) 88-3/8(200) 90-1/4(200)	52,987.74	7.94
3/20 & 26/58	International Paper Company Common Stock	600	91-1/8(200) 90-3/4(200) 91-1/4(200)	54,889.64	3.28
3/20 & 26/58	Libbey-Owens-Ford Glass Company Common Stock	600	77	46,456.20	4.65
4/1/58	National Life & Accident Insurance Co. Capital Stock	300	79-1/2 Net	23,850.00	0.75
3/21/58	Cincinnati Gas & Electric Company Common Stock	350	28-1/2 plus 16 rights	9,975.00	5.26
3/19/58	St. Paul Fire & Marine Insurance Co. Capital Stock	400	46-1/2 Net	18,600.00	2.58

\*Includes brokerage commission paid.

\*\*Yield at present indicated annual dividend rate.

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Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
3/19/58	The Travelers Insurance Company Capital Stock	200	79-3/8 Net	\$ 15,875.00	1.39 %
3/20/58	Johns-Manville Corporation Common Stock	1,400	37-3/8(1000) 37-1/2(400)	52,846.88	5.30
3/20/58	National Cash Register Co. Common Stock	900	56-3/4	51,441.12	2.10
3/21/58	Chas. Pfizer & Company, Inc. Common Stock	800	64-1/4	51,731.44	3.48
3/21/58	U. S. Steel Corporation Common Stock	800	59-7/8	48,227.92	4.98
3/24, 25 & 26/58	Gulf States Utilities Co. Common Stock	1,100	40-5/8(400) 40-3/4(300) 40-1/8(100) 40-3/8(100) 40-1/2(100) 40 (100)	44,962.88	3.91
3/24, 25 & 26/58	Wisconsin Electric Power Co. Common Stock	1,400	35-3/4(400) 35-7/8(600) 35-5/8(400)	50,535.40	4.71
3/26/58	The B. F. Goodrich Company Common Stock	700	61-7/8	43,600.83	3.53
3/26/58	Union Carbide Corporation Capital Stock	600	89-1/2	53,963.70	4.00
3/25/58	American Can Company Common Stock	1,100	43-3/8	48,116.09	4.57
3/25/58	Standard Oil Co. of California Capital Stock	1,100	46-1/2(300) 46-3/4(800)	51,771.79	4.25

\*Includes brokerage commission paid.

\*\*Yield at present indicated annual dividend rate.

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Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
3/27/58	Minneapolis - Honeywell Regulator Company Common Stock	600	86	\$ 51,861.60	2.02%
3/27, 28, & 4/2/58	J. C. Penney Company, Inc. Common Stock	600	85 (200) 87 (400)	52,061.80	4.90
4/2/58	Bank of America NTSA Common Capital Stock	600	36-1/4 Net	21,750.00	4.97
4/2/58	Aetna Life Insurance Company Capital Stock	100	183 Net	18,300.00	1.86
3/28/58	I. B. M. Corp. Capital Stock	100	344-1/4	34,475.00	0.75
3/28 & 31/58	National Biscuit Company Common Stock	1,100	47 (400) 47-1/8(500) 47-1/4(200)	52,236.56	4.63
3/31/58	The Procter & Gamble Company Common Stock	800	59-1/2(100) 59-7/8(200) 60 (500)	48,252.93	3.32
3/31/ & 4/1/58	Link-Belt Co. Common Stock	900	53-3/8(200) 53-3/4(200) 54 (200) 55 (300)	49,088.74	5.87
4/3/58	Phelps Dodge Corporation Capital Stock	1,100	42-1/8(100) 42 (300) 41-3/4(500) 41-5/8(100) 41-1/2(100)	46,395.02	7.11
4/3 & 7/58	American Tel. & Tel. Company Capital Stock	300	173 (100) 173-1/8(200)	52,075.00	5.18
4/9/58	Phillips Petroleum Company Common Stock	1,300	37-3/8	49,025.47	4.51

\*Includes brokerage commission paid.

\*\*Yield at present indicated annual dividend rate.



5-29-58

Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
4/9, 10, 11, and 14/58	Carolina Power & Light Company Common Stock	1,700	28-3/8(100) 28-7/8(100) 29-3/8(300) 29-5/8(100) 29-7/8(100) 30 (1000)	\$ 50,994.95	4.40%
4/8, 9, & 16/58	National Lead Co. Common Stock	600	85-1/4(100) 85-1/2(300) 86 (200)	51,636.38	3.78
4/8, 9, 14, & 16/58	Commonwealth Edison Company Common Stock	1,100	45-5/8(200) 45-3/4(200) 45-7/8(700)	50,804.46	4.33
4/10, 11, & 16/58	General Motors Corporation Common Stock	1,400	34-5/8(1000) 34-7/8(200) 36 (200)	49,253.98	5.68
4/11/58	Lincoln National Life Insurance Co. Capital Stock	100	184-1/2 Net	18,450.00	1.06
4/10, 11, 14, and 15/58	Union Bag-Camp Paper Corporation Capital Stock	1,600	30-3/4(200) 31 (300) 31-1/8(600) 31-1/2(500)	50,364.37	4.77
4/11/58	Federal Insurance Company Capital Stock	500	40-3/4 Net	20,375.00	2.21
4/14/58	The American Tobacco Co. Common Stock	600	84-1/4(200) 84-3/8(400)	50,860.62	5.90
4/14/ & 15/58	Utah Power & Light Company Common Stock	1,800	27-3/8(1200) 28 (600)	50,168.28	4.31
4/15/58	E. I. du Pont de Nemours & Co. Common Stock	300	174-1/2	52,500.00	3.71
4/15/58	Eastman Kodak Company Common Stock	500	104 (200) 104-1/2(200) 104-7/8(100)	52,414.69	2.72

\*Includes brokerage commission paid.

\*\*Yield at present indicated annual dividend rate.

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Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
4/15/58	Republic Steel Corporation Common Stock	1,300	38-1/2(200) 38-5/8(400) 38-7/8(700)	\$ 50,809.32	7.68%
4/16, 29 and 5/1/58	The Coca-Cola Company Common Stock	500	109 (200) 114-3/4(100) 115-1/2(200)	56,614.38	4.42
4/16, 17, & 23/58	Union Pacific Railroad Co. Common Stock	1,900	27-1/4(1000) 28-3/4(900)	53,675.72	5.66
4/17/58	Central & South West Corporation Common Stock	1,100	44-1/8(100) 44-1/4(100) 44-3/8(100) 44-1/2(800)	49,284.38	3.79
4/17/58	Oklahoma Gas & Electric Company Common Stock	1,100	44-1/4(700) 45 (400)	49,384.91	4.23
4/18/58	Crown Zellerbach Corporation Common Stock	1,200	44-1/8(100) 44-3/8(200) 44-1/2(900)	53,784.19	4.02
4/18/58	Standard Oil Company (New Jersey) Capital Stock	1,000	53-3/8(300) 53-1/2(200) 53-5/8(200) 53-7/8(300)	54,003.61	4.17
4/22/58	Bankers Trust Co. Capital Stock	500	66-1/4 Net	33,125.00	4.53
4/22/58	The Travelers Insurance Company Capital Stock	300	76-3/4 Net	23,025.00	1.43
4/23/58	Otis Elevator Co. Common Stock	800	50-3/4(100) 51 (300) 51-1/2(400)	41,295.98	3.87
4/23/58	Standard Oil Company of California Capital Stock	1,100	48-3/4(1000) 48-5/8(100)	54,045.61	4.07
4/24 & 25/58	American Cyanamid Company Common Stock	1,100	45-1/8(100) 45-1/4(400) 46-3/8(600)	50,854.72	3.46

\*Includes brokerage commission paid.

\*\*Yield at present indicated annual dividend rate.

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Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
4/24 & 25/58	The Texas Co. Capital Stock	700	65 (200) 66-5/8(200) 67 (200) 67-1/4(100)	\$ 46,741.45	3.52%
4/25/58	Sears, Roebuck & Company Common Stock	1,800	26-7/8	48,886.92	4.05
4/28, 29 and 30/58	Public Service Co. of Colorado Common Stock	1,100	47-1/2(100) 47-3/4(300) 48 (200) 48-1/8(500)	53,166.19	3.72
4/28/58	Pacific Gas & Electric Company Common Capital Stock	800	56-1/8(100) 56-1/4(300) 56-3/8(400)	45,362.56	4.23
4/28 & 29/58	Cleveland Electric Illuminating Co. Common Stock	1,000	39-3/4(200) 39-7/8(300) 40 (500)	40,262.08	3.97
4/29, 5/5 & 8/58	International Harvester Company Common Stock	1,700	30-5/8(100) 30-1/2(200) 30-3/8(200) 31-5/8(300) 31-3/4(300) 31-7/8(500) 32-1/2(100)	54,007.71	6.30
4/30, 5/6 & 8/58	The Borden Co. Capital Stock	800	66 (100) 66-1/2(500) 66-5/8(100) 66-3/4(100)	53,548.69	4.18
4/30/58	General Electric Company Common Stock	900	58-3/4(700) 58-5/8(200)	53,217.88	3.38
4/30/58	Continental Can Company, Inc. Common Stock	1,000	47-5/8(100) 47-3/4(100) 48 (200) 47-7/8(600)	48,251.83	3.73
5/2, 5 & 12/58	Merck & Company Common Stock	1,100	48-1/8(600) 48-5/8(100) 49 (400)	53,813.17	2.45

\*Includes brokerage commission paid.

\*\*Yield at present indicated annual dividend rate.

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Date of Purchase	Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
5/2 & 5/58	National Lead Company Common Stock	600	86 (300) 85-1/2(100) 85-3/4(200)	\$ 51,785.51	3.77%
5/5/58	Addressograph-Multigraph Corp. Capital Stock	300	184	55,372.20	2.17
5/5/58	Borg-Warner Corporation Common Stock	1,700	27-5/8	47,520.27	7.15
5/6, 7, & 8/58	U. S. Gypsum Co. Common Stock	700	77-1/4(100) 76-3/4(500) 75-1/2(100)	53,976.68	3.57
5/7 & 8/58	Kimberly-Clark Corporation Common Stock	800	56 (300) 56-1/8(500)	45,219.35	3.18
5/7/58	Corning Glass Works Common Stock	600	83-3/4	50,534.28	1.78
5/7/58	Pacific Lighting Corporation Common Stock	1,200	44-1/2(300) 44-3/4(200) 44-7/8(700)	54,209.09	4.43
5/8/58	Houston Lighting & Power Co. Common Stock	900	57	51,702.30	2.79
5/8/58	Texas Utilities Co. Common Stock	1,100	50-3/4	56,309.88	3.13
5/9/58	McGraw-Edison Co. Common Stock	1,500	34-1/2(500) 34-1/4(500) 34 (500)	51,916.90	4.04
5/12/58	The Firestone Tire & Rubber Company Common Stock	500	87	43,738.50	2.97
	Totals	<u>80,050</u>		<u>\$ 4,069,077.81</u>	<u>4.14%</u>

\*Includes brokerage commission paid.

\*\*Yield at present indicated annual dividend rate.

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## SALE OF STOCK RIGHTS

<u>Date</u>	<u>Security</u>	<u>Net Proceeds</u>
4/25/58	6800 Rights to subscribe for Potomac Electric Power Company Convertible Debentures, due May 1973, at 16/64ths (0.25) per right	\$ 1,563.96

PERMANENT UNIVERSITY FUND BONDS, SERIES 1949, REPORT OF REFUNDING PROGRAM. --Pursuant to authorization at the March 15, 1958 meeting of the Board of Regents, a contract was entered into with the agent bond houses, F. S. Smithers & Co. and Emerson & Co., for a purchase program of uncommitted Permanent University Fund Bonds, Series 1949, during the period April 1 through May 15, 1958, at prices stated in that recommendation. The Board further approved the recommendation that the purchase program and refunding program would be declared effective if at least 85% of the total outstanding A. & M. College and University of Texas bonds were committed for such sale, with delivery in Austin, without the July 1, 1958 coupons attached, by June 15, 1958. We have now been advised by the Agents that with the earlier purchase program, the bonds to be delivered July 1, 1958, as already reported, and this last offer, over 85% have been contracted for, the figures as of May 16, 1958 being as follows: See Page 1058

	Outstanding 7/1/58	Purchased or contracted for through 3 phases of program	Uncommitted 5/17/58
U. of T.	\$ 5,950,000	\$ 5,077,000	\$ 873,000
A. & M.	2,975,000	2,750,000	225,000

Funds to purchase the committed bonds will be available, as indicated at the March, 1958 meeting, from a \$5,000,000 Treasury bondholding maturing June 15, 1958 supplemented by royalty income.

After conferences of the University Staff, bond counsel, the Agents, and A. & M. College representatives, a tentative schedule for the refunding appears to be as follows:

June, 1958 Meeting

1. Authorize call of uncommitted bonds with 2 publication dates, one on July 24, 1958 and the other after cancellation of 1949 bonds.
2. Authorize advertising around July 8 for sale of refunding bonds after preparation of prospectus.
3. Authorize transfer of money from building appropriations to cover escrow.
4. Authorize contract with paying agent.
5. Authorize bids for printing bonds.

See Page 1077

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July, 1958 Meeting

1. Approve bond resolutions for refunding issue (each member was furnished a preliminary draft for information).
2. Approve escrow agreement (each member was furnished a preliminary draft for information) and transfer money to paying agent.
3. Award bonds sold to low bidder.

REPORT ON AUTHORIZATION BY BOARD FOR LEASE OF UNIVERSITY LANDS FOR SALE OF \$970,000 U. S. TREASURY 2-3/8% BONDS DUE JUNE 15, 1958, AND TRANSFER OF PROCEEDS TO PERMANENT UNIVERSITY FUND. --At its meeting on April 30, 1958, the Board for Lease of University Lands, after appropriating from the Special 1% Fee Fund the sum of \$159,771.00 to cover operating budgets for the Fiscal Year 1958-59 as already approved by the Board of Regents, for University Lands - Geology, Auditing Oil and Gas Production, and Oil Field Supervision, authorized sale by the Staff Investment Committee and Comptroller Sparenberg, custodian of the Special 1% Fee Fund, of the \$970,000 U. S. Treasury 2-3/8% Bonds due June 15, 1958, and the transfer of the proceeds to the Permanent University Fund, there to be invested under the revised investment program of the Board of Regents. These bonds have been held as a temporary investment in the Special 1% Fee Fund, and sale prior to maturity is deemed advisable so as to realize on market value of rights to subscribe to the Treasury's refunding issues. Transfer of the proceeds by the Board for Lease to the Permanent University Fund is authorized by Senate Bill 73, Fifty-fifth Legislature, 1957. Balance in the Special 1% Fee Fund after the above budget appropriations and transfer of bond proceeds will be approximately \$56,000.

## 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:

PIPE LINE EASEMENT NO. 1071, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to El Paso Natural Gas Company covers 1379.800 rods of 16-inch natural gas line at \$1.50 per rod in Sections 3, 4, 7, 8, 9 and 18, Block 1 and Section 13, Block 9, University Lands, Andrews County, Texas, for a 10-year period beginning April 1, 1958, and ending March 31, 1968. The full consideration of \$2,069.70 for the 10-year period has been received.



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PIPE LINE EASEMENT NO. 1072 (RENEWAL OF EASEMENT NO. 347) GULF REFINING COMPANY, CRANE COUNTY, TEXAS. -- This application for a pipe line easement to Gulf Refining Company covers 292 rods of 6-inch line at \$0.50 per rod in Section 3, Block 31, University Lands, Crane County, Texas, for a 10-year period beginning April 1, 1958, and ending March 31, 1968. The full consideration of \$146.00 for the 10-year period has been received.

BUSINESS SITE EASEMENT NO. 1073, H. P. McLAUGHLIN, HUDSPETH COUNTY, TEXAS. -- This application for a business site easement covers a 5-acre tract in Section 3, Block L, University Lands, Hudspeth County, Texas, for use as a filling station. The period of this easement begins April 1, 1958, and ends March 31, 1959, with the option to extend and renew the lease from year to year, not to exceed a total period of 10 years from April 1, 1958, upon payment in advance of annual rental of \$100.00. Rental of \$100.00 for the first year has been received.

