

MINUTES OF THE REGULAR MEETING
 BOARD OF REGENTS OF THE UNIVERSITY OF OKLAHOMA
 THURSDAY, JANUARY 14, 1954 - 10:00 A.M.

A regular meeting of the Board of Regents of the University of Oklahoma was held in the office of the President of the University, at Norman, on Thursday, January 14, 1954, at 10:00 a.m.

The following members were present: Regent T. R. Benedum, President, presiding; Regents Short, Morgan, Little, Grisso, McBride, and Foster.

Regent Grisso requested that the minutes of the meeting held on December 10, 1953, be corrected to show that Item 1 of the "CONCLUSIONS AND RECOMMENDATIONS" of the Regents Investment Committee was approved by the Regents (see page 4758), and that this be included in the minutes. A copy of this item follows: "1. That the Investment Committee of the University promptly submit to the Regents a form for periodic reports, the report to have sufficient information to enable the Regents to make an intelligent appraisal from the information set in it."

The Secretary was directed to correct the December 10 minutes accordingly.

With the above correction the minutes of December 10, 1953, were approved.

The following personnel recommendations by President Cross were approved on motion by Regent McBride:

FACULTY

APPOINTMENTS:

John Dennis Laflin, Instructor in Accounting, Department of Finance, \$750 for $4\frac{1}{2}$ months, January 16, 1954, 1/2 time.

Harold B. Wenzel, Instructor in Civil Engineering, \$800 for 4 months, February 1, 1954, 1/3 time.

Brown Mackin, Instructor in Mathematics, \$900 for $4\frac{1}{2}$ months, January 16, 1954, 1/2 time. Originally appointed for 1st semester only.

Avis C. Slater, Special Instructor in Mathematics, \$800 for $4\frac{1}{2}$ months, January 16, 1954, 1/2 time. Originally appointed for 1st semester only.

Francis Mark Townsend, Special Instructor in Chemical Engineering, \$1,125 for $4\frac{1}{2}$ months, January 16, 1954, 1/2 time. Originally appointed for 1st semester only.

Gladys Dart, Teaching Assistant in Chemistry, \$1,200 for $4\frac{1}{2}$ months, January 16, 1954.

January 14, 1954

4770

CHANGE:

Sara Keck Foreman, Instructor in Education, salary increased from the rate of \$3,600 to the rate of \$3,832.50 for 9 months, retroactive to September 1, 1953.

GRADUATE ASSISTANT

APPOINTMENT:

Edward Eland Burke, Department of Zoology, \$533.32 for 4 months, February 1, 1954.

SCHOLARSHIP:

Aaron C. Little, Jr., California Company Scholarship in Civil Engineering, \$50 per month for 4½ months, January 16, 1954.

FELLOWSHIP:

James H. Chamness, Universal Oil Products Fellowship in Chemical Engineering, \$50 per month for 5 months, January 1, 1954.

NON-ACADEMIC

APPOINTMENTS:

Dan E. Guyer, Sanitarian, Student Health Service, rate of \$4,800 for 12 months, December 16, 1953.

Richard Krug, Traveling Consultant in Audiology, Speech and Hearing Clinic, salary paid by Crippled Children's Commission, October 1, 1953.

CHANGES:

Ted R. Lane, I.B.M. Tabulating Machine Operator, Machine Accounting Service, salary increased from the rate of \$3,600 to the rate of \$3,900 for 12 months, January 1, 1954.

Nartha Mae Newell, Assistant to the Counselor of Women, Executive Director of YWCA, salary increased from \$3,660 to \$4,000 for 10 months to July 1, 1954. Salary increase retroactive to September 1, 1953.

RESIGNATION:

Fred H. Grove, Public Relations Assistant, Senior, Department of Public Relations, January 5, 1954. To enter full time professional writing.

SCHOOL OF MEDICINE AND UNIVERSITY HOSPITALS

LEAVES OF ABSENCE: (cont. on next page)

January 14, 1954

4771

Paul M. Obert, M.D., Assistant Professor of Pathology, military leave of absence, October 1, 1953.