POWER LINE EASEMENT NO. 1074, TEXAS ELECTRIC SERVICE COMPANY, ANDREWS, DAWSON AND GAINES COUNTIES, TEXAS. -- This application for a power line easement to Texas Electric Service Company covers 7,279 rods of line at \$0.50 per rod for a period of 10 years beginning April 1, 1958, and ending March 31, 1968. The two lines covered by this easement are in Sections 25, 26, 27, 28, 31, 32, 33, Block 4; Sections 3, 4, 10, 11, 13, 14, 19, 20, 21, 22, 23, 30, Block 5; and Sections 1, 2, 9, 10, 11, 12, 13, 20, 21, Block 6; University Lands, Andrews, Dawson and Gaines Counties, Texas. The full consideration of \$3,639.50 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1075, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to El Paso Natural Gas Company covers 10,164 rods of 4-1/2 - inch natural gas line at \$0.50 per rod in Section 21, Block 1, University Lands, Andrews County, Texas, for a 10-year period beginning April 1, 1958, and ending March 31, 1968. The full minimum consideration of \$50.00 for the 10-year period has been received.

BUSINESS SITE EASEMENT NO. 1076, BERT F. DUESING, INC., REAGAN COUNTY, TEXAS. -- This application for a business site easement covers a tract 200 feet square in Section 7, Block 11, University Lands, Reagan County, Texas, for use as a storage lot for a period of one year beginning April 1, 1958, and ending March 31, 1959, with the option to extend and renew the lease from year to year, not to exceed a total period of 10-years from April 1, 1958, upon payment in advance of annual rental of \$150.00. Rental of \$150.00 for the first year has been received.

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PIPE LINE EASEMENT NO. 1077, TEXAS-NEW MEXICO PIPE LINE COMPANY, CROCKETT COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 348). --This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 352 rods of 4-1/2-inch line at \$0.50 per rod and 352 rods of 6-5/8-inch line at \$0.75 per rod in Sections 21 and 30, Block 46, University Lands, Crockett County, Texas, for a period of 10 years beginning June 1, 1958, and ending May 31, 1968. This easement is a renewal of Easement No. 348, which covered a total of 1,116 rods; however, certain lines covered by the original easement have been removed, leaving only 352 rods of 4-1/2 inch and 352 rods of 6-5/8-inch line. The full consideration of \$440.00 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1078, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS (RENEWAL OF PART OF EASEMENT NO. 346). --This application for a pipe line easement to Phillips Petroleum Company covers a total of 3473.6 rods of the following size gas lines in Sections 17, 20, 29, 31, 32, 41 and 42, Block 13, University Lands, Andrews County, Texas: 1140.2 rods of 24-inch line and 503.2 rods of 16-inch line at \$1.50 per rod; 173.5 rods of 10-3/4-inch line and 317.7 rods of 8-5/8 - inch line at \$1.00 per rod; 155.5 rods of 6-5/8 - inch line at \$0.75 per rod; 709.7 rods of 4-1/2-inch line at \$0.50 per rod; and 473.8 rods of 3-1/2 - inch line at \$0.25 per rod. This easement is for a period of 10 years beginning May 1, 1958, and ending April 30, 1968, the full consideration of \$3,546.23 for the 10-year period having been received. Easement No. 346, a part of which is being renewed under Easement No. 1078 covered 3,489.61 rods of various size lines, together with approximately 144 additional rods that were added during the course of the easement. A portion of Easement No. 346, covering 160 rods of 8-5/8 - inch line, was assigned to Pan American Petroleum Corporation (formerly Stanolind Oil and Gas Company), which portion is being renewed by Easement No. 1087 to Pan American Petroleum Corporation.

PIPE LINE EASEMENT NO. 1079, TEXAS-NEW MEXICO PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 345). --This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers a total of 6,095 rods in the following size lines in Blocks 12, 13 and 14, University Lands, Andrews County, Texas, for a period of 10-years beginning April 1, 1958, and ending March 31, 1968: 684 rods of 4-1/2 - inch line at \$0.50 per rod; 4,773 rods of 6-5/8 - inch line at \$0.75 per rod; 419 rods of 8-5/8-inch line and 219 rods of 10-3/4 - inch line at \$1.00 per rod. The roddage covered by Easement No. 1079 differs from that covered by Easement No. 345, of which Easement No. 1079 is a renewal, due to removal and addition of some lines and changes in size of various lines. Roddage now covered by Easement No. 1079 is based on a resurvey. The full consideration of \$4,559.75 for the 10-year period has been received.

POWER LINE EASEMENT NO. 1080, COMMUNITY PUBLIC SERVICE COMPANY, PECOS COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 349). --This application for a power line easement to Community Public Service Company covers 640 rods of line at \$0.50 per rod for a period of 10 years beginning July 1, 1958, and ending June 30, 1968. The electric transmission and distributing line covered by this easement is located in Sections 23, 24, Block 2 , University Lands, Pecos County, Texas. The full consideration of \$320.00 for the 10-year period has been received.

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POWER LINE EASEMENT NO. 1081, COMMUNITY PUBLIC SERVICE COMPANY, WARD AND WINKLER COUNTIES, TEXAS (RENEWAL OF EASEMENT NO. 350). --This application for a power line easement to Community Public Service Company covers 4,690 rods of line at \$0.50 per rod for a period of 10 years beginning July 1, 1958, and ending June 30, 1968. The electric transmission and distributing line covered by this easement is on the following University land: Sections 24, 25, 26, 34, 37 and 38, Block 18, and Section 46, Block 20, Ward County; Section 47, Block 20, Ward and Winkler Counties; Sections 37 and 38, Block 20, and Sections 13, 14, 21, 22, 23, 28, 29, 31, 32 and 42, Block 21, Winkler County. The full consideration of \$2,345.00 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1082, TEXAS-NEW MEXICO PIPE LINE COMPANY, CRANE COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 387). --This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 1,586.6 rods of 4-1/2 - inch oil line at \$0.50 per rod and 921.9 rods of 6-5/8 - inch oil line at \$0.75 per rod in Sections 21, 28, 32, 33, 40, 41 and 44, Block 30, University Lands, Crane County, Texas for a period of 10 years beginning October 1, 1958 and ending September 30, 1968. The full consideration of \$1,484.73 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1083, TOREADOR ROYALTY CORPORATION, PECOS COUNTY, TEXAS. --This application for a pipe line easement to Toreador Royalty Corporation covers 199.45 rods of 3-1/2 - inch gas line at \$0.25 per rod in Sections 7 and 18, Block 28, University Lands, Pecos County, Texas, for a period of 10 years beginning March 1, 1958, and ending February 29, 1968. The full minimum consideration of \$50.00 for the 10-year period has been received.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 1084, COUNTY COMMISSIONERS' COURT OF ANDREWS COUNTY, ANDREWS COUNTY, TEXAS. --This application for a highway right-of-way easement to the County Commissioners' Court of Andrews County covers a strip of 115.95 acres to be used as a public road in Sections 5 and 6, Block 1, and Sections 1, 2, 3, 4, 5 and 6, Block 9, University Lands, Andrews County, Texas. No consideration is involved in this easement.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 1085, COUNTY COMMISSIONERS' COURT OF ANDREWS COUNTY, ANDREWS COUNTY, TEXAS. --This application for a highway right-of-way easement to the County Commissioners' Court of Andrews County covers a strip of 19.37 acres to be used as a public road in Sections 6, 7, 17, 18, 30, 31, 42 and 43, Block 9, University Lands, Andrews County, Texas. No consideration is involved in this easement.

PIPE LINE EASEMENT NO. 1086, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to El Paso Natural Gas Company covers 3.727 rods of 4-1/2 - inch line at \$0.50 per rod in Section 15, Block 1, University Lands, Andrews County, Texas, for a period of 10 years beginning May 1, 1958, and ending April 30, 1968. The full minimum consideration of \$50.00 for the 10-year period has been received.

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PIPE LINE EASEMENT NO. 1087, PAN AMERICAN PETROLEUM CORPORATION, ANDREWS COUNTY, TEXAS (RENEWAL OF PART OF EASEMENT NO. 346). --This application for a pipe line easement to Pan American Petroleum Corporation covers 160 rods of 8-5/8 - inch gas line at \$1.00 per rod in Section 31, Block 13, University Lands, Andrews County, Texas, for a period of 10-years beginning May 1, 1958, and ending April 30, 1968. This easement is a renewal of part of Easement No. 346 to Phillips Petroleum Company, Phillips having assigned to Pan American Petroleum Corporation (formerly Stanolind Oil and Gas Company) during the course of Easement 346 the 160 rods of pipe line for which Easement No. 1087 is now being issued. The remaining portion of Easement No. 346 is being renewed through Easement No. 1078 to Phillips Petroleum Company. The full consideration of \$160.00 for the 10-year period has been received.

BUSINESS SITE EASEMENT NO. 1088, STOUT & GOODWIN, REAGAN COUNTY, TEXAS (RENEWAL OF EASEMENTS NOS. 341 and 364). --This application for a business site easement to Stout & Goodwin covers a site in Section 7, Block 11, University Lands, Reagan County, Texas, for use as a drive-in theater for a period of one year beginning May 1, 1958, and ending April 30, 1959, with the option to extend and renew the lease from year to year, not to exceed a total period of 10 years from May 1, 1958, upon payment in advance of annual rental of \$1,000.00. This is a renewal of Easement No. 341 and Easement No. 364, the two sites covered by those easements having been combined under Easement No. 1088. Rental of \$1,000.00 for the first year has been received.

PIPE LINE EASEMENT NO. 1089, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 355). --This application for a pipe line easement to Phillips Pipe Line Company covers 1,958 rods of 12-3/4 - inch and 1,135 rods of 14 - inch oil line at \$1.50 per rod in Sections 1, 12 and 13, Block 11, and Sections 18, 19, 30 and 31, Block 10, University Lands, Andrews County, Texas, for a period of 10 years beginning August 1, 1958, and ending July 31, 1968. This easement is a renewal of Easement No. 355, together with additional lines that were added under that easement. The full consideration of \$4,639.50 for the 10-year period has been received.

SALT WATER DISPOSAL EASEMENT NO. 1090, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a salt water disposal easement to Phillips Petroleum Company covers a 10-acre tract in the NE/4 of Section 37, Block 4, University Lands, Andrews County, Texas, on which tract is located Phillips Petroleum Company's University of Texas "CC" Well No. 17, which Phillips proposes to use as a disposal and injection well for disposal of salt water and other waste products from oil and/or gas wells owned or operated by them on University leases. The tract will be used for all purposes necessary in the conversion, maintenance and operation of the disposal well. This easement is for a period of 10 years beginning June 1, 1958, and ending May 31, 1968, for a total consideration of \$500.00 for the 10-year period, which consideration has been received.



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BUSINESS SITE EASEMENT NO. 1091, J. E. COX AND V. A. WADE, WARD COUNTY, TEXAS. --This application for a business site easement covers a tract 100 feet by 200 feet in Section 1, Block 16, University Lands, Ward County, Texas, for use as a truck parking lot. The period of this easement begins May 1, 1958, and ends April 30, 1959, with the option to extend and renew the lease from year to year, not to exceed a total period of 10-years from May 1, 1958, upon payment in advance of annual rental of \$100.00. Rental of \$100.00 for the first year has been received.

PIPE LINE EASEMENT NO. 1092, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to El Paso Natural Gas Company covers 160.321 rods of 6-5/8 - inch natural gas line at \$0.75 per rod in Sections 10 and 11, Block 1, University Lands, Andrews County, Texas, for a 10-year period beginning June 1, 1958, and ending May 31, 1968. The full consideration of \$120.24 for the 10-year period has been received.

POWER LINE EASEMENT NO. 1093, TEXAS ELECTRIC SERVICE COMPANY, CRANE AND ECTOR COUNTIES, TEXAS. --This application for a power line easement to Texas Electric Service Company covers 745 rods of line at \$0.50 per rod for a period of 10 years beginning April 1, 1958 and ending March 31, 1968. The electric distribution lines covered by this easement are located in Sections 25, 36, 37, Block 30; Sections 37, 41, 44, 48, Block 31; University Lands, Crane County, Texas; and Section 3, Block 35, University Lands, Ector County, Texas. The full consideration of \$372.50 for the 10-year period has been received.

POWER LINE EASEMENT NO. 1094, TEXAS ELECTRIC SERVICE COMPANY, ANDREWS COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 396). --This application for a power line easement to Texas Electric Service Company covers 651.5 rods of line at \$0.50 per rod for a period of 10 years beginning October 1, 1958, and ending September 30, 1968. The electric distribution lines covered by this easement are located in Sections 20, 23 and 24, Block 13, University Lands, Andrews County, Texas. The full consideration of \$325.75 for the 10-year period has been received.

POWER LINE EASEMENT NO. 1095, TEXAS ELECTRIC SERVICE COMPANY, CRANE COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 394). --This application for a power line easement to Texas Electric Service Company covers 769.1 rods of line at \$0.50 per rod for a period of 10 years beginning October 1, 1958, and ending September 30, 1968. The electric distribution lines covered by this easement are located in Sections 35 and 38, Block 31, and Sections 8, 9, 13, Block 35, University Lands, Crane County, Texas. The full consideration of \$384.55 for the 10-year period has been received.

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POWER LINE EASEMENT NO. 1096, TEXAS ELECTRIC SERVICE COMPANY, ECTOR AND WARD COUNTIES, TEXAS (RENEWAL OF EASEMENT NO. 395). --This application for a power line easement to Texas Electric Service Company covers 540 rods of line at \$0.50 per rod for a period of 10 years beginning October 1, 1958, and ending September 30, 1968. The electric distribution lines covered by this easement are located in Sections 6 and 7, Block 35, University Lands, Ector County, Texas, and Section 19, Block 16, University Lands, Ward County, Texas. The full consideration of \$270.00 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1097, PLYMOUTH OIL COMPANY, CROCKETT COUNTY, TEXAS. --This pipe line easement to Plymouth Oil Company covers 443.6 rods of 3-inch line and 257.6 rods of 2-3/8 - inch line at \$0.25 per rod in Sections 6 and 7, Block 50, University Lands, Crockett County, Texas, for a period of 10 years beginning May 1, 1958 and ending April 30, 1968. The full consideration in the amount of \$175.30 for the 10 year period has been received.

MATERIAL SOURCE EASEMENT NO. 1098, TEXAS STATE HIGHWAY COMMISSION, ANDREWS COUNTY, TEXAS. --This material source easement covers a tract of 22.30 acres in Section 19, Block 13, University Lands, Andrews County, Texas, which will provide the Texas State Highway Commission with road-building materials for the purpose of constructing and maintaining F. M. Road No. 87 in Andrews County, Texas. No consideration is involved in this easement.

ASSIGNMENT OF GRAZING LEASE NO. 673, ISSUED TO GEORGE RATLIFF AND H. G. BEDFORD, TO H. G. BEDFORD, ONLY; ANDREWS COUNTY, TEXAS. -- This assignment of Grazing Lease No. 673 covers assignment by George Ratliff of his share in this lease to H. G. Bedford, the lease having been granted originally to George Ratliff and H. G. Bedford, jointly. Mr. Ratliff's children have joined him in this assignment. Grazing Lease No. 673 covers a total of 9,677.88 acres in Block 11, University Lands, Andrews County, Texas, for a period of 10 years beginning July 1, 1951, and ending June 30, 1961, at the rate of \$0.18 per acre per year. Originally this grazing lease covered an aggregate of 9,719.88 acres, which was reduced, by amendment of February 1, 1952, by 42 acres involved in a gas injection and gasoline plant. Rental payments on the amended acreage of 9,677.88 for the remaining term of this grazing lease are as follows: \$871.01 payable semi-annually on January 1 and July 1 of each year until and including January 1, 1961. The standard assignment fee of \$25.00 and the \$1.00 fee covering filing of the instrument in the General Land Office have been received.

RATIFICATION OF WATER CONTRACT NO. 78 TO ROBINSON BROTHERS DRILLING COMPANY, ANDREWS COUNTY, TEXAS. -- This water contract to Robinson Brothers Drilling Company grants the right and privilege of producing water from Section 3, Block 13, University Lands, Andrews County, Texas, for the purpose of drilling one oil well, L. R. French, Jr. - Cox, Well No. 1, Section 16, Block A-32 Public School Lands, Andrews County, Texas. The full consideration of \$500.00 has been received.



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CALICHE PERMIT NO. 117, HUGH McMILLAN, INC., HUDSPETH COUNTY, TEXAS. --This application for a caliche permit to Hugh McMillan, Inc., provides for the removal of 2,400 cubic yards of caliche from Block J, Section 13, University Lands, Hudspeth County, Texas, at the rate of \$0.25 per cubic yard. The full consideration of \$600.00 has been received.

CALICHE PERMIT NO. 118, 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 1,189 cubic yards of caliche from Section 10, Block 14, University Lands, Andrews County, Texas, at the rate of \$0.25 per cubic yard. The full consideration of \$297.25 has been received.

CALICHE PERMIT NO. 119, T. B. TRIPP & SONS, ANDREWS COUNTY, TEXAS. --This application for a caliche permit to T. B. Tripp & Sons provides for the removal of 780 cubic yards of caliche from Section 10, Block 13, University Lands, Andrews County, Texas, at the rate of \$0.25 per cubic yard. The full consideration of \$195.00 has been received.