Rheba Huff Edwards, M.D., Instructor in Medicine, leave of absence without pay, September 1, 1953 to March 1, 1954.

Harlan K. Sowell, M.D., Instructor in Anesthesiology, return from indefinite leave of absence because of illness, December 16, 1953.

APPOINTMENTS:

Ramwal Caputto, M.D., Instructor in Research Biochemistry, no salary, November 30, 1953, 1/2 time.

Brock R. Westbrook, M.D., Chief Resident and Clinical Assistant in Obstetrics and Gynecology, \$125 per month for 12 months, November 1, 1953, 1/2 time. To be paid from the National Fund for Medical Education.

Paul W. Goas, M.D., Clinical Assistant in Oral Surgery, clinical rates, November 18, 1953, 1/2 time.

Sam N. Musallam, M.D., Clinical Assistant in Medicine, clinical rates, December 4, 1953, 1/2 time.

RESIGNATIONS:

Paul P. Webb, M.D., Assistant Professor of Physiology, December 31, 1953. To devote full time to research.

Arthur A. Hallams, M.D., Attending Psychiatrist, October 31, 1953. Private practice.

The Agenda listed reports from the following special Regents' Committees:

"Committee on Insurance: Regents Foster, Little, Short." Deferred until later in the meeting since Regent Foster was delayed in arriving at the meeting.

"Committee on Purchasing: Regents Benedum, Short, McBride." Deferred until afternoon.

"Committee on Investments: Grisso." Regent Grisso submitted a "Supplementary Report on Investments of Will Rogers Fund by Regents' Committee, January 4, 1954"; the report being as follows:

"LIST OF PRINCIPLES FOR INVESTMENTS OF WILL ROGERS FUND

"1. Diversification:

EXHIBIT 'A'

To reduce the risk of loss a good working rule would be not to invest more than twenty percent of funds in any one industry, nor more than five percent of funds in any one company.

"2. Dispersion:

No one class or type of security is relied upon.

"3. Balance:

A definite ratio between stocks and bonds should be maintained. At present this ratio should be fifty percent in each.

"4. Continuous Investment:

The assets are invested at all times, except for a small cash fund suitable for taking up additional bond or stock subscriptions.

"5. High Quality in Securities:

In common stocks this means ratings of BB, or its equivalent, in the industries commonly known as 'defensive' or 'growth' situations. In bonds it means securities rated A or better, and Eaa or better for convertible issues. In the case of preferred stocks it would mean a rating of BB or better.

"SUGGESTED DIVERSIFICATION FOR INVESTMENTS IN STOCKS
COMMON OR PREFERRED

EXHIBIT 'B'

| <u>"PERCENT OF PORTFOLIO</u> | <u>"INDUSTRY</u> |
|----------------------------------|---------------------------|
| 20 | Fire & Casualty |
| 10 | Banking |
| 15 | Electric Power & Light |
| 5 | Rails |
| 20 | Petroleum and Natural Gas |
| 5 | Chemical |
| 5 | Ethical Drugs |
| 10 | Consumer Finance |
| 8 | Retail Merchandise |
| <u>2</u> | Cash Reserve |
| 100 | |

"CONCLUSIONS AND RECOMMENDATIONS

- "1. That the Investment Committee of the University promptly submit to the Regents a form for periodic reports, the report to have sufficient information to enable the Regents to make an intelligent appraisal from the information set in it; and select a suitable time or times for the report to be made and reviewed.
- "2. That the Board of Regents adopt as an investment policy for the Will Rogers Fund the list of principles set out in Exhibit 'A'.
- "3. That the diversification by industries set out in Exhibit 'B' be adopted.
- "4. That the investment policy of the Regents with regard to the Will Rogers Fund be that a cash reserve of two percent be maintained, that 98% of the funds be invested one-half in bonds and one-half in common or preferred stocks and that when by price changes or otherwise there is a departure from this balance of ten percent, it be corrected by sales and purchases.
- "5. That from the capital gains now and to be realized, a sufficient sum not to exceed \$1,000.00 be treated as income, if necessary, for the Board of Control to carry out its present program for the current year. Other capital gains should be added to the principal of the fund.
- "6. That the Board of Control be instructed to make the sales and purchases to cause the fund to conform to the investment policy within a reasonable time and it is suggested that four months should be enough time.
- "7. That in the selection of bonds, consideration be given also to the time of maturity in order that maturities may be staggered.