GRAZING LEASE NO. 738, J. B. PETTIT, JR., REAGAN AND UPTON COUNTIES, TEXAS (RENEWAL OF GRAZING LEASE NO. 608). --This application for renewal of a grazing lease to J. B. Pettit, Jr., covers 3,965.7 acres in Blocks 2 and 3, University Lands, Reagan and Upton Counties, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.33 per acre per year for the first 6 months and \$0.38 per acre per year for the following 4-1/2 years, aggregate sum of which is \$7,435.66, to be paid in semi-annual installments as follows: \$654.34 on July 1, 1958, and \$753.48 on the first day of January and July of each succeeding year until and including January 1, 1963.

GRAZING LEASE NO. 739, P. H. COATES, REAGAN COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 617). --This application for renewal of a grazing lease to P. H. Coates covers 6,416.6 acres in Blocks 10 and 58, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.40 per acre per year for the first 6 months and \$0.50 per acre per year for the following 4-1/2 years, aggregate sum of which is \$15,720.67, to be paid in semi-annual installments (conditioned upon circumstances set forth in following paragraph) as follows: \$1,283.32 on July 1, 1958, and \$1,604.15 on the first day of January and July of each succeeding year until and including January 1, 1963.

Due to a boundary dispute involving 290.8 acres covered by this grazing lease, rental will not be charged for that acreage until such time as there is a final determination of the boundary line. Consequently, semi-annual rental on July 1, 1958, will be \$1,225.16; and on the first day of January and July of each succeeding year until and including January 1, 1963, the semi-annual rental will be \$1,531.45, a total of \$15,008.21 for the 5-year period, provided the boundary dispute remains unsettled throughout that period.

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GRAZING LEASE NO. 740, E. G. BRANCH, UPTON COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 611). --This application for renewal of a grazing lease to E. G. Branch covers 7,824.7 acres in Blocks 3 and 58, University Lands, Upton County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.35 per acre per year for the first 6 months and \$0.40 per acre per year for the following 4-1/2 years, aggregate sum of which is \$15,453.78, to be paid in semi-annual installments as follows: \$1,369.32 on July 1, 1958, and \$1,564.94 on the first day of January and July of each succeeding year until and including January 1, 1963.

GRAZING LEASE NO. 741, G. K. MITCHELL, TERRELL COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 615). --This application for renewal of a grazing lease to G. K. Mitchell covers 10,836.4 acres in Blocks 36 and 37, University Lands, Terrell County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.35 per acre per year for the first 6 months and \$0.42 per acre per year for the following 4-1/2 years, aggregate sum of which is \$22,377.13, to be paid in semi-annual installments as follows: \$1,896.37 on July 1, 1958, and \$2,275.64 on the first day of January and July of each succeeding year until and including January 1, 1963.

GRAZING LEASE NO. 742, NEELEY ROY KIGHT, ET AL, REAGAN COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 604 TO MRS. IDA KIGHT RHYNE). --This application for renewal of a grazing lease held by Mrs. Ida Kight Rhyne, who resumed the name Ida Kight after a divorce, is to be granted in the name of Mrs. Kight's heirs, Neeley Roy Kight; Johnnie Louise Back; Laura Lee Rackley and husband, Johnnie Rackley; and Willie Mae Hayter and husband, Dale Hayter. This lease covers 5,869.2 acres in Blocks 9, 10 and 58, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.37 per acre per year for the first 6 months and \$0.45 per acre per year for the following 4-1/2 years, aggregate sum of which is \$12,970.93, to be paid in semi-annual installments (conditioned upon circumstances set forth in the following paragraph) as follows: \$1,085.80 on July 1, 1958, and \$1,320.57 on the first day of January and July of each succeeding year until and including January 1, 1963.

Due to a boundary line dispute involving 100 acres covered by this grazing lease, rental will not be charged for that acreage until such time as there is a final determination of the boundary line. Consequently, semi-annual rental on July 1, 1958 will be \$1,067.30; and on the first day of January and July of each succeeding year until and including January 1, 1963, the semi-annual rental will be \$1,298.07, a total of \$12,749.93 for the 5-year period, provided the boundary dispute remains unsettled throughout that period.

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GRAZING LEASE NO. 743, J. F. OGLESBY, SCHLEICHER COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 605). -- This application for renewal of a grazing lease to J. F. Oglesby covers 16,585.2 acres in Blocks 54, 55, 56 and 57, University Lands, Schleicher County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.35 per acre per year for the first 6 months and \$0.42 per acre per year for the following 4-1/2 years, aggregate sum of which is \$34,248.42, to be paid in semi-annual installments as follows: \$2,902.41 on July 1, 1958, and \$3,482.89 on the first day of January and July of each succeeding year until and including January 1, 1963.

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GRAZING LEASE NO. 744, NORMAN ELROD, UPTON COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 613). -- This application for renewal of a grazing lease to Norman Elrod covers 8894.5 acres in Blocks 1, 2, 3, 4 and 58, University Lands, Upton County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.33 per acre per year for the first 6 months and \$0.38 per acre per year for the following 4-1/2 years, aggregate sum of which is \$16,677.23, to be paid in semi-annual installments as follows: \$1,467.59 on July 1, 1958, and \$1,689.96 on the first day of January and July of each succeeding year until and including January 1, 1963.

GRAZING LEASE NO. 745, HERBERT E. SMITH, REAGAN COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 609). -- This application for renewal of a grazing lease to Herbert E. Smith covers 5,804.7 acres in Blocks 9, 10 and 58, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.40 per acre per year for the first 6 months and \$0.50 per acre per year for the following 4-1/2 years, aggregate sum of which is \$14,221.56, to be paid in semi-annual installments (conditioned upon circumstances set forth in the following paragraph) as follows: \$1,160.94 on July 1, 1958, and \$1,451.18 on the first day of January and July of each succeeding year until and including January 1, 1963.

Due to a boundary line dispute involving 315 acres covered by this grazing lease, rental will not be charged for that acreage until such time as there is a final determination of the boundary line. Consequently, semi-annual rental on July 1, 1958, will be \$1,097.94; and on the first day of January and July of each succeeding year until and including January 1, 1963, the semi-annual rental will be \$1,372.43, a total of \$13,449.81 for the 5-year period, provided the boundary dispute remains unsettled throughout that period.

GRAZING LEASE NO. 746, MAX SCHNEEMANN, CROCKETT COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 614). -- This application for renewal of a grazing lease to Max Schneemann covers 9,598.6 acres in Blocks 49, 50 and 51, University Lands, Crockett County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.35 per acre per year for the first 6 months and \$0.42 per acre per year for the following 4-1/2 years, aggregate sum of which is \$19,821.15, to be paid in semi-annual installments

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(conditioned upon a 25% rental reduction on rental on 6,544.7 acres of this lease which lies in an area engaged in oil production, as specified in paragraph below) as follows: \$1,679.76 on July 1, 1958, and \$2,015.71 on the first day of January and July of each succeeding year until and including January 1, 1963.

An area of 6,544.7 acres of the acreage covered by this grazing lease lies in the Farmer's Field Oil Field, and, in accordance with policy of the Board of Regents, a 25% rental reduction will be granted on that area as long as it produces oil with the provision that grazing lessee shall not collect any damages from the oil companies for damage to the land in the area on which rent is reduced. Consequently, semi-annual rental on July 1, 1958, will be \$1,393.42; and on the first day of January and July of each succeeding year until and including January 1, 1963, the semi-annual rental will be \$1,672.11, a total of \$16,442.41 for the 5-year period, provided the indicated area is under oil production throughout that period.

GRAZING LEASE NO. 747, JOE STRAUSS AND CARL PFLUGER, CROCKETT COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 621). --This application for renewal of a grazing lease to Joe Strauss and Carl Pfluger covers 1,242.2 acres in Blocks 50 and 51, University Lands, Crockett County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.40 per acre per year for the first 6 months and \$0.50 per acre per year for the following 4-1/2 years, aggregate sum of which is \$3,043.39, to be paid in semi-annual installments as follows: \$248.44 on July 1, 1958, and \$310.55 on the first day of January and July of each succeeding year until and including January 1, 1963.

GRAZING LEASE NO. 748, MRS. MONA O'BRYAN, REAGAN COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 610 TO JOHNNIE O'BRYAN, SR.). --This application for renewal of a grazing lease to Mrs. Mona O'Bryan covers 939.3 acres in Block 11, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.40 per acre per year for the first 6 months and \$0.50 per acre per year for the following 4-1/2 years, aggregate sum of which is \$2,301.33, to be paid in semi-annual installments as follows: \$187.86 on July 1, 1958, and \$234.83 on the first day of January and July of each succeeding year until and including January 1, 1963. Acreage of Grazing Lease No. 748 differs from that covered by Grazing Lease No. 610, of which it is a renewal, due to change in fence lines caused by the construction of a county highway.

GRAZING LEASE NO. 749, P. D. "VAL" GOHMERT, REAGAN COUNTY, TEXAS (RENEWAL OF GRAZING LEASES NO. 603 AND NO. 606, COMBINED). --This application for renewal of a grazing lease to P. D. "Val" Gohmert covers 12,671.9 acres in Blocks 9, 10 and 58, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.40 per acre per year for the first 6 months and \$0.50 per acre per year for the following 4-1/2 years, aggregate sum of which is \$31,046.20, to be paid in semi-annual installments (conditioned upon circumstances set forth in following paragraph) as follows: \$2,534.38 on July 1, 1958, and \$3,167.98 on the first day of January and July of each succeeding year until and including January 1, 1963.

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Due to a boundary line dispute involving 350 acres covered by this grazing lease, rental will not be charged for that acreage until such time as there is a final determination of the boundary line. Consequently, semi-annual rental on July 1, 1958, will be \$2,464.38; and on the first day of January and July of each succeeding year until and including January 1, 1963, the semi-annual rental will be \$3,080.48, a total of \$30,188.70 for the 5-year period, provided the boundary dispute remains unsettled throughout that period.

GRAZING LEASE NO. 750, PLYMOUTH OIL COMPANY, REAGAN COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 619). --

This application covers a surface lease to Plymouth Oil Company on 5,727.6 acres in Blocks 1, 2 and 9, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.35 per acre per year, payable in annual installments of \$2,004.66 on July 1 of each year, aggregate sum of which is \$10,023.30 for the 5-year period.

GRAZING LEASE NO. 751, VIRGIL POWELL, REAGAN AND CROCKETT COUNTIES, TEXAS (RENEWAL OF GRAZING LEASE NO. 618). -- This application for renewal of a grazing lease to Virgil Powell covers 36,739.6 acres in Blocks 7, 11 and 12, University Lands, Reagan and Crockett Counties, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.40 per acre per year for the first 6 months and \$0.50 per acre per year for the following 4-1/2 years, aggregate sum of which is \$90,012.02, payable in semi-annual installments as follows: \$7,347.92 on July 1, 1958, and \$9,184.90 on the first day of January and July of each succeeding year until and including January 1, 1963. Acreage of Grazing Lease No. 751 differs from that covered by Grazing Lease No. 618, of which it is a renewal, due to a change in fence lines caused by the construction of a county highway.

GRAZING LEASE NO. 752, LESTER RATLIFF, UPTON COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 612 TO LESTER RATLIFF AND J. B. RATLIFF, JR.). -- This application for renewal of a grazing lease which has been held by Lester Ratliff and J. B. Ratliff, Jr., to Lester Ratliff, only, covers 8,024.3 acres in Block 3, University Lands, Upton County, Texas for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.35 per acre per year for the first 6 months and \$0.40 per acre per year for the following 4-1/2 years, aggregate sum of which is \$15,847.99, payable in semi-annual installments as follows: \$1,404.25 on July 1, 1958, and \$1,604.86 on the first day of January and July of each succeeding year until and including January 1, 1963.

GRAZING LEASE NO. 753, LACY D. WAY, REAGAN COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 607 AND PART OF GRAZING LEASE NO. 681). -- This application for renewal of Grazing Lease No. 607 and 357 acres covered by Grazing Lease No. 681 covers 6,644.1 acres in Blocks 8 and 9, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.40 per acre per year for the first 6 months and \$0.50 per acre per year for the following 4-1/2 years, aggregate sum of which is \$16,278.09, payable in semi-annual installments as follows: \$1,328.82 on July 1, 1958, and \$1,661.03 on the first day of January and July of each succeeding year until and including January 1, 1963. The balance of acreage under Grazing Lease No. 681 is



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being renewed under Grazing Lease No. 755 to Continental Oil Company, who did not wish to retain the 357 acres being renewed by Mr. Way under this lease.

GRAZING LEASE NO. 754, RICHARD BOGGS AND BILL BOGGS, REAGAN COUNTY, TEXAS (RENEWAL OF GRAZING LEASE NO. 616 TO FRED H. BOGGS). -- This application for renewal of a grazing lease, which has been held by Fred H. Boggs, to Richard Boggs and Bill Boggs, sons of Fred H. Boggs, covers 2,572 acres in Block 9, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.31 per acre per year for the first 6 months and \$0.37 per acre per year for the following 4-1/2 years, aggregate sum of which is \$4,681.04, payable in semi-annual installments as follows \$398.66 on July 1, 1958, and \$475.82 on the first day of January and July of each succeeding year until and including January 1, 1963.

GRAZING LEASE NO. 755, CONTINENTAL OIL COMPANY, REAGAN COUNTY, TEXAS (RENEWAL OF PART OF GRAZING LEASE NO. 681). -- This application covers a surface lease to Continental Oil Company on 2,746.6 acres in Block 9, University Lands, Reagan County, Texas, for a period of five years beginning July 1, 1958, and ending June 30, 1963. Rental is at the rate of \$0.35 per acre per year, payable in annual installments of \$961.31 on July 1 of each year, aggregate sum of which is \$4,806.55 for the 5-year period. This acreage is part of that covered under Grazing Lease No. 681, the balance of 357 acres under that lease being renewed by Grazing Lease No. 753 to Lacy D. Way.

WATER PERMIT NO. 70, CITY OF MIDLAND, TEXAS - REPORT ON SELECTION OF ACREAGE BY MIDLAND AND RECOMMENDATION FOR INCLUSION IN ULTIMATE LEASE ADDITIONAL ACREAGE NOT COVERED BY ORIGINAL PERMIT. -- As authorized by the Board of Regents on January 11, 1957, the University entered into a Water Exploration and Development Permit and Lease Option Agreement dated March 1, 1957, with the City of Midland covering approximately 77,000 acres of University Lands in Andrews and Martin Counties. This agreement provides for notification by Midland within 2 years from March 1, 1957, of its selection of acreage out of the 77,000 acres for development of water for municipal purposes and payment for such selected acreage at the rate of 33 cents per acre annually in advance. Such development option period is limited to a period of 2 years from date of selection unless additional payments are made for extensions. See Page 1055

By letter dated April 10, 1958, Midland has notified the University of its selection of 25,895.16 acres, (description of this acreage is in the Secretary's files\*) out of the area covered by the permit, under the development option and has forwarded its check for \$8,545.40 in payment for the first year of the development option on the acreage selected. This notification states further that Midland expects to connect wells on the selected acreage during the coming summer for production of water, prior to which time it will propose execution of the water lease in accordance with the original contract.

In connection with the above notice, Midland requests that it be allowed to include under the development option and the lease ultimately to be

\*Original is attached to official copy of Water Permit No. 70 and a copy is in the Secretary's Files, Volume V, Page 218 .

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signed all of Sections 2 and 3 and N-1/2 of Section 4, Block 8, University Lands, Andrews County, containing 1618.25 acres, which acreage was not included in the permit dated March 1, 1957. The City proposes to pay for this acreage the same 33 cents per acre annually for the development option and is ready to forward its check for \$534.03. It is recommended that this proposal for inclusion of the additional acreage be accepted and the additional 1618.25 acres be included as requested by Midland.

AUDITING OIL AND GAS PRODUCTION - REPORT ON BOARD FOR LEASE ACTION AND RECOMMENDATION RE EXTENT OF UNIVERSITY'S AUDITING WORK. --At its meeting on January 9, 1958, there was presented to the Board for Lease of University Lands a report from the committee which had been selected to conduct a survey of auditing and accounting practices and procedures in the General Land Office and in the University's Auditing Oil and Gas Production Department. This survey committee was comprised of Mr. Guy Brewer, Assistant State Auditor; Mr. Carl Lind, Director, Accounting and Auditing Division, General Land Office; and University Comptroller Charles H. Sparenberg. At that meeting, the Board for Lease directed that, effective February 1, 1958, the General Land Office should undertake and perform all accounting practices and procedures that are required for the performance of the duties and responsibilities required of it by law; and that for the time being the University should not change its auditing and accounting practices and procedures for oil and gas production.