/s/ W. D. Grisso"

Regent Grisso moved adoption of the report. He stated he would make another recommendation, No. 8, when Nos. 1 to 7 have been acted upon.

Regent McBride called for the question on the seven items listed.

The motion to adopt the report was unanimously approved.

Regent Grisso presented the following recommendation as No. 8: "That consideration be given to the investment of some money, if other requirements are met, in Oklahoma enterprises." Mr. Grisso mentioned several industries as examples but stated he did not want to restrict the Board of Control in making its recommendations for investment of funds. He explained further that the above recommendations do not change the functions of the Board of Control but suggest a guide or policy on investments.

Mr. Grisso's recommendation on No. 8 was adopted.

January 14, 1954

4774

It was the consensus of the Regents that an appropriate resolution, or letter be sent to the Board of Control of the Will Rogers Memorial Foundation expressing the appreciation of the Regents for the fine work that has been done in administering the fund since it was established in 1939.

President Cross called attention to the memorandum from Boyd Gunning, Chairman of the University Investment Committee, a copy of which follows:

TO: PRESIDENT G. L. CROSS
FROM: Investment Committee
DATE: January 5, 1954
RE: Principles of Investment

"The Investment Committee recommends the following statement of principles be used as a general policy on the investment of University Endowment funds. The committee further recommends that funds holding investments substantially different from those defined by such principles be adjusted gradually over a period of time as it is economically feasible to do so.

- "1. Diversification To reduce the risk of loss a good working rule would be not to invest more than twenty percent of funds in any one industry, nor more than five percent of funds in any one company.
- "2. Dispersion No one class or type of security is relied upon.
- "3. Balance In support of (2) dispersion, a definite ratio between common stocks and fixed-income securities should be maintained. At present this ratio might be not less than forty percent in either category.
- "4. Continuous Investment The assets are invested at all times, except for a small cash fund suitable for taking up additional bond or stock subscriptions. There is no 'waiting on the sidelines for more favorable opportunities.'
- "5. High Quality in Securities In common stocks this means ratings of BB, or its equivalent, in the industries commonly known as 'defensive' or 'growth' situations. In bonds it means securities rated A or better, and Baa or better for convertible issues. In the case of preferred stocks it would mean a rating of BB or better.

/s/ R. Boyd Gunning
R. BOYD GUNNING, Chairman
Investment Committee"

Action: The memorandum was received, discussed and filed.

President Cross recommended confirmation of the mail vote under date of December 21, 1953 on the investment of Will Rogers Memorial Scholarship Funds as recommended by the Board of Control, as follows:

January 14, 1954

4775

| FITCH RATING | BOND | YIELD TO MATURITY | TIMES 1952 | INTEREST EARNED 1953 | LATE PRICE & YIELD |
|--------------|--|--------------------------|------------|----------------------|----------------------------|
| BBB | Gen. Ind. Loan $4\frac{1}{2}$ 73 Call $104\frac{1}{2}$ | 3.80 @ 103-5 | 3.30 | 3.15 6 mo. | 104 3.76% |
| AA | Pac. Tel. & Tel. 4s 84 Call 105.7 | 3.72 @ 105 $\frac{1}{2}$ | 4.77 | 4.96 6 mo. | 107 $\frac{5}{8}$ 3.32% |
| BBB | Southern Prods. $3\frac{3}{4}$ s 67 Call $102\frac{3}{4}$ CONV. to common @ 35-5 | 4.33 @ 94 Com. new? | 3.07 | | 94 4.35% |
| A | Westinghouse Air Brake $3\frac{7}{8}$ 78 Call S.F. 100; Reg. 103-3. | 3.89 @ 99-7 | | | 99-7 3.89% |

Three U. S. Series G. Bonds, (749556 - 7 - 8) \$5,000 each which matured on December 1, 1953, have been cashed.