The Board for Lease at its meeting on April 30 gave further consideration to the survey committee's report, adopted the entire report, and requested that the Board of Regents determine the extent of auditing work that the University's Auditing Oil and Gas Production Department will perform. The University staff recommends that its Auditing Oil and Gas Production Department audit approximately 10% of oil production reports and 35% of gas production reports.

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 March 15, 1958. We ask that the Board ratify and approve these transactions:

PURCHASES			
<u>Date</u>		<u>Security</u>	<u>Principal Cost</u>
3/24/58	\$5,000	par value American Telephone and Telegraph Company 5% Series N Debentures, due November 1, 1983, purchased at 109-1/4 Net to yield 4.36% to maturity (Funds Grouped for Investment)	\$ 5,462.50

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<u>Date</u>		<u>Security</u>	<u>Principal Cost</u>
3/24/58	\$ 6,000	par value Ditto (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	\$ 6,555.00
	100	Shares General Motors Corporation Common Stock, purchased at 35-3/4 per share	3,607.88
	100	Shares Johns-Manville Corporation Common Stock, purchased at 37-1/2 per share	3,783.75
	100	Shares Union Bag-Camp Paper Corporation Capital Stock, purchased at 31-1/4 per share (The William Heuermann Fund for Cancer Research)	3,155.63
4/3/58	\$ 5,000	par value U. S. 1-1/2% Treasury Note of 1960, due April 1, 1960, purchased at 99.593975 Net to yield 1.71% to maturity (Murray Case Sells Foundation Student Loan Fund)	4,979.69
4/22/58	\$ 5,000	par value Consolidated Edison Company of New York, Inc., First & Refunding Mortgage Bond, 5% Series N, due Octo- ber 1, 1987, purchased at 111 Net to yield 4.33% to maturity (Funds Grouped for Investment)	5,550.00
4/24/58	\$10,000	par value Consumers Power Company First Mortgage Bond, 4-3/4% Series due 1987, due October 1, 1987, pur- chased at 109-1/8 Net to yield 4.21% to maturity (Funds Grouped for Investment)	10,912.50
	\$ 7,000	par value U. S. 1-1/2% Treasury Note Series EA-1963, dated April 1, 1958, due April 1, 1963, purchased at 97.0625 Net to yield 2.14% to maturity (Hospital Bonds)	6,794.38
	\$76,000	par value Ditto (Dormitory Revenue Bonds, Series 1954 - Reserve for Bond and Interest Sinking Fund)	73,767.50
	\$ 8,000	par value Ditto (The University of Texas - Medical Branch - Dormitory Revenue Bonds, Series 1955 - Reserve for Bond & Interest Sinking Fund)	7,765.00

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<u>Date</u>		<u>Security</u>	<u>Principal Cost</u>
5/2/58	\$11,000	par value U. S. 4% Treasury Bond of 1969, due October 1, 1969, purchased at 109.50 Net to yield 3.01% to maturity (The W. J. McDonald Observatory Fund)	\$ 12,045.00
5/6/58	100	Shares Baltimore Gas & Electric Company Common Stock, purchased at 38-5/8 per share (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	3,900.81
5/9/58	100	Shares Gulf States Utilities Company Common Stock, purchased at 44-1/2 per share (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	4,491.25

## PURCHASES MADE BY TEXAS WESTERN COLLEGE

<u>Date</u>		<u>Security</u>	<u>Principal Cost</u>
3/58	\$ 7,900	maturity value United States Savings Bonds Series E, dated March, 1958 (Dormitory Reserve Fund - Series 1946)	\$ 5,925.00

## SALES

<u>Date</u>		<u>Security</u>	<u>Net Proceeds</u>
3/18/58	50	Shares Panhandle State Bank Capital Stock, Borger, Texas, at 30 per share (David M. Warren and Alvah Meyer Warren Journalism Scholarship Fund)	\$ 1,500.00
3/19/58	100	Shares Anderson, Clayton & Co., Common Stock at 33-3/4 per share (University of Texas Hospital and Tumor Institute - Harmon Whittington Gift)	3,337.55
4/15/58	43	Shares General Crude Oil Company Capital Stock at 23-3/4 per share (The University of Texas Press, Art Publication Fund, Various Donors)	1,007.66
4/29/58	40/100ths	of a fractional share of Pan American Sulphur Company Capital Stock (John Charles Townes Foundation: Wright Chalfant Morrow Fund)	7.54

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

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE - M. D. ANDERSON FOUNDATION FOR PURCHASE OF BOOKS. --Under the agreement dated August 8, 1942 between M. D. Anderson Foundation and the Board of Regents of The University of Texas pertaining to the establishment of the M. D. Anderson Hospital and Tumor Institute, M. D. Anderson Foundation invested \$450,000 of the original grant in government bonds to secure the unpaid portion of the grant. The 1942 agreement provided in part as follows:

"Interest earned upon any such bonds so deposited by the Foundation will belong to the Foundation when received, but the Foundation agrees that all such interest will be used or donated by it as a special fund for purchase of suitable books for the library of said cancer hospital and research laboratory. Books to be purchased from said special fund shall be designated and specified by University and shall be purchased by the Foundation, in so far as may be possible and practicable, and donated to the University for use in said hospital and laboratory."

Since that time, M. D. Anderson Foundation has paid from the Special Fund invoices for books purchased by M. D. Anderson Hospital and Tumor Institute or has remitted funds to the hospital as requested for handling book purchases.

Recently, M. D. Anderson Foundation remitted to M. D. Anderson Hospital and Tumor Institute the entire balance of these funds so that part could be invested as an endowment account fund, the income from which could be used for purchase of books over a period of years for the betterment of the library. This balance of funds remitted by Anderson Foundation amounted to \$31,677.41, and Dr. R. Lee Clark, Jr., recommends placing \$25,000 of this amount in an endowment account for the purchase of books for the Hospital and Tumor Institute.

The endowment funds are to be placed in Funds Grouped for Investment. It is recommended that the Board approve establishing the endowment account as recommended by Dr. Clark.

MEDICAL BRANCH - ESTATE OF A. C. MCLAUGHLIN - REPORT ON CLOSING OF CALIFORNIA ESTATE AND RECOMMENDATION FOR PAYMENT OF FINAL ATTORNEY'S FEE. --On April 1, 1958, the University received from A. C. McLaughlin, Jr., Administrator of the California Estate of A. C. McLaughlin, Deceased, check in the amount of \$135,586.27 as distribution in full of the University's share in the Estate, and a receipt has been executed by the Chairman of the Board of Regents and returned to Mr. McLaughlin. The check has been credited to the James W. McLaughlin Fellowship Fund (Endowment Fund).



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In January, 1952, the firm of Eickhoff & Wilson of San Francisco was retained as the University's California counsel in connection with the administration of the Estate and litigation that developed. Upon the completion of the litigation, that firm was paid in full for services to April 29, 1954, the sum of \$20,010.79, including out-of-pocket expenses. Shortly after that, Mr. Eickhoff died, and Mr. Geo. W. Wilson has represented the University through the closing of the California administration. Mr. Wilson has presented a statement for his services over this four-year period in the amount of \$1,440.00, plus out-of-pocket expenses of \$11.71. It is recommended that the Board of Regents approve payment from the proceeds of the California Estate of this statement in the total amount of \$1,451.71.

ESTATE OF MRS. HAMAH SMITH CALLAWAY - REPORT ON 1206 GUADALUPE, AUSTIN, PROPERTY AND PROPOSED ARRANGEMENTS FOR SALE. --As reported to the Board of Regents on March 15, 1958, Mrs. Hamah Smith Callaway, widow of Dr. Morgan Callaway, died January 4, 1958, leaving a will containing the following provision:

III. (1) To the UNIVERSITY OF TEXAS, Austin, Texas, to be used by it in connection with its activities in Austin in the State of Texas (or the proceeds of the sale therefrom to be so used) I give the premises in which I am now living known and designated as 1206 Guadalupe Street, Austin, Texas.

The Executor of the Estate expects this property to be vacated by members of the family in June. To avoid extended caretaking and rental arrangements, it is recommended that the Endowment Officer, with the approval of the Vice-President for Fiscal Affairs, be authorized to pursue efforts to sell the property when vacant, such efforts to include contacts with brokers and quoting an asking price, any such asking price to be clearly set out as subject to acceptance by the Board of Regents.

ESTATE OF CHARLES E. LEWIS, DECEASED - THE MARGARET JANE MCKINNEY LEWIS FELLOWSHIP IN BACTERIOLOGY - RECOMMENDATION FOR ACCEPTANCE OF TRUST. --Dr. Charles E. Lewis, brother of Dr. I. M. Lewis who for many years was Professor of Botany and the first Professor of Bacteriology at the University, died in Maine in 1954, leaving his residue estate in trust with Dr. O. B. Williams for assistance in support of a nephew, Russell Lewis, and upon death of the nephew in trust with the Board of Regents "to be used and expended in establishing 'The Margaret Jane McKinney Lewis Fellowship in Bacteriology' at the Main University of Texas in Austin . . ." The nephew died recently, and Dr. Williams is ready to transfer the trust fund to the Board of Regents. The principal of the fund consists of Treasury Bonds, common stocks, and cash with total book value (cost) of approximately \$22,000. Income cash on hand amounts to approximately \$600. It is recommended that the Board of Regents accept this trust, and that the Chairman be authorized to execute appropriate instruments for such acceptance when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

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TOREADOR TRUST FUND FOR SALARY SUPPLEMENTATION, SCHOOL OF LAW - REPORT ON TOREADOR ROYALTY CORPORATION AND RECOMMENDATION FOR PROXIES FOR SPECIAL MEETING OF STOCKHOLDERS. --It was reported to the Board of Regents on March 15, 1958, that the Annual Meeting of Stockholders of Toreador Royalty Corporation was expected in April, and the Board of Regents at that time nominated Regent J. C. Thompson and Mr. Jas. L. Shepherd, Jr., for election as Directors representing the Preferred Stock held by the University and constituted the two of them, or either of them, as the Board's proxies to vote the Preferred Stock at such Annual Meeting. The regular Annual Meeting has been delayed, and in lieu of it a Special Meeting of Stockholders has been called for June 12 in Dallas. Copies of the Notice of Meeting, Proxy Statement, and Annual Financial Statement are in the Secretary's Files, Vol. V, Page 224. It is recommended that the Board of Regents confirm its nomination of Messrs. Thompson and Shepherd for election as Directors at the Special Meeting of June 12 and constitute them, or either of them, as the Board's proxies for voting the Preferred Stock at such meeting.

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

HOGG FOUNDATION: W. C. HOGG MEMORIAL FUND - PROPOSAL OF R. M. JONES FOR OIL AND GAS LEASE ON INTEREST IN TRACT IN CALDWELL COUNTY, TEXAS. --Through Mr. Wm. B. Ferguson, the University has received a proposal from R. M. Jones for a 5-year commercial oil, gas and mineral lease on its undivided 1/8th interest in the minerals under 176 acres in Robert Carr 640 acre Survey, Caldwell County, Texas, at 1/8th royalty, \$3.00 per full mineral acre bonus, and \$3.00 per full mineral acre annual rental. The Hogg Foundation's share of bonus will be \$68 and the same amount of each annual rental paid. It is understood that the other joint owners are entering into the lease, and it is recommended that the Board of Regents accept the proposal and authorize execution of the lease by the Chairman when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

HOGG FOUNDATION: VARNER PROPERTIES - REPORT ON FINAL CLOSING OF SENS LEASEHOLD TRANSACTION. --Cancellation of the lease and purchase of the property covered by the lease, all as authorized by the Board of Regents on March 15, 1958, were closed on March 31, 1958. U.S. Treasury Bonds on deposit with Texas National Bank as Escrow Agent have been delivered back to the University. The Endowment Office is attempting to develop offers for purchase of the property.

HOGG FOUNDATION: VARNER PROPERTIES - RECOMMENDATION RE AUTHORIZATION FOR ROOFING WORK ON MITCHELL PROPERTY (BETTES BUILDING), HOUSTON, TEXAS. --The Board of Regents on March 15, 1958, authorized the Endowment Office to expend up to \$4,000 for extensive repairs to the roof of the Bettes Building (Mitchell Property) in Houston, the work to be done by A. M. Bowles Company. The final proposal, approved by the University staff, from A. M. Bowles Company is at a price of \$5,485.00. It is recommended that the Endowment Officer be authorized to contract for this work and to arrange for such additional work as may be determined as necessary in order to place the roof in satisfactory condition, total expenditures for all of the work not to exceed \$6,000.

HOGG FOUNDATION: VARNER PROPERTIES - RECOMMENDATION RE TERMS OF RENEWAL LEASES WITH WALTER PYE ON HOLLYWOOD MAN'S SHOP AND HOLLYWOOD SHOP FOR WOMEN, MITCHELL PROPERTY (BETTES BUILDING), HOUSTON, TEXAS. --On March 15, 1958,

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the Board of Regents authorized new leases with Walter Pye for his Hollywood Man's Shop at 1023 Capitol Avenue and Hollywood Shop for Women at 1017-A Capitol Avenue, effective October 1, 1958, when his present leases expire, and running to December 31, 1962, at the same rental as his present leases. Mr. Pye has been a good tenant but has continued efforts to obtain rental adjustments under the new leases. He now proposes to execute new leases under the terms authorized by the Board of Regents except that both leases would provide for cancellation by either party on any July 31 or January 31 during the lease period upon 6 months' notice. It is believed this is a reasonable request, and it is recommended that the Board of Regents authorize such cancellation provisions in the new leases.

ARCHER M. HUNTINGTON MUSEUM FUND - HUNTINGTON LANDS - RECOMMENDATION FOR SOIL TESTING WORK. --On instructions from the Land and Investment Committee for the staff to pursue with Texas City Terminal Railway Company the matter of adequate planning for industrial development of the Huntington Lands, the Vice President for Fiscal Affairs and the Endowment Officer have met with Mr. Wm. P. Ludwig, Jr., President and General Manager of Texas City Terminal Railway Company, and Mr. Frank Heiling, a member of the Board of Directors of Texas City Terminal Railway Company and Industrial Agent for MKT Railroad. Various aspects of such planning were explored, and it was agreed that limited soil testing work on the upper part of the acreage would be of decided advantage in working out plans for industrial development. The University has a proposal from Engineers Testing Laboratory, Inc., of Houston to make 5 borings to a depth of 100 feet for a total of \$1,750 (3.50 per foot), laboratory testing at an estimated cost of \$507.50, and engineering analysis and report for \$350. Total estimated cost, with only the laboratory testing figure being an estimate, is therefore \$2,607.50. The engineering analysis and report will be done by Mr. Raymond F. Dawson, Associate Director of the University's Bureau of Engineering Research, and the fee shown above for this work will be paid him by the Testing Laboratory. The amount of laboratory testing will be determined by Mr. Dawson after the cores are examined and types of soil determined. It is recommended that the staff be authorized to have the proposed work done at the prices shown and to expend further sums for laboratory testing, if so recommended by Mr. Dawson, total cost not to exceed \$3,000.

HOGG FOUNDATION: W. C. HOGG FUND - PROPOSAL FROM GEORGE O. MARKINS FOR AGREEMENT NOT TO DRILL ON TRACT ON PINEY POINT ROAD, HOUSTON, UNDER WHICH THE UNIVERSITY HAS UNDIVIDED MINERAL INTEREST. --By deed dated May 15, 1940, the Board of Regents as Trustee of the Hogg Foundation conveyed to W. E. Sampson a tract of approximately 129 acres at the intersection of Westheimer Road and Piney Point Road in Harris County, reserving one-half of the minerals under most of the tract and one-fourth of the minerals under about 5 acres of the tract. The deed reads as follows as to the mineral reservation:

"Out of the grant hereby made there is, however, excepted and reserved to grantor herein, its successors and assigns, title to one-half (1/2) of all oil, gas, or other minerals and the right to one-half (1/2) of all royalties that may be payable under the terms of any oil, gas, or other mineral lease that may hereafter be executed on the land herein described for a period of twenty-five (25) years from and after the date hereof, except as to a tract of four and ninety-five one-hundredths (4.95) acres known as the Grunewald tract, being the same land conveyed by C. Grunewald to Stephen L. Pinckney by deed dated July 7, 1925, recorded in

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Vol. 652, page 534, of the Deed Records of Harris County, Texas, in which there is only reserved and excepted to grantor herein, its successors and assigns, title to one-fourth (1/4) of all oil, gas, or other minerals and the right to one-fourth (1/4) of all royalties that may be payable under the terms of any oil, gas, or other mineral lease that may hereafter be executed on said tract for a period of twenty-five (25) years from and after the date hereof. The grantee herein is hereby authorized, without the necessity of the joinder or the consent or approval of the owner of the reserved minerals, to sell or lease to any person, firm, or corporation the oil, gas, or other minerals in, on, or under said land upon such terms and conditions as grantee may deem best, subject only to the Vendor's Lien herein retained and the foregoing mineral reservation to grantor. Grantor, its successors or assigns, does hereby waive the right of signature in the execution of any lease and further waives and grants to grantee all sums of money paid to or collected by grantee as bonus or rental under any lease made by him, his heirs or assigns."

Out of the acreage conveyed to Mr. Sampson, George O. Markins of Houston has acquired a tract of approximately 8-1/2 acres at the corner of Westheimer and Piney Point. Mr. Markins reports that he has approximately one acre (250 x 150 feet) of this land under contract of sale with Southwestern Bell Telephone Company for construction of an exchange facility, and that the Telephone Company, by established policy, requires a waiver from the Board of Regents of its right to explore for, drill for, or produce any minerals from the surface of the 150 x 250 foot tract. Mr. Markins proposes to pay the University \$200.00 for such an agreement. Based on expected sale of other parts of the 8-1/2 acres in the near future, Mr. Markins has submitted an alternate proposal to pay the University a total of \$400.00 for a like agreement not to drill, explore and produce from the surface of the entire 8-1/2 acres, including that to be sold to the Telephone Company.

Shortly after receipt of the first proposal from Mr. Markins, the University received a proposal from Mr. Fred T. Couper who owns the adjoining tract of about 35 acres on which he has his residence, to pay the University \$750.00 cash for all of its mineral interest under the tract of approximately 129 acres conveyed to W. E. Sampson, or \$500.00 for the University's mineral interest under the south half of the 129 acres, leaving the University with the same royalty interest as it now owns under the tract. Mr. Couper states further that he would be willing to pay a higher price per acre if the University wishes to dispose of a smaller portion of its mineral interests.

Based on the apparent intent of the mineral reservation in the deed to W. E. Sampson, expiration of the mineral interest on May 15, 1965, lack of leasing or drilling activity in the general area, and possibilities of directional drilling for production of any oil and gas under the 150 x 250 foot tract, it is recommended that the Board of Regents accept Mr. Markin's proposal for release of rights to use the surface of the 150 x 250 foot tract, decline his offer of \$400.00 for the release of such rights to his entire tract of 8-1/2 acres, and decline Mr. Couper's offer for purchase of the mineral interest. It is further recommended that the Chairman be authorized to execute the appropriate instrument for acceptance of the Markins offer as recommended above when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

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HOGG FOUNDATION: VARNER PROPERTIES - RECOMMENDATION FOR PAYMENT TO WM. B. FERGUSON, HOUSTON, TEXAS, FOR LEGAL SERVICES.--The University has received from Mr. Wm. B. Ferguson of Houston, formerly attorney for the Hogg family interests and now engaged in private practice, statement in the amount of \$1,500 for legal services rendered from July 1, 1952, to March 31, 1958, to the Board of Regents as Trustee of the Hogg Foundation: W. C. Hogg Memorial Fund. Services shown in the statement are largely related to mineral interests acquired under the Will of W. C. Hogg but include some work in connection with the Varner Properties acquired by the University for the Hogg Foundation in 1952. The University staff is of the opinion that such compensation to Mr. Ferguson is fair and reasonable, and it is recommended that the Board of Regents approve payment of the \$1,500 out of income of Hogg Foundation: W. C. Hogg Memorial Fund.

MURRAY CASE SELLS ESTATE - RATIFICATION OF SIGNATURE OF ASSIGNMENT IN INTEREST UNDER TWO LEASES IN OKFUSKEE COUNTY, OKLAHOMA AND ON THREE DIVISION ORDERS IN WOOD COUNTY, TEXAS.--Instruments have been circulated by Sells Petroleum, Inc., and the Trustees representing the beneficiary schools for execution by the presidents of these schools, and President Wilson has signed these instruments on behalf of the University. One is an assignment of certain leases in Okfuskee County, Oklahoma, and the others are three division orders on interests in Wood County, Texas. Copies of both instruments are in the files of the Secretary, and it is recommended that the execution of these instruments, approved by the Land and Trust Attorney and the Endowment Officer, be approved and ratified by the Board of Regents.

TEXAS WESTERN COLLEGE - COTTON ESTATE PROPERTY - GRAZING LEASE TO IKE KELCY, HUDSPETH COUNTY, TEXAS.-- A proposal has been received for a grazing lease on 2,160 acres of Cotton Estate Lands in Sections 1, 3, 5 and 7 of Block 5, G. C. & S. F. Ry. from Mr. Ike Kelcy of Sierra Blanca, Texas, at five cents (5¢) per acre per year for a five year period, beginning July 1, 1958. The lease has been recommended by Mr. A. A. Smith, Business Manager, and approved by Doctor Dysart E. Holcomb, President, of Texas Western College. It is recommended that such a lease with Mr. Kelcy be approved and that the Chairman be authorized to execute the instrument upon approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

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

MAIN UNIVERSITY - PROPOSED EXPANSION OF TEXAS UNION BUILDING - RECOMMENDATION OF EXECUTION OF LOAN AGREEMENT WITH HOUSING AND HOME FINANCE AGENCY AND ADOPTION OF RESOLUTION.--Pursuant to authorization at the January 10, 1958 meeting of the Board of Regents, the final application to HHFA for a loan of \$1,500,000 at 2-7/8% interest, was filed with the Agency. The remainder of the cost of the project will be from \$400,000 of bonds to be sold in the open market by the University and other funds to be made available by the University in the amount of \$356,437. We were notified



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on April 10, 1958 of the approval of the Federal loan of \$1,500,000 by the Community Facilities Commissioner and were shortly thereafter furnished with copies of the Loan Agreement and Terms and Conditions for the Project. Copies of these documents were furnished each Regent for his information. Copies of each are in the Secretary's Files, Volume V, Page 230.

Conferences have been held between the University staff and our bond counsel and certain items have been checked with the Agency, particularly the matter of the date and maturities of the bonds which are earlier than we had contemplated. We have been assured by the Agency on that point that the dates can be moved forward without difficulty and will be done at the appropriate time.

It is therefore recommended that the following resolution, form of which has been furnished by HHFA, be adopted by the Board of Regents:

RESOLUTION APPROVING A LOAN AGREEMENT  
WITH UNITED STATES OF AMERICA

PROJECT NO. Tex. 41-CH-62(D)

WHEREAS, there has been filed with the Housing and Home Finance Agency, in behalf of the Board of Regents 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 April 1, 1958, 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.

PERMANENT UNIVERSITY FUND - LAND MATTERS (continued from Page 33 )  
See Page 886.

AMENDMENT TO COMPRESSOR STATION SITE EASEMENT NO. 919,  
EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS. --  
At the March 16, 1957 meeting of the Board of Regents, approval was given to the application of El Paso Natural Gas Company for a compressor Station Site Easement in the NW/4 SW/4 of Section 42, Block 9,

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University Lands, Andrews County, covering 5.0 acres more or less, for a twenty-five year period beginning March 1, 1957 and ending February 28, 1962. The full consideration of \$1,250 for the twenty-five year period was forwarded at that time.

We have now been advised by the El Paso Natural Gas Company that the original location interfered with the drill site of a well on the oil lease which was held by The Texas Company and a resurvey and re-location of their installation has been necessary. This new location is still in the NW/4 SW/4 of Section 42, Block 9, University Lands, Andrews County, and covers 5.007 acres, more or less, but the field notes incorporated in the instrument have been changed to detail the new location.

It is recommended that the Amendment be approved for the same period as the original easement and that it be executed by the Chairman upon approval by the Land and Trust Attorney as to form and by the Endowment Officer as to content. The \$1.00 filing fee of the new instrument in the General Land Office will be forwarded with the document when signed.

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

AMENDMENTS TO GENERAL INVESTMENT POLICY AND REVIEW OF INVESTMENTS HELD FOR THE VARIOUS TRUST AND SPECIAL FUNDS UNDER CONTROL OF THE BOARD OF REGENTS AS TRUSTEE. --The following general investment policy for the various trust and special funds under the control of the Board of Regents as trustee was adopted by the Board on September 21, 1946, and has been carried out without amendment since that time:

1. All new purchases shall be selected from the following classes of securities:
  - a. United States Government direct or guaranteed obligations.
  - b. Texas Municipal bonds, including revenue obligations.
  - c. Mortgage loans secured by Austin real estate, such loans not to exceed 60% of the appraised value of the land and improvements.
  - d. Corporate and U. S. Government Agency bonds rated "A" or better by at least one national rating service.
  - e. Preferred and common stocks of companies which have had continuous net earnings and paid annual common stock dividends for at least ten years prior to purchase.
2. Purchases of United States direct or guaranteed obligations may be made by the Endowment Officer without prior approval of the Land and Investment Committee or Board of Regents.
3. The Land and Investment Committee may establish an Approved List of fixed-income bearing bonds and preferred stocks. Otherwise, all purchases must be approved by the Land and Investment Committee prior to purchase.

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4. All sales of securities shall be authorized in advance by the Land and Investment Committee.
5. The Land and Investment Committee shall review all trust and special funds periodically in the light of the size and purpose of the fund and the investment provisions of the instrument establishing the fund.
6. All purchases and sales shall be reported to the Board of Regents at the next meeting following the transaction.

Prior to the adoption of the above policy, the only corporate stocks held by the various trust and special funds were acquired through either gift or bequest, the investment portfolios for the various funds consisting largely of United States Savings bonds and some Texas Municipal bonds. Subsequent to the adoption of the above policy, for funds whose trust instruments do not prohibit investment in corporate securities, the proceeds from maturing U. S. Government and Texas Municipal bonds and also new monies received have been invested in a diversified list of corporate securities with the weighting in favor of common stocks. Each fund has been reviewed periodically in the light of its investment needs and recommendations have been approved by the Land and Investment Committee prior to purchase of any corporate securities.

It is now believed that the general investment policy for the trust and special funds should parallel more or less the program now approved for the Permanent University Fund. Accordingly, a review together with recommendations is herewith presented on the securities held for the various trust and special funds with particular emphasis on the common stocks held.

The following summary studies for the various trust and special funds were furnished each Regent. A copy of each is in the Secretary's Files, Volume V, Page 248.

APPENDIX A: Trust and Special Fund Investments Distribution and Growth to August 31, 1957.

APPENDIX B: Trust and Special Fund Investments Distributed According to Class and Type as of August 31, 1957.

APPENDIX C: Percentage Distribution of Investment Holdings by Funds on Carrying Value as of August 31, 1957.

APPENDIX D: Summary Distribution of Common Stock Holdings by Industries as of March 31, 1958.

APPENDIX E: Analyses of Common Stocks Acquired for Trust and Special Funds by Purchase (and Gift or Stock Dividend) as of March 31, 1958. (Exclusive of common stocks of companies on the approved list for Permanent University Fund Investment.)

APPENDIX F: Analyses of Common Stocks Acquired for Trust and Special Funds by Gift or Bequest Only as of March 31, 1958.

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RECOMMENDATIONS

The following recommendations are made by the Land and Investment Committee to the Board of Regents for consideration and approval with respect to the general investment policy for the trust and special funds under the control of the Board of Regents as trustee:

1. That the approved list of corporations for purchases of common and preferred stocks for the Permanent University Fund be approved for purchases of common and preferred stocks without prior approval of the Land and Investment Committee.
2. That purchases of common and preferred stocks not on the approved list of corporations for the Permanent University Fund require prior approval of the Land and Investment Committee as heretofore.
3. That purchases of United States direct or guaranteed obligations and of Texas Municipal and corporate bonds rated "A" or better by at least one national rating service be approved for purchase without prior approval of the Land and Investment Committee.
4. That mortgage loans secured by Austin real estate be removed from the classes of securities approved for purchase on September 21, 1946.
5. That all purchases of any securities made by the Endowment Officer are to be subject to prior approval as to timing of the purchases and the specific securities to be purchased by the Staff Investment Committee, comprised of the Vice President for Fiscal Affairs, the Endowment Officer, the Assistant to the Endowment Officer, and the Senior Security Analyst.
6. That the general investment policy for trust and special funds as adopted on September 21, 1946, remain in effect except for the amendments thereto recommended above.

The following recommendations are made by the Land and Investment Committee to the Board of Regents for consideration and authorization regarding sale of certain common stocks held by the various trust and special funds:

1. That the Endowment Officer be authorized to sell the following common stocks acquired by purchase (and stock dividend) at such time or times as each specific stock can be sold advantageously, the timing of the specific sales to be subject to prior approval by the Staff Investment Committee:

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Fund	No. Shs. Held	Common Stocks of	No. Shs. to Sell	Book Price	Current Price*
HOGG-WCH	200	Chrysler	200	75.59	45-1/8
W. O. Bullington	30	Chrysler	30	80.14	45-1/8
W. S. Davidson	36	Chrysler	36	64.25	45-1/8
W. O. Bullington	200	Baldwin Rubber	200	13.68	12-3/4
W. O. Bullington	100	Allied Kid	100	20.70	24-3/8
HOGG-WCH	113	Northern Illinois Gas	113	19.14	21.3125**
HOGG-WCH	100	Radio Corp. of Amer.	100	54.00	32-3/8
Funds Grouped	400	Radio Corp. of Amer.	400	30.87	32-3/8
W. O. Bullington	75	Texas Gulf Sulphur	75	31.95	18-7/8

2. That the Endowment Officer be authorized to sell the following stocks acquired by gift or bequest only, the timing of the specific sales to be subject to prior approval by the Staff Investment Committee. The trust instruments establishing the funds holding the stocks recommended for sale do not prohibit sale. Further, it is recommended, where the entire holdings of stock or stocks received by gift or bequest, to establish an endowment fund are sold, that the net proceeds from such sale be placed in Funds Grouped for Investment provided the terms of the trust instrument do not prohibit commingling:

Fund	No. Shs. Held	Stocks of	No. Shs. to Sell	Book Price	Current Price*
La Verne Noyes Foundation	6	Square D. Common	6	28.82	21-5/8
	6	Stan. Oil of Ohio Com.	6	52.00	47-3/4
	6	Inland Steel Common	6	83.50	86-1/4
Hogg Foundation: Ima Hogg	(a) 395 2000	General Dynamics Com.	395	59.00	55-3/4
		Fifteen Oil Common	2000	14.50	11 **
Hogg Foundation: A. N. Hanszen	370	Fifteen Oil Common (b)	370	13.31	11 **

\* Close as of May 2, 1958, Wall Street Journal, unless otherwise noted.  
 \*\* Average of Bid-Ask as of May 2, 1958, Wall Street Journal.

- (a) Sales recommended include entire holdings of stocks in fund.  
 (b) Reaffirmation of sale authorization previously made, sale currently being deferred pending possible improvement in market for stock.



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Fund	No. Shs. Held	Stocks of	No. Shs. to Sell	Book Price	Current Price*
J. C. Townes Fd.:					
W. C. Morrow (a)	10	Worthington 4-1/2% Pfd.	10	82.00	89-3/4
	20	Pan Amer. Sulphur Com.	20	23.94	19-3/8**
	104	Rockwell Mfg. Common	104	25.72	36-1/4
J. C. Townes Fd.:					
Garwood-Clayton (a)	17	General Mtrs. \$3.75 Pfd.	17	98.75	90
	17	Houston Lgt. & Pwr. \$4 Pfd.	17	100.00	88 ##
	290	Anderson, Clayton Com.	290	36.25	36.1875**
	144	Amer. Gen. Insur. Com.	144	40.00	34-3/4#
J. C. Townes Fd.:					
Carl Abramson (a)	10	U. S. Tobacco Common	10	18.75	22-3/4
Geology Foundation:					
Knebel (a)	15	Creole Petroleum Com.	15	82.38	76-7/8
Geology Foundation:					
Bybee (a)	15	Creole Petroleum Com.	15	77.38	76-7/8
	5000	Petty Geophysical Com.	5000	1.25	NA
Geology Foundation:					
Various Donors (a)	110	Halliburton Oil Well Cementing Common (b)	110	69.00	56-5/8
Geo. S. Heyer (a)	700	General Crude Oil Com. (b)	700	40.11	23.8125**
J. G. Taylor (a)	15	P. Lorillard Common	15	31.63	54-1/2
Cabot Ed. Grant(a)	336	Tennessee Gas Trans. Com.	336	14.71	28
Engineering Fd.:					
A. & N. King (a)	360	Tennessee Gas Trans. Com.	360	23.44	28
Ziegler (a)	42	Texsun Corp. Class C Com.	42	10.23	NA
Funds Grouped	861	Massachusetts Investors Trust	861	5.84	10.99 **

The above recommendations are submitted for consideration and approval by the Board of Regents.