On motion by Regent Grisso the recommendation was approved.

President Cross read a letter from Walter W. Kraft expressing his appreciation to the Regents for the authorization of the life-time pass to athletic events at the December 10, 1953 meeting.

President Cross reported, due to the absence of Mr. Wilkinson, he had not received recommendations concerning renewal of contracts for assistant coaches whose contracts expired on December 31. He recommended that the contracts be extended pending receipt of a recommendation from Mr. Wilkinson.

Regent Little moved, and it was voted to approve the recommendation.

President Cross discussed various aspects of the Athletic Department, including the Orange Bowl game, the reports concerning Bud Wilkinson's offer by the University of Minnesota, renewal of contracts for coaches, concessions at the home games, etc. He stated he would make a full financial report on the Orange Bowl game and the concessions to the Regents by mail.

Recess for luncheon in the Union Building at 12:00. The following representatives of the University Senate were guests at the luncheon:

Joseph Pray, Chairman of the Senate
 Clyde Farrar, Chairman of the Committee on Faculty Personnel
 Eugene Ravinger, Chairman of the Committee on University Organization,
 Budget, and Publications

January 14, 1954

4776

Paul David, Chairman of the Committee on Teaching and Research
Rufus Hall, Chairman of the Committee on Courses and Curricula
Laverne A. Comp, Chairman of the Committee on Student and Public Relations
John B. Bruce, Chairman of the Committee on Academic Standards

Dr. Pray made a report on the organization and functions of the University Senate, and the respective chairmen reported on functions of their committees.

The meeting was resumed at 1:40 in the President's office.

President Cross distributed copies of a report on the football broadcasts during the 1953 season. Following is a financial statement:

Income

| | | |
|------------------------------|-----------|-------------|
| Texas Company contract | \$3,000 | |
| Sale of radio rights by WYAD | 8,659.27* | \$11,659.27 |

Expense

| | | |
|---|-------------------|------------|
| Payments to Kansas, Colorado and Iowa State | 1,757.25 | |
| Administrative Expense | 512.66 | |
| Secretarial and clerical | 116.66 | |
| Engineering | 155.66 | |
| Telephone, telegraph and postage | 92.25 | |
| Line charges and other technical expenses | 219.20 | |
| | <u>\$2,847.63</u> | 2,847.63 |
| Excess of income over expense | | \$8,811.59 |

*Includes accounts receivable from radio stations.

It was the consensus of the Regents that preliminary letters be sent out inviting proposals for the 1954 broadcasts, that the proposals, when received, be considered on their merits. It was also agreed that Regent Short be appointed to represent the Regents to work with Roscoe Cate on the matter of broadcasting the 1954 football games.

President Cross reported that of the 500 temporary housing units in Seconer City (Pre-fabs), approximately 170 of the one-bedroom units are now unoccupied. Under present-day conditions, the small units are not very desirable, because of their minimum size (16 x 16 feet of total floor space). Such units are expensive to maintain in usable condition, and it would seem to be good business to dispose of those that are likely to remain unoccupied.

January 14, 1954

4777

President Cross recommended that the Regents authorize advertising for bids for sale of 170 of the small housing units in Sooner City.

Regent Morgan moved, and it was unanimously voted to approve the recommendation, with the provision to sell, one, more than one, or all of the units.

President Cross called attention to Mr. Cate's memorandum concerning Parkview Apartments under date of January 8, 1954. A copy of the memorandum follows:

"The Federal Housing Administration has indicated its intent to advertise for competitive bids for sale of the Parkview Apartments, a 244-unit housing project on Lindsey Street, across the street south from the east portion of the old University golf course.