- \* Close as of May 2, 1958, Wall Street Journal, unless otherwise noted.  
 \*\* Average of Bid-Ask as of May 2, 1958, Wall Street Journal.  
 # Average of Bid-Ask as of 4/8/58, Merrill Lynch, Pierce, Fenner & Smith.  
 ## Bid as of 5/2/58, Merrill Lynch, Pierce, Fenner & Smith.

- (a) Sales recommended include entire holdings of stocks in fund.  
 (b) Reaffirmation of sale authorization previously made, sale currently being deferred pending possible improvement in market for stock.

Adoption of Report. -- The foregoing report was unanimously adopted upon the motion of Vice-Chairman Sorrell, seconded by Mr. Johnson.

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REPORT OF BUILDINGS AND GROUNDS COMMITTEE; AMENDMENT TO BANK DEPOSITORY AGREEMENT, TEXAS WESTERN COLLEGE See Page 906' (See Page 53 for Adoption). --At the request of Chairman Jeffers, the following report of the Buildings and Grounds Committee and a recommended amendment to the Bank Depository Agreement with the El Paso National Bank, El Paso, Texas, covering deposits of Texas Western College were presented by Mr. Lockwood:

MAIN UNIVERSITY - APPROVAL OF PRELIMINARY PLANS FOR ART BUILDING AND MUSEUM. --In accordance with authorization given at the Regents' Meeting held June 29, 1957, preliminary plans for the Art Building and Museum at the Main University have been prepared by the Consulting Architect, Page, Southerland, and Page. These plans have been approved by the Main University Faculty Building Committee, the Chairman of the Department of Art, the Dean of the College of Fine Arts, Vice-President Ransom, Comptroller Sparenberg, and President Wilson, and it is recommended that they be approved by the Board. See Page 955.

Since the appropriation so far set up for this building includes only preliminary expenses and consulting architect's fees, no recommendation is being made at this time concerning preparation of working drawings and specifications. When the money is available to complete this appropriation, recommendation for the balance of the appropriation and authorization to proceed with final plans and specifications will be made.

MAIN UNIVERSITY - APPROVAL OF PRELIMINARY PLANS FOR BUSINESS ADMINISTRATION - ECONOMICS BUILDING. --In accordance with authorization given at the Regents' Meetings held June 29, 1957 and March 15, 1958, preliminary plans for the Business Administration - Economics Building at the Main University have been prepared by the Consulting Architect, Page, Southerland, and Page. These plans have been approved by the Main University Faculty Building Committee, the Special Building Committee and the Dean of the College of Business Administration, the Chairman of the Department of Economics, Vice-President Ransom, Comptroller Sparenberg, and President Wilson. It is recommended that they be approved by the Board and that an Associate Architect be appointed and authorized to proceed with the preparation of working drawings and specifications to be presented to the Board for approval at a later meeting.

MAIN UNIVERSITY - RATIFICATION OF APPROVAL OF FINAL PLANS AND SPECIFICATIONS AND AUTHORIZATION TO AWARD CONTRACTS FOR COMPLETION OF THIRD AND FOURTH FLOORS OF WEST END OF EXPERIMENTAL SCIENCE BUILDING. --At the Regents' Meeting held October 11, 1957, authorization was given to a Special Committee to approve the preliminary plans for the Completion of the Third and Fourth Floors of the West End of the Experimental Science Building at the Main University, and to the Main University Supervising Architect's Office to proceed with the preparation of working drawings and specifications after the approval of the preliminary plans. The final plans and specifications were not ready in time for approval at the last Regents' meeting but were completed several weeks prior to this meeting. Since a deadline of June 30, 1958 for award of contracts had been set by the United States Public Health Service in connection with a grant made by that agency for part of the costs of this project, it was necessary to start advertising for bids before this meeting. After approval of the final plans and specifications by the Main University Faculty Building

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Committee, Doctor Roger J. Williams, Vice-President Ransom, Comptroller Sparenberg, and President Wilson, Comptroller Sparenberg consulted with Vice-President Dolley and President Wilson concerning procedure to be followed in order that bids might be received in time to meet the June 30 deadline. After approval of Vice-President Dolley and President Wilson, advertising for bids was begun on May 18, 1958, with the bids to be received on June 19, 1958.

It is, therefore, recommended that the Board ratify the actions taken in approving the preliminary plans and the final plans and specifications and advertising for bids on this project, and also approve the appointment of a Committee consisting of Vice-President Ransom, Comptroller Sparenberg, Vice-President Dolley, and President Wilson to award contracts for this project in between meetings of the Board if necessary to meet the deadline set by U. S. Public Health Service.

**MAIN UNIVERSITY - REPLACEMENT OF FLOORS IN CHEMISTRY BUILDING AND REPLACEMENT OF CHEMISTRY BUILDING ELEVATOR.** --At the Regents' Meeting held January 11, 1958, appropriations of \$35,000.00 and \$40,000.00 were made out of the allotment for Major Repairs and Rehabilitation Projects at the Main University for Replacement of Floors in the Chemistry Building, and Replacement of Chemistry Building Elevator, respectively.

The Main University Physical Plant staff, after conferences with the Chairman of the Chemistry Department and others, is now ready to proceed with the preparation of plans and specifications on these two projects.

The following recommendations are made in order that these projects may be carried to completion:

1. That the Main University Physical Plant staff be authorized to proceed with the preparation of plans and specifications.
2. That the Comptroller be authorized to approve the plans and specifications.
3. That the Comptroller be authorized, after consultation with the Director of Physical Plant of the Main University and the Business Manager of the Main University, to determine which part of the work should be performed by the Main University Physical Plant staff and which part should be performed under contract.
4. That the Comptroller be authorized to advertise for bids and to award whatever contracts are deemed necessary.

**MAIN UNIVERSITY - FINAL ACCEPTANCE AND FINAL PAYMENT ON AIR CONDITIONING MAIN BUILDING AND ADDITION TO CENTRAL WATER CHILLING STATION AND MODIFICATIONS TO UTILITY SYSTEMS.** --On March 27, 1958, an inspection was made by representatives of the Contractor, J. M. Boyer, the Main University Physical Plant staff, Zumwalt and Vinther, Engineers, and the Comptroller's Office, of the work performed in connection with Air Conditioning in the Main Building at the Main University. Subsequent to this inspection and the completion

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of minor items which were called to the attention of the Contractor during the inspection, final payment in full to the Contractor was approved by the Engineers and the Comptroller. It is recommended that the action taken in approving final payment to the Contractor for Air Conditioning in the Main Building be ratified and approved by the Board.

It is contemplated that the contract for Addition to Central Water Chilling Station and Modifications to the Utility Systems will be ready for final inspection in the near future. It is, therefore, recommended that a Committee, consisting of Mr. Eckhardt, Director of the Main University Physical Plant, Comptroller Sparenberg, Vice-President Dolley, and President Wilson, be appointed to approve final acceptance of this contract and final payment therefor.

**MAIN UNIVERSITY - REPORT ON FINAL ACCEPTANCE OF KINSOLVING DORMITORY.** --At the Regents' Meeting held March 15, 1958, a Committee consisting of President Wilson, Vice-President Dolley, Vice-President See Page 956 Ransom, and Comptroller Sparenberg was appointed to approve final acceptance of Kinsolving Dormitory and final payment therefor. On May 12 and 13, 1958, an inspection of this building was made by the Committee and representatives of the following:

General Contractor, S. O. and C. D. Yarbrough Construction  
Company, Austin  
Mechanical Contractor, A. J. Monier and Company, Inc., San  
Antonio  
Electrical Contractor, W. K. Jennings Electric Company, Inc.,  
Austin  
Associate Architect, Kuehne, Brooks, and Barr  
Consulting Architect, Mark Lemmon  
Office of the Comptroller

This inspection revealed that the building was in excellent shape and complete, except for a few minor items to be completed which had been on a punch list prepared after the semi-final inspection made earlier. These minor items have now been completed, the building has been accepted by the Committee, and final payment will be made to the Contractors by the Comptroller upon presentation of the final estimates by the Associate Architect.

**TEXAS WESTERN COLLEGE - APPROVAL OF FINAL PLANS AND SPECIFICATIONS AND ADDITIONAL APPROPRIATION FOR REMODELING AND ENLARGING OF LIBRARY BUILDING.** --At the Regents' Meeting held June 29, 1957, authorization was given to the firm of Carroll and Daeuble to prepare final plans and specifications for Remodeling and Enlarging of the Library Building at Texas Western College. During the preparation of these plans, it was found desirable to add some stack area which had not originally been contemplated, and to make certain other changes, which raised the estimated total cost of the project from \$99,000.00 to \$155,000.00. See P. 1107.

The appropriation, preliminary plans, and cost estimates approved by the Board of Regents June 29, 1957, covered the following:

Remodeling ground floor, first floor, and second floor	\$33,000.00
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Removing present stacks and installing five new levels of stacks	\$24,000.00
Air conditioning entire building, including stack areas	<u>42,000.00</u>
Total	<u>\$99,000.00</u>

The appropriation, final plans and specifications, and cost estimates recommended by Texas Western College for approval by the Board of Regents at this meeting, cover the following:

New addition to stack area of Library Building, including stacks, but not including architect's fees	\$ 66,000.00
Air conditioning existing building, not including architect's fees	42,000.00
Removing present stacks and installing five new levels of stacks, including new stacks and floor slabs, but not including architect's fees	<u>24,000.00</u>
Proposed new sub-total for computing architect's fees	\$132,000.00
Architect's fees, movable furniture and equipment (shelving, tables, chairs, cabinets, etc.), and some of the remodeling included in the \$33,000.00 estimate shown above	<u>23,000.00</u>
Total	<u>\$155,000.00</u>

The original appropriation of \$99,000.00 approved by the Board of Regents was to come from the legislative appropriation for major repairs and rehabilitation, etc., at Texas Western College (No. X-3626), the total amount of which was \$108,000.00.

It is recommended that an additional appropriation of \$56,000.00 be made to this project from Constitutional Tax Funds, it being understood that this money will be used only for the new addition to the building and not for any part of the repairs or remodeling of the present building.

The final plans and specifications as prepared by Carroll and Daeuble, which involve the additions and changes referred to above, have been approved by the Texas Western College Faculty Building Committee, President Holcomb, Comptroller Sparenberg, and President Wilson. It is recommended that they be approved by the Board and that the Comptroller be authorized to advertise for bids. Since Texas Western College would like to begin this work during the summer, it is further recommended that a Committee consisting of President Holcomb, Comptroller Sparenberg, Vice-President Dolley, President Wilson, and Mr. Lee Lockwood be appointed to award contracts on this project within the amount of money appropriated.



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TEXAS WESTERN COLLEGE - APPROVAL OF FINAL PLANS AND SPECIFICATIONS FOR MOVABLE FURNITURE AND EQUIPMENT FOR ADDITION AND ALTERATIONS TO STUDENT UNION BUILDING. --At the Regents' Meeting held March 15, 1958, authorization was given for the preparation of plans and specifications for Movable Furniture and Equipment for the Addition and Alterations to the Student Union Building at Texas Western College. These plans and specifications have not been completed as yet, but it is contemplated that they will be finished in time to advertise for bids sometime during the summer, in order that bids may be taken for consideration at the first meeting of the Board in the Fall. In order that this advertisement may be placed between meetings of the Board, it is recommended that a Committee consisting of President Holcomb and Comptroller Sparenberg be appointed to approve the final plans and specifications, and that after this approval, Comptroller Sparenberg be authorized to advertise for bids. See Page 1117

MAIN UNIVERSITY - COMPLETION OF AIR CONDITIONING OF THE ADDITION TO THE PHYSICS BUILDING. --The contracts which were awarded for the Addition to the Physics Building at the Main University did not cover completely air conditioning the Addition. Most of the cooling coils, all the ducts, and certain piping were included, but chilled water piping, pumps, valves, extension of utility tunnel, etc., are still needed in order to complete this air conditioning. An estimate has been made that the sum of \$25,000.00, exclusive of Architects' Fees, will be required to cover the cost of completing the cooling of this Addition, and it is considered highly desirable that this work be completed at this time, if at all possible, rather than at a later date. The contracts awarded were lower than the final estimate which had been made of the cost, and there is a balance in the allotment account for this project of approximately \$25,000.00 over and above the final estimate of \$50,500.00 for movable furniture and equipment and contingencies.

In order to complete the cooling on this Addition, it is recommended that Comptroller Sparenberg be authorized to approve whatever change orders are necessary to the various construction contracts for the Addition to the Physics Building up to a total of \$25,000.00, this money plus the Architects' Fees on the change orders to come from Account No. 94055, Addition to Physics Building - New East Wing - Allotment Account.

TEXAS WESTERN COLLEGE - AUTHORITY FOR COMPTROLLER SPARENBERG TO GIVE FINAL APPROVAL TO CHANGE ORDERS ON HOUSING AND HOME FINANCE AGENCY PROJECT NO. TEX. 41-CH-56(S): ADDITION AND ALTERATIONS TO STUDENT UNION BUILDING. --The general contract with C. H. Leavell and Company, El Paso, Texas, for the construction of the project above indicated is in the total amount of \$597,853.00. At the time the specifications for this contract were prepared, no contingency allowance was included because of the desire to bring the bids in as low as possible, in an attempt to get the cost of the project within the funds available. As you know, additional funds from Texas Western College Current Funds - General Unappropriated Balance were later appropriated to supplement the \$580,000.00 from the Revenue Bond issue. As at April 30, 1958, there was a balance of \$28,050.51 in the allotment account for this project. In order to facilitate the operation of the project in the usual

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manner, it is recommended that authority be granted to Comptroller Sparenberg to give final approval to change orders on this contract up to a maximum net amount of \$17,000.00, after the usual approvals by the Architect and President Holcomb.

**AMENDMENT TO BANK DEPOSITORY AGREEMENT - TEXAS WESTERN COLLEGE.** --The present bank depository agreement with the El Paso National Bank, El Paso, Texas, covering deposits of Texas Western College, carries a limit of \$200,000.00 on the maximum amount of money which may be placed on Time Deposit. At this time there is approximately \$160,000.00 on Time Deposit in this bank. On June 3, 1958, it is expected that delivery will be made to Housing and Home Finance Agency of \$580,000.00 Board of Regents of The University of Texas, Texas Western College Student Union Revenue Bonds, Series 1957, and payment received therefor; it is contemplated that it will be desirable to place at least half of this money on Time Deposit. The bank has agreed to raising the limit on the Time Deposit money, and it is recommended that Comptroller Sparenberg be authorized to prepare a revised bank depository agreement which will raise the limit on Time Deposit money from \$200,000.00 to \$500,000.00, with all other provisions of the agreement remaining the same. It is further recommended that the Chairman of the Board be authorized to sign the revised agreement after it has been approved as to form by Mr. Waldrep.

**Adoption of Report.** --The foregoing recommendations were unanimously adopted upon motion of Mr. Lockwood, seconded by Mr. Sorrell.

**REPORT OF MEDICAL AFFAIRS COMMITTEE** (See Page 64 for See Page 917 Adoption). --The following report of the Medical Affairs Committee was presented by Doctor Minter at the request of Chairman Jeffers:

**ACCEPTANCE OF GIFT FROM THE SEALY AND SMITH FOUNDATION, \$100,000 FOR SPECIAL RESEARCH PROJECT, MEDICAL BRANCH.** --The Medical Affairs Committee recommends that the Board of Regents accept with deep appreciation a grant of \$100,000 from The Sealy and Smith Foundation for a special research project at The University of Texas Medical Branch. This grant has not been processed, but it is understood to be a grant of \$20,000 per year for five years for the Department of Neurophysiology. The details will be reported in a subsequent docket.

**APPROVAL OF PROPOSED REORGANIZATION PLAN FOR HOSPITALS, MEDICAL BRANCH.** --It is recommended by the Medical Affairs Committee that on the chart "Assistant Director of Hospitals - Professional Services" the titles of Director of Clinical Laboratory, Director of Radiology, Director of Physical Therapy, and Director of Occupational Therapy be changed to Technical Director in each instance. With these changes as proposed, the Medical Affairs Committee recommends that the proposed chart of top organization and the four proposed charts of organization be approved, subject to such changes as may be made by the President. These charts will be inserted and made a part of the record at a subsequent meeting.

**APPROVAL OF BY-LAWS OF THE FACULTY OF MEDICINE, MEDICAL BRANCH.** --There was presented to the Medical Affairs Committee a copy of the By-Laws of the Faculty of Medicine at The University of

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Texas Medical Branch as approved by Central Administration. It is recommended by the Medical Affairs Committee that the Board approve the By-Laws as proposed. A copy follows.

BY-LAWS OF THE FACULTY OF MEDICINE  
THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

PREAMBLE

The Faculty of Medicine of The University of Texas Medical Branch at Galveston has adopted the following By-Laws to assist it in the orderly conduct of its affairs and to facilitate the performance of its duties and obligations in accordance with administrative policies and the Rules and Regulations of the Board of Regents of The University of Texas.

These By-Laws and any amendments thereto are subject to the approval of the Administration and the Board of Regents of The University of Texas.

Article I

NAME, OBJECT, AND PURPOSE

Section 1. Name. The name of this body shall be the Faculty of Medicine of The University of Texas Medical Branch at Galveston; hereinafter called the Faculty of Medicine.

Section 2. Academic Affairs. The Faculty of Medicine shall conduct and supervise instruction in the science and art of medicine. To satisfy this obligation, both to the individual student and to the people of the State of Texas, it shall be the responsibility and the prerogative of the Faculty of Medicine, within the limitations set by the Rules and Regulations of the Board of Regents of The University of Texas, to:

- a. Establish and regulate the curriculum and the standards of acceptable academic performance within the School of Medicine;
- b. Establish standards for admission and admit students to the School of Medicine;
- c. Establish standards for promotion and promote medical students from year to year in, and approve candidates for certification for graduation by the Board of Regents of The University of Texas from, the School of Medicine;
- d. Prescribe measures to be taken in cases of academic deficiencies and/or failure; and
- e. Consider and recommend upon all general policies and measures bearing upon the quality of instruction in the School of Medicine.

Section 3. Research. The Faculty of Medicine shall encourage, support and engage in research and other scholarly endeavour.

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Section 4. Administrative Affairs. The Faculty of Medicine shall continue an active interest in the progress and future of the School of Medicine. Therefore, within the Rules and Regulations of the Board of Regents of The University of Texas, the Faculty of Medicine, shall:

- a. Be consulted upon general administrative affairs of the School of Medicine;
- b. Perform those tasks auxiliary to teaching and research: e.g., serve upon faculty and administrative committees, attend to administrative and disciplinary duties, and promote diligence and scholarship in the student body.

Section 5. Student Affairs.

- a. The teaching obligations, duties and responsibilities of the Faculty of Medicine require that it shall have the authority and power to establish and maintain standards of ethical, moral, and personal conduct for students in the School of Medicine.
- b. Insofar as possible, the conduct and regulation of student affairs, other than those relating to academic matters, shall be effected by the students acting through their own organizations and rules in the first instance.
- c. The creation or establishment of any officially recognized student organization and the promulgation by it of any rules or procedures covering the conduct of students in the School of Medicine shall require the prior approval of the Faculty of Medicine, the Administration, and the Board of Regents.
- d. It shall be the responsibility of the Dean of Medicine, or his delegated agent or agents, to enforce all rules governing student affairs.

## Article II

### MEMBERSHIP

Section 1. Full Members. All persons who shall have been duly appointed by the Board of Regents of The University of Texas to the rank of Professor, Associate Professor, Assistant Professor, or Instructor, and who shall have duly accepted such a position in a Department of the School of Medicine at The University of Texas Medical Branch at Galveston, shall be full members of the Faculty of Medicine; provided that the provisions of Section 4 of this Article shall have been complied with. The President of The University of Texas, the Executive Director of the Medical Branch, and the Dean of Medicine shall be full members of the Faculty of Medicine, ex officio, and shall have all privileges and responsibilities of full members including the right to vote upon the business of the Faculty of Medicine whether or not they hold academic appointments in the School of Medicine.

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Section 2. Associate Members. All other persons who have been duly appointed to the Faculty, including those holding the rank of Lecturer, Preceptor or Research Associate, and who shall have duly accepted such a position in the School of Medicine at The University of Texas Medical Branch at Galveston, shall be associate members of the Faculty of Medicine.

Section 3. Rights of Members. A full member of the Faculty of Medicine shall be entitled to participate in the deliberations of the Faculty of Medicine, vote upon all business brought before the Faculty of Medicine, hold office, and sit upon all standing and special committees of the Faculty of Medicine. An associate member of the Faculty of Medicine shall be entitled to participate in the deliberations of the Faculty of Medicine and sit upon special committees of the Faculty of Medicine, however, an associate member shall not hold office, sit upon standing committees of the Faculty of Medicine, or vote upon any business brought before the Faculty of Medicine.

Section 4. Appointment and Promotion.

a. Recommendations for appointment to, or promotion in, the Faculty of Medicine shall ordinarily originate with the Chairman or Head of the Department concerned. Such recommendations shall be made to the Dean of Medicine on the basis of service, ability, accomplishment, interest, and tenure. It shall be the responsibility of the Chairman or Department Head to investigate the credentials, character, and qualifications of each person recommended for appointment or promotion, and statements covering each of these matters shall be made a part of said recommendation. The Chairman shall seek the advice of other members of his department before making a recommendation for promotion or appointment, and shall make the extent and nature of this advice a matter of record for the Dean of Medicine and the department concerned.

b. In the case of appointments to the Faculty of Medicine where hospital privileges are involved, a request to the Medical Staff for appointment to the Medical Staff of The University of Texas Medical Branch Hospitals shall be made in the manner prescribed by that body.

c. Recommendations for the appointment of a Chairman or Head of a Department shall ordinarily be made by the Dean of Medicine upon the advice of a Special Committee of the Faculty of Medicine, convened for this purpose.

d. All recommendations for promotion or appointment to a position of tenure on the Faculty of Medicine shall be approved or disapproved by the Executive Committee.

Section 5. Academic Freedom and Academic Tenure. The Faculty of Medicine, insofar as it is possible, supports and shall be guided by the 1940 Statement of Principles on Academic Freedom and Academic Tenure as published by the American Association of University Professors.



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## Article III

THE ADMINISTRATION OF THE SCHOOL OF MEDICINE

Section 1. General. Administration of the School of Medicine, insofar as it concerns the Faculty of Medicine, shall be conducted by the Dean of Medicine and such other Deans, associate deans, or assistant deans who may be appointed upon his recommendation. The Dean of Medicine and his administrative associates and assistants shall hereinafter be referred to as the Administration of the School of Medicine.

Section 2. Dean of Medicine. The Dean of Medicine shall be the Chairman of the Faculty of Medicine and its Chief Executive. A recommendation for the appointment of a Dean of Medicine shall be made by the Executive Director of the Medical Branch upon the advice of a Special Committee of the Faculty of Medicine, convened for this purpose. The Dean of Medicine may appoint a temporary Chairman of the Faculty of Medicine, to serve during his absence and, in case of emergency, the Executive Director shall appoint a Chairman. The Dean of Medicine shall be, ex officio, a member of all standing and special committees, without vote. The Dean of Medicine shall have in his Administrative Office whatever associates are necessary to carry out his responsibilities. These may include a Dean of Students and such associate and assistant deans as are approved by the Executive Director of the Medical Branch, the President of The University of Texas, and the Board of Regents of The University of Texas. Such administrative associates and assistants may represent without vote the Dean of Medicine on all standing and special committees.

Section 3. Secretary-Treasurer. The Secretary-Treasurer of the Faculty of Medicine shall be appointed by the Dean of Medicine and may be either a faculty member or an administrative employee.

Section 4. Parliamentarian. A parliamentarian shall be appointed by the Dean of Medicine to serve strictly in an advisory capacity to the Dean of Medicine or Acting Chairman of the Faculty.

## Article IV

COMMITTEES OF THE FACULTYSection 1. General.

a. The Dean of Medicine shall appoint all committees except those which are to be elected by the Faculty of Medicine or constituted in a particular manner as prescribed in these By-Laws.

b. All committees shall report regularly and their actions must be approved by the Faculty unless specific powers have been delegated to them by the Faculty or provided for in these By-Laws.

c. The first meeting of a newly elected committee shall be called by the member whose last name is first in alphabetical order, except that if the Chairman remains on a

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committee, he shall call the first meeting. The first order of business shall be the election of a Chairman, and each committee shall elect its Chairman annually, unless otherwise provided for in these By-Laws.

d. Minutes shall be kept of all standing committee meetings to assist in the preparation of the reports of the committee, but need not be circulated outside of the committee. The official report of a committee shall be adopted by a majority vote of the committee and presented at a regular Faculty meeting.

e. No member of the Faculty shall serve concurrently on more than three standing committees, except that membership on a Promotions Committee shall not be counted.

Section 2. Executive Committee.

a. The Executive Committee; composed of six Chairmen, each from the basic science and from the clinical departments designated by the Dean of Medicine, together with two members elected, one each from the basic science and from the clinical departments by ballot by the Faculty of Medicine at the October meeting of the Faculty of Medicine shall:

i. Act for the Faculty of Medicine between regular Faculty meetings or call special meetings of the Faculty when deemed advisable.

ii. Act in an advisory capacity to the Dean of Medicine.

iii. Meet at least monthly at the call of the Dean of Medicine or on written petition of any five members.

iv. Act as a Standing Committee on all matters not specifically delegated to other committees.

v. Approve or disapprove recommendations for promotion or appointment to positions of tenure on the Faculty of Medicine.

b. Actions and recommendations of this committee shall be reported to the Faculty of Medicine at regular meetings.

c. The Dean of Medicine shall be Chairman of the Executive Committee, with a vote.

Section 3. Nominating Committee. The Nominating Committee; composed of six members, three each from the basic science and from the clinical departments, each with one vote; shall, after consultation with the Dean of Medicine, nominate to the Faculty of Medicine at the April meeting a slate of candidates for the elected positions on the Admission's Committee, the Curriculum Committee, and the Nominating Committee;

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and shall consult with the Dean of Medicine upon appointments to all other standing committees. The members of the Nominating Committee shall serve for one year from 1 July to 30 June, and shall be elected annually. No member shall serve more than two terms consecutively.

Section 4. Student Affairs Committee. The Student Affairs Committee; composed of three faculty members appointed by the Dean of Medicine and the Chairmen of each of the four Grading and Promotions Committees or their designated representatives; shall have general supervisory control over, and investigatory powers as to, all matters involving the academic performance of students, all matters involving ethical, moral and personal standards of conduct of students and disciplinary action in connection therewith, including but not limited to the consideration of all findings and recommendations by appropriate student organizations in connection therewith, and such other problems of student affairs as may be brought before it. The Dean of Medicine shall appoint the Chairman. In all cases or matters considered by the Committee relating to or in connection with disciplinary or other action relative to ethical, moral or personal conduct of students heard and considered by the Committee either by way of review of the action of any student organization or group or by initial action of the Committee, the Committee shall make its report, findings and recommendations directly to the Dean of Medicine, and the Dean of Medicine shall take such action thereon as he may deem proper. On all other matters, when necessary, the Committee shall report its finding and recommendations to the appropriate Grading and Promotions Committee or the Faculty of Medicine for disposition.

Section 5. Grading and Promotions Committees.

a. The four Grading and Promotions Committees (Freshmen, Sophomore, Junior, and Senior); each composed of the full members of the Faculty of Medicine who are directly concerned in the teaching and grading of students in the respective year, each with one vote; shall:

i. Evaluate, together with the Dean of Medicine, the performance of all students in the appropriate year of medical training;

ii. Promote medical students to the succeeding year, or approve students for recommendation for certification for graduation in the case of the Senior Grading and Promotions Committee; and recommend to the Dean of Medicine appropriate action upon all other academic matters affecting the grading and promotion of students in the given year.

b. No student shall be promoted or recommended for certification for graduation without the favorable action of the Grading and Promotions Committee dealing with the specific year in which said student is enrolled.

c. Each Grading and Promotions Committee shall elect annually from among the voting members a Chairman, said Chairman to serve for the academic year. The

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Committee shall meet upon the call of the Chairman at least once during each semester and at the end of each semester; and for special business upon the call of the Dean of Medicine or upon written petition to the Chairman of any five voting members of the Committee.

Section 6. Admissions Committee.

a. The Admissions Committee; composed of eight elected members, four each from the basic science and from the clinical departments, each with one vote; together with the Dean of Students, and the Registrar, ex officio, without vote; shall select and accept for admission students for the First Year Class at The University of Texas Medical Branch at Galveston.

b. Each regular member shall serve for four years, one member each from the basic science and from the clinical departments being elected each year at the April meeting of the Faculty of Medicine. The term of office shall run from 1 July of the year of election until 30 June, four years hence, except that if a class has not yet closed the retiring members shall continue to participate in the selection of that class.

Section 7. Curriculum Committee.

a. The Curriculum Committee; composed of twelve members, six each from the basic science and from the clinical departments, each with one vote; shall consider and recommend to the Faculty of Medicine upon all matters having to do with the curriculum of the School of Medicine.

b. Each regular member shall serve for two years, three members each from the basic science and from the clinical departments being elected each year at the April meeting of the Faculty of Medicine and taking office on 1 July of that year. No department shall have more than one member serving on the Committee except that the Departments of Internal Medicine and of Surgery may each have two members.

Section 8. Other Standing Committees.

a. Other Standing Committees and Boards include the following:

- i. Animal Care Committee
- ii. Editorial Board of the Texas Reports on Biology and Medicine
- iii. Fellowship Committee. Ordinarily this Committee should include at least one member from the McLaughlin Committee.
- iv. Intern Placement Committee

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- v. Library Committee
  - vi. McLaughlin Committee
  - vii. Post-graduate Education Committee
  - viii. Research Committee. Ordinarily this Committee should include at least one member from the McLaughlin Committee and at least one member from the Fellowship Committee.
  - ix. Retirement and Group Insurance Committee
  - x. Student Scholarship and Loan Committee
- b. Additional Standing Committees may be created by the Faculty and shall function under the general rules outlined in Section 1, of this Article.
- c. All of these committees may be appointed by the Dean of Medicine with the advice of the Nominating Committee and shall serve from 1 July to 30 June, unless otherwise specified.

Section 9. Special Committees. The Dean of Medicine may appoint Special Committees of the Faculty at his discretion or upon the request of a majority of those present and voting at a meeting of the Faculty of Medicine. Special Committees shall report to the Dean of Medicine or to the Faculty of Medicine.

#### Article V

#### MEETINGS, RULES AND PROCEDURES

Section 1. Regular Meetings. The Faculty of Medicine shall meet in Regular session four times each academic year upon the first Tuesday in October, December, February, and April at 8:00 P.M., at a place designated in the Call of the Meeting, in order to conduct the regular business of the Faculty of Medicine. A call of a regular meeting together with a tentative agenda shall be sent to each full member of the Faculty of Medicine prior to the date of said meeting by the Secretary of the Faculty of Medicine. Postponement of a regular meeting shall require written notice in advance of the date and time of the meeting to be postponed.

Section 2. Special Joint Meeting. A special meeting of the Faculty of Medicine jointly with the Faculty of Nursing and the Staff of the Technical Services, under the Chairmanship of the Executive Director of the Medical Branch, shall be called prior to the Medical Branch Commencement Exercises, for the purpose of recommending for certification the graduating classes.

Section 3. Special Meetings. Special meetings of the Faculty of Medicine may be called by the Dean of Medicine as he may deem necessary provided that every effort shall be made to send out a printed notice of the Call of a Special Meeting setting forth the time, date, and the place



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of said meeting, to the full members of the Faculty of Medicine, not less than one week in advance of the date of said Special Meeting. Such a Special Meeting shall be called by the Dean of Medicine upon the written petition of 25 full members of the Faculty of Medicine.

Section 4. Rules of Order. All regular and Special meetings of the Faculty of Medicine shall be conducted in accordance with Robert's Rules of Order, except as otherwise provided for in these By-Laws. The Dean of Medicine, or in his absence, a full member of the Faculty of Medicine designated by him, shall preside.

Section 5. Order of Business. At the regular meetings of the Faculty of Medicine the order of business shall be: (1) Approval of the Minutes; (2) Special Orders; (3) Old and Unfinished business; (4) Reports; (a) Executive Committee, (b) Nominating Committee, (c) Admissions Committee, (d) Curriculum Committee, (e) Student Affairs Committee, (f) Grading and Promotions Committees, (g) other Standing Committees (in the order listed in Art. IV., Section 8); (h) Special Committees; (5) New business; (a) Matters presented by the Dean of Medicine, Dean of Students, and Registrar, (b) Matters presented by members, (c) Matters presented by the Executive Director; (6) Adjournment.

Section 6. Minutes. Minutes of each meeting shall be published and distributed to the full members of the Faculty of Medicine by the Secretary of the Faculty.