"Description of property

"The property includes 39 two-story buildings containing 244 two-bedroom apartments (total of 1,098 rooms), 132 electric refrigerators, 132 kitchen stoves, complete furnishings for 40 apartments, streets, walks, parking lots, water and gas distribution systems, and sanitary sewer system. Apartments are equipped with gas space heaters, hot water heaters, and venetian blinds.

"Construction

"Concrete foundation, pumice block exterior walls with gunito finish, asphalt tile floors, built-up roofing.

"Need for the property

"Acquisition of this property by the University would be most timely because:

- "a) The 500 emergency housing units in Sooner City, constructed in 1946, are rapidly becoming very expensive to maintain, and less and less acceptable as living quarters for married students (the 300 single units are particularly undesirable by present-day standards because of their smallness).
- "b) The last of the 1946 bonds which financed Sooner City should be retired during the spring semester, making it legally possible for the University to dispose of the prefabs.
- "c) About 330 of the prefabs are now occupied, indicating that the summer of 1954 would be an ideal time to discontinue the emergency housing in Sooner City and provide permanent housing for married students and temporary faculty members in a project such as Parkview.

- "d) Furnishings now in use in the prefabs probably could be used to complete the furnishing of all the Parkview Apartments.

"The Niemann Apartments (96 one-bedroom units) and the Logan Apartments (24 units available on a scholarship basis) are the only permanent apartment facilities for students and temporary faculty members that are controlled by the University. Addition of Parkview would increase the total to 364. Present occupancy in Sooner City, Logan Apartments and Niemann Apartments is 450 and there is a waiting list for two-bedroom apartments.

"Even in 1939-40, before World War II, more than 500 married students were enrolled in the University. This semester there are more than 1,536 married students enrolled. It appears reasonable to expect the number of married students, and the number of single graduate students (who are permitted to live in apartments) will steadily increase in the years ahead.

"Past experience indicates that the supply of low-cost rental housing for married students and temporary faculty members made available by private property owners in Norman fluctuates greatly and cannot be depended upon to meet student needs.

"Discontinuance of the Sooner City housing without replacing the 200 double units with other units controlled by the University very likely would cause strong criticism from students.

"Sale Procedures

"Preliminary information obtained from the Oklahoma City and Washington offices of the FHA indicates:

"1. Advertisement for bids probably will be issued about the middle of January, with the closing date about the middle of February.

"2. The FHA cannot legally negotiate a sale, even with a state agency, unless no acceptable bid is received in the public sale.

"3. Some eight or ten possible bidders have visited the FHA offices for information following publication several weeks ago of a preliminary announcement that Parkview might be offered for sale.

"Price

"The Parkview project is understood to have cost at least \$2,000,000 when constructed in 1949. The construction cost index for this area has risen since then from 203.7 to 239.8. The FHA mortgage on the property as of June 1, 1950, amounted to \$1,858,000.

"The FHA has announced that the minimum price it will accept for the property now is \$1,100,000, of which at least \$50,000 must be in cash, with a maximum mortgage of \$1,050,000 amortized in 471 monthly payments.

January 14, 1954

4779

"The minimum price amounts to only \$4,508 per apartment unit, including the land, site improvements, utility lines and the furnishings described above.

"Operating Program

"An analysis of debt service requirements for a \$1,050,000 ~~and~~ mortgage, and estimated operating costs, indicates that the University could break even on 75% occupancy, with a rental rate schedule somewhat lower than present rates.

"The University would have the following operating advantages as compared to a private owner:

"a) The University could make a substantial saving in water costs by connecting with the University's own water production and distribution system;

"b) A substantial amount could be saved on fire and extended coverage insurance by bringing the project into the city limits (which a private owner probably could not afford to do because of liability for city taxes);

"c) The University would not be subject to ad valorem taxes, as would a private owner;

"d) The University has a staff experienced in housing administration on a large scale, and would not have to incur so much out-of-pocket expense for management;

"e) The University's physical plant department could provide building maintenance at minimum cost;

"f) Because of lower operating expense, the University could rent apartments at lower rates;

"g) Vacancies would be filled through the University's housing office without necessity of employing the services of a rental agency;

"h) The University would not be dependent upon Navy personnel for tenants to the same extent as would a private owner, and therefore would not run the risk of trouble if and when the Naval Air Technical Training Center adjoining the University campus is discontinued;

"i) A private purchaser would be handicapped in obtaining full occupancy as long as the University continues to operate its Seamer City housing units. The University probably will have to continue operating the 200 two-bedroom units indefinitely unless it can provide permanent facilities to replace them.

"Possibilities for purchase by University

"(1) The University Regents could bid the minimum price (\$50,000 cash and \$1,050,000 mortgage) in the advertised sale, and hope that no higher bid would be received. The \$50,000 could be made available from the University Book Exchange building reserve fund which was accumulated during the period of large veteran enrolment and which proved to be much in excess of the amount needed to furnish and equip the new book store in the Union.

"(2) The University could seek additional unobligated funds from reserves of other auxiliaries and bid more than \$50,000 cash.

"(3) The Regents could submit a bid in their capacity as Board of Directors of the University of Oklahoma Housing Authority. The Housing Authority bid might be a proposal to pay \$1,100,000 (or more) all in cash for the property, this amount to be raised by issuing Housing Authority bonds. Such an all-cash bid would give the University preference over a bidder who offered the same total price but included the \$1,050,000 mortgage in his bid, according to the Washington office of FHA.

"OPERATING PROGRAM FOR PARKVIEW APARTMENTS
(Assuming 40-year amortization of \$1,100,000 bond issue)

January 8, 1954

"Estimated Annual Income

| | | |
|----------------------------------|---------------|------------------|
| 44 apartments @ \$52.50 | \$27,720 | |
| 123 apartments @ 55.00 | 61,180 | |
| 37 apartments @ 57.50 | 25,530 | |
| 40 apartments @ 62.50 | <u>30,000</u> | \$164,430 |
| Less 20% allowance for vacancies | | <u>32,886</u> |
| | | <u>\$131,544</u> |

"Estimated Expense

| | | |
|--------------------------|--------------|------------------|
| Debt service | 55,576 | |
| Insurance | 4,500 | |
| Water | 4,000 | |
| Electricity | 750 | |
| Salaries and wages | 7,200 | |
| Maintenance repairs | 20,000 | |
| Reserve for replacements | 11,980 | |
| Grounds upkeep | 4,800 | |
| Disposal of refuse | <u>2,400</u> | <u>\$111,206</u> |

"Excess Income over Expense \$ 20,338

"Coverage is approximately 1.18 times expense and debt service.

January 14, 1954

4761

RECOMMENDATION:

"That the Regents be requested to authorize the business vice-president to investigate possibilities for financing acquisition of Parkview, either by bond issue or otherwise, and report prior to the February meeting of the Board."

It was moved and voted to approve the recommendation. Regent Grisso voted NO. He is opposed to the University taking over the apartments thereby taking the property off the tax rolls.

President Cross included in the Agenda a copy of a communication from Mrs. Paul Updegraff, President of the Oklahoma Association of Garden Clubs, and reported on a conference with her. He stated the National Council of Garden Clubs, now located in New York, is contemplating building a permanent home for its offices, and Mrs. Updegraff inquired relative to a building site and temporary office space until the permanent home is completed. President Cross stated there is ample space on the North Campus for temporary office space and that a long-time lease for a tract of land for a permanent building may be worked out.

President Cross recommended that the Regents approve the general idea, and that he be authorized to tell Mrs. Updegraff and the National Officers that the Business Manager is authorized to draw up a contract covering this project.

On motion by Regent Foster the recommendation was unanimously approved.

President Cross reported seven bids were received on January 7 on fluid milk products for the Norman Campus of the University for the period February 1 through August 31. The total amounts bid on the specified quantity estimates, and unit prices bid for 1/2 pints of Grade A homogenized milk, are as follows:

| | <u>Total</u> | <u>1/2 Pints Milk</u> |
|--|--------------|-----------------------|
| Johnson Dairy, Norman | \$27,433.00 | \$.06 |
| Gilt Edge Dairy, Norman | 27,433.00 | .06 |
| Hansen & Atlee, Oklahoma City | 25,349.80 | .0545 |
| Borden Co., Oklahoma City | 25,423.50 | .055 |
| Townley's Dairy, Oklahoma City | 24,917.40* | .054* |
| De Coursey Co., Oklahoma City | 24,274.80 | .0523 |
| #Central Dairy Products Co., Oklahoma City | 20,775.00 | .045 |

*Assuming 10% discount provided for in bid would be earned.

#Bid includes "chocolate drink" containing 2% butterfat, rather than "chocolate milk, Grade A", which would require 3.5% butterfat.

January 14, 1954

4782

President Cross recommended that the low bid for fluid milk products submitted by Central Dairy Products Company be accepted, subject to

- a) inspection and approval of bidder's plant and milk handling practices by a representative of the University's Student Health Service prior to formal award of contract
- b) evidence that bidder has permit to sell milk in Norman
- c) delivery of satisfactory performance bond in accordance with bid specifications.

The recommendation was approved on motion by Regent Foster.

President Cross called attention to Item 10 in the Agenda - "Survivor's Rights and Benefits for Military Students" - a copy of which follows:

"As a consequence of last summer's tragedy, in which twenty-three University of Oklahoma students lost their lives while on NROTC summer duty, Colonel R. L. Denig, Professor of Naval Science, has investigated the matter of 'Survivors' Benefits' and has brought to the attention of the President the fact that Contract NROTC students are not eligible, as Regular NROTC students are, for servicemen's indemnity.

"A letter of October 20, 1953, from the Judge Advocate General to Colonel Denig reads in part as follows:

"2. The Naval Reserve Officers' Training Corps was established under the authority of the Act of March 4, 1925 (43 Stat. 1276) as amended, (34 U.S.C. 821). This Act specifically provided that members of the Corps disabled from injury, illness, or disease occurring in line of duty while traveling to or from, or while participating in, an authorized practice cruise are entitled to necessary:

- a. hospitalization and rehospitalization;
- b. medical and surgical care and treatment in a hospital or at his home; and
- c. transportation and subsistence incident to such hospitalization and treatment and to his home upon discharge therefrom.

Hospitalization, care, and treatment shall extend until the disability cannot be materially improved.

"3. Sections 2 and 3(c) of the Act of April 20, 1940, as amended, (34 U.S.C. 925, 926(c)) provide that members of the NROTC who die while participating in an authorized practice cruise or performing authorized travel to or from such a cruise, or while hospitalized or undergoing treatment in

accordance with paragraph 2 above, are allowed "funeral expenses". This allowance is limited to expenses incident to

- (a) recovery of the body;
- (b) cremation of the body at the request of the relatives;
- (c) preparation of the body for burial;
- (d) transportation of the body to the home of the deceased or to a national or other cemetery designated by proper authority; and
- (e) interment.

"4. Except for active duty pay and travel allowances, the benefits indicated in paragraphs 2 and 3 above are the only rights and benefits to which NROTC members, as such, are entitled while participating in authorized practice cruises regardless of the duration of the training period.

"5. The Act of August 13, 1946 (60 Stat. 1057), as amended, (34 U.S.C. 1020), supplemented the act of 1925, *supra*, and authorized the establishment of a Naval and Marine Corps officer candidate training program. The Secretary of the Navy was given the authority to enroll members of the NROTC in the supplemental program and appoint those selected as midshipmen in the Naval Reserve. Students attached to the NROTC are not ipso facto