Section 7. Quorum. A quorum of the Faculty of Medicine shall be 35 full members of the Faculty of Medicine, however, unless a Call for a quorum is made by a full member of the Faculty of Medicine, any number of full members may conduct the business of the Faculty of Medicine at any Regular or duly called Special Meeting of the Faculty of Medicine.

## Article VI

### ADOPTION AND AMENDMENTS

Section 1. Adoption. These By-Laws, having been presented before a Regular meeting of the Faculty of Medicine, shall be adopted by a majority vote of the Faculty members present and voting at any subsequent Regular meeting, and shall take effect upon the recommendation of the Executive Director of the Medical Branch, the President of The University of Texas, and approval by the Board of Regents of The University of Texas.

Section 2. Repeal of Prior Rules. Adoption of these By-Laws by the Faculty of Medicine and recommendation of the Executive Director of the Medical Branch, the President of the University of Texas, and approval by the Board of Regents of The University of Texas, shall repeal and set aside all prior rules and regulations that shall have governed the conduct of the business and the organization of the Faculty of Medicine.

Section 3. Amendment. These By-Laws may be amended by a two-thirds vote of the full members present and voting at any Regular meeting of the Faculty of Medicine, provided that the amendment or amendments shall have been offered at a previous meeting or published

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in writing to the Faculty of Medicine not less than 30 days prior to the Regular meeting at which the vote is to be taken. Amendments shall take effect upon adoption by the Faculty of Medicine and recommendation of the Executive Director, the President of The University of Texas, and approval by the Board of Regents of The University of Texas.

ENDORSEMENTS

- 1. Approved by the Faculty of Medicine:

\_\_\_\_\_ Date \_\_\_\_\_ Dean of Medicine

- 2. Recommend approval:

\_\_\_\_\_ Date \_\_\_\_\_ Executive Director

- 3. Recommend approval:

\_\_\_\_\_ Date \_\_\_\_\_ President of The University of Texas

- 4. Approved:

\_\_\_\_\_ Date \_\_\_\_\_ Chairman of the Board of Regents

CREATION OF POSITION OF ASSISTANT EXECUTIVE DIRECTOR AND ASSISTANT DEAN OF MEDICINE, MEDICAL BRANCH. --It is recommended by the Medical Affairs Committee that a new position be created to be known as Assistant Executive Director and Assistant Dean of Medicine at The University of Texas Medical Branch.

APPROVAL OF EXCHANGE OF PROPERTY BETWEEN THE SOUTHWESTERN MEDICAL SCHOOL AND THE SOUTHWESTERN MEDICAL FOUNDATION. --It is recommended by the Medical Affairs Committee that the following suggestions of the Southwestern Medical Foundation, through its President Karl Hoblitzelle, for an exchange of property between The University of Texas Southwestern Medical School and the Southwestern Medical Foundation be accepted and that the proper administrative officials be instructed to meet with representatives of the Southwestern Medical Foundation in an effort to consummate the exchange:

Subject to legislative or other lawful action as might be required, the Foundation suggests consideration of an exchange between the Foundation and the State of Texas whereby the Foundation and the State would exchange the two tracts of land referred to. This would fix the land for the development of the Medical School itself in a solid tract and at the same time permit the approximately seventeen acres to be made available through the Foundation for the construction of hospitals or other institutions beneficial to the students and faculty of the Medical School. The conditions would

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provide that the approximately fifteen acres acquired by the State would be utilized only in connection with and as a part of The University of Texas Southwestern Medical School. In turn, the approximately seventeen acres acquired by the Foundation would be used by it or its assigns only for the construction and operation of non-profit charitable hospitals or institutions for the diagnosis and treatment of the ill, physically or mentally, and for research in that field.

The Medical Affairs Committee points out, as is implied in the foregoing suggestion, that this exchange would require legislative approval.

ACCEPTANCE OF GIFT FROM THE SEALY AND SMITH FOUNDATION, \$600,000 FOR REMODELING OUT-PATIENT CLINIC, MEDICAL BRANCH. --It is recommended by the Medical Affairs Committee that the gift of \$600,000 from The Sealy and Smith Foundation to be used on the remodeling of the Out-Patient Clinic be accepted with deep appreciation.

Adoption of Report. --It was moved by Doctor Minter that the foregoing report be adopted as presented. This motion was duly seconded and unanimously carried.

#### CENTRAL ADMINISTRATION

COMMITTEE OF 75. --The following statement was unanimously adopted upon motion of Mr. Sorrell, seconded by Mr. Lockwood, with the understanding that the material to be disseminated is the material which the Board adopts and approves from the report of the Committee of 75:

The progress being made by the Committee of 75 on its highly important task is deeply appreciated and warmly commended. It is apparent that after the Committee's conclusions and recommendations have been prepared and submitted to the Board of Regents, there should ensue a period in which pertinent aspects of the report are studied and discussed widely throughout the State. When the Board of Regents has determined what those aspects are, we hope the Committee of 75 will be willing to continue its existence and assist the Board of Regents in conducting the dissemination phase of this valuable undertaking.

#### MAIN UNIVERSITY AND TEXAS WESTERN COLLEGE

SUPPLEMENTS TO 1958-59 ANNUAL BUDGETS: ANALYSES BY FUNCTIONS OF EXPENDITURES OF MAIN UNIVERSITY AND TEXAS WESTERN COLLEGE. --The supplements to the 1958-59 Annual Budgets for the Main University and Texas Western College of The University of Texas (Analyses by Functions of Expenditures) were unanimously adopted upon motion of Mr. Lockwood, seconded by Vice-Chairman Sorrell. A copy of each supplement adopted is in the Secretary's Files, Volume V, Page 268.

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## CENTRAL ADMINISTRATION

RATIFICATION, INCLUSION OF KINSOLVING DORMITORY UNDER BLANKET AND FIRE EXTENDED INSURANCE COVERAGE. --Comptroller Sparenberg in a letter dated May 21, 1958, to the Regional Administrator of Housing and Home Finance Agency stated that it is the intention of the University to keep the reserve of \$100,000 to cover possible losses under the \$100,000 deductible clause of the blanket system-wide fire and extended coverage insurance policy built up to the full amount of \$100,000 at all times or, in other words, that it is the intention of the University to replenish or reimburse immediately any loss charged against this reserve. It was moved by Vice-Chairman Sorrell and seconded by Mr. Bryan and carried unanimously that the Board ratify the intention expressed by Comptroller Sparenberg in the letter dated May 21, 1958, and further that Kinsolving Dormitory be included under the blanket system-wide fire and extended coverage insurance policy with Continental Casualty Company of Chicago. (A copy of the letter is in the Secretary's Files, Volume V, Page 284 .)

SCHEDULED BOARD MEETINGS. --Meetings of the Board of Regents were scheduled in Austin as follows:

1. June 21, 1958, at 10:30 a. m. in the President's Office, Main University, for the primary purpose of considering 1959-61 legislative budget requests.
2. July 23, 1958, at 9:00 a. m. at the Driskill Hotel to meet jointly with the Board of Directors of the Texas Agricultural and Mechanical College System to consider the refunding of Texas Permanent University Fund Bonds, Series 1949.

APPROVAL OF DOCKETS (INCLUDING TRAVEL SUPPLEMENTS). -- It was moved by Vice-Chairman Sorrell, seconded by Mr. Lockwood, and unanimously adopted that the docket for Central Administration dated May 21, 1958, be approved.

President Wilson had attached and incorporated as a part of the Central Administration docket a docket from each of the component units of The University of Texas. This docket was furnished to each Regent by the President's Office ten days prior to the meeting. At the meeting Travel Supplements for Main University, the Dental Branch, and the M. D. Anderson Hospital and Tumor Institute were available. It is pointed out for the record that the Travel Supplement for The University of Texas M. D. Anderson Hospital and Tumor Institute included one item other than travel (See Page 1022 ).

The docket dated May 21, 1958, and the three Travel Supplements were unanimously approved by the Board and are attached to and made a part of these minutes (See Page 924 ).

APPROVAL OF MINUTES, APRIL 26, 1958. --It was moved by Vice-Chairman Sorrell and seconded by Mr. Lockwood that the minutes of the meeting of the Board of Regents on April 26, 1958, be approved in the form as distributed by the Secretary. This motion was unanimously adopted.

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## MAIN UNIVERSITY

TABULATION OF BIDS, ADDITION TO POWER PLANT BUILDING,  
MAIN UNIVERSITY. --There is attached to this report a tabulation of  
the bids for the addition to the Power Plant Building, Main University.  
This contract was awarded at the meeting April 26, 1958, but the bids  
opened on April 24, 1958, were not included in the report. In order  
to be consistent in the record, a copy of the bids are on Page 70. See Page 923.

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

*Betty Anne Thedford*  
Betty Anne Thedford  
Secretary



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TABULATION OF BIDS  
NEW ENGINEERING BUILDING  
AND  
UTILITY TUNNEL  
ON  
TWENTY-FOURTH STREET  
MAIN UNIVERSITY, AUSTIN, TEXAS

Opened:  
May 1, 1958

Time:  
2:00 p. m.

<u>General Contractor</u>	<u>Bid No. 1 Base Proposal</u>	<u>Alternate No. G-1</u>	<u>Alternate No. G-2</u>	<u>Alternate No. G-3</u>
1. Austin Construction Co. Austin, Texas	\$ 713,025.00	†22,500.00	†3,200.00	†220.00
2. M. Z. Collins Const. Co. Austin, Texas	729,300.00	†21,300.00	†3,300.00	†125.00
3. J. C. Evans Const. Co. Austin, Texas	733,577.00	†20,850.00	†2,210.00	†115.00
4. Eitze-Kitchens Const. Co. Austin, Texas	723,647.00	†21,164.00	†2,187.00	†110.00
5. Rex Kitchens Const. Co. Austin, Texas	722,123.00	†21,264.00	†2,287.00	†220.00
6. B. L. McGee, Gen. Contr. Austin, Texas	665,800.00	†19,663.00	†2,300.00	† 88.00
7. J. M. Odom Austin, Texas	728,893.00	†21,000.00	†3,500.00	†150.00
8. Spaw-Glass, Inc. Houston, Texas	723,363.00	†20,000.00	†2,200.00	†120.00
9. Wohlfeld Const. Co. Dallas, Texas	835,815.00	†20,759.00	†2,204.00	†230.00
10. Yarbrough Const. Co. Austin, Texas	702,571.00	†21,000.00	†3,250.00	†175.00

  

<u>General Contractor</u>	<u>Included for Tunnel</u>	<u>Bidder's Bond</u>
1. Austin Construction Co.	78,000.00	5%
2. M. Z. Collins Const. Co.	84,400.00	5%
3. J. C. Evans Const. Co.	81,800.00	5%
4. Eitze-Kitchens Const. Co.	69,000.00	5%
5. Rex Kitchens Const. Co.	73,323.00	5%
6. B. L. McGee, Gen. Contr.	50,000.00	5%
7. J. M. Odom	60,000.00	5%
8. Spaw-Glass, Inc.	92,000.00	5%
9. Wohlfeld Const. Co.	71,482.00	5%
10. Yarbrough Const. Co.	70,000.00	5%

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	Bid No. 2 Htg. & Vent. <u>224,000.00</u>	Bid No. 2 Included for Tunnel <u>23,000.00</u>	Alt. No. HV-1 Htg. & Vent. <u>14,000.00</u>	Bid No. 3 Plumbing <u>120,000.00</u>
1. Mechanical Contractor* Beals Plbg. & Htg. Fort Worth, Texas				
2. J. M. Boyer Austin, Texas				
3. R. O. Davis, Inc. Austin, Texas				93,000.00
4. Fox-Schmidt Austin, Texas				
5. A. J. Monier & Co. San Antonio, Texas				
6. Porter Plbg. & Htg. Co. Austin, Texas				85,800.00
7. C. G. Puryear Austin, Texas				
8. Strandtman Air Cond. Austin, Texas	217,492.00	24,420.00	13,682.00	
9. Todd-Ford, Ltd. San Antonio, Texas	235,870.00	24,134.00	15,673.00	84,898.00
10. V. R. Wattinger Austin, Texas				84,872.00
11. Way Engineering Co. Austin, Texas	213,500.00	22,200.00	12,549.00	
12. Young & Pratt Austin, Texas	221,382.00	24,000.00	15,543.00	
13. Natkin & Co. Houston, Texas	227,440.00	22,000.00	17,900.00	

	Bid No. 3 Included for Tunnel <u>5,000.00</u>	Bid No. 4 Comb. Bids 2 & 3 <u>297,740.00</u>	Bid No. 4 Included for Tunnel <u>28,000.00</u>	Alt. No. HV-1 Comb. Bids 2 & 3 <u>14,000.00</u>
1. Mechanical Contractor* Beals Plbg. & Htg.		297,740.00	28,000.00	14,000.00
2. J. M. Boyer		297,619.00	32,000.00	16,839.00
3. R. O. Davis, Inc.		353,053.00	29,500.00	18,164.00
4. Fox-Schmidt	854.00			
5. A. J. Monier & Co.		324,689.00	25,000.00	14,500.00
6. Porter Plbg. & Htg. Co.		344,500.00	29,000.00	15,200.00
7. C. G. Puryear	5,200.00			
8. Strandtman Air Cond.				
9. Todd-Ford, Ltd.	3,114.00	316,568.00	27,248.00	15,673.00
10. V. R. Wattinger	5,050.00			
11. Way Engineering Co.		305,747.00	27,000.00	15,543.00
12. Young & Pratt		314,158.00	27,180.00	17,900.00
13. Natkin & Co.				

\*Bidder's Bond: All 5%

Electrical and Elevator Contractors	Included for Tunnel	Bid No. 5 Electrical	Alt. No. E-1	Alt. No. E-2	Bid No. 6 Pass. Elevator
			Electrical	Electrical	
Eugene Ashe Electric Co.* Fort Worth, Texas	1,060.00	253,280.00	418.00	-48,500.00	
Cummins Electric* Austin, Texas	900.00	257,810.00	400.00	-48,950.00	
Fox-Schmidt Austin, Texas	1,839.00	288,409.00	465.00	-58,366.00	
Grimes Electric Co.* Austin, Texas	1,750.00	257,858.00	400.00	-58,000.00	
W. K. Jennings* Austin, Texas	1,700.00	252,000.00	316.00	-55,000.00	
Dean Johnston Electric Co.* Austin, Texas	3,695.00	259,348.00	158.00	-49,377.00	
Smith Electric Co.* Austin, Texas	327.00	247,871.00	250.00	-53,827.00	
B. F. Johnson** Waco, Texas					33,700.00
Hunter Hayes Elevator Co.* Austin, Texas					32,980.00
Otis Elevator Co.*** Dallas, Texas					33,036.00

Laboratory Equipment	Bid No. 7 Base Proposal	Bidder's Bond
The Abel Stationers Austin, Texas	117,114.70	5%
American Desk Mfg. Co. Temple, Texas	96,500.00	\$ 5,000.00
Hamilton Manufacturing Co. Two Rivers, Wisconsin	103,241.00	\$ 5,200.00
W. C. Hixson Co. Dallas, Texas	107,383.00	5%
Laboratory Furn. Co., Inc. Mineola, New York	103,960.00	\$12,500.00
Metalab Equipment Co. Hicksville, Long Island, New York	99,143.00	\$ 5,000.00
E. H. Sheldon Equipment Co. c/o Joseph D. Moffitt, Inc. Houston, Texas	108,261.00	\$ 5,500.00 (check)

\* Bidder's Bond: 5%  
 \*\* Bidder's Bond: \$1,700.00  
 \*\*\* No Bidder's Bond

TABULATION OF BIDS  
POWER PLANT ADDITION  
MAIN UNIVERSITY, AUSTIN, TEXAS

5-29-58

Opened:  
April 24, 1958

Time:  
2:00 p. m.

Contractor	Base Proposal	Alt. 1 Paving, curbs Gutters (add)	Alt. 2 Glazed Tile (add)
1. W. D. Anderson Austin, Texas	341,945.00	11,800.00	5,000.00
2. J. C. Evans Austin, Texas	331,777.00	10,430.00	6,130.00
3. Eitze-Kitchens Austin, Texas	339,963.00	22,400.00	4,500.00
4. Shurr Const. Co. Austin, Texas	339,700.00	11,800.00	6,950.00
5. Yarbrough Const. Co. Austin, Texas	336,171.00	11,000.00	4,900.00

Contractor	Alt. 3 Utility Extension (add)	Date of Completion	Bidder's Bond
1.	8,000.00	3/13/59	5%
2.	6,060.00	3/15/59	5%
3.	5,850.00	As Spec.	5%
4.	6,000.00	3/15/59	5%
5.	6,000.00	3/15/59	5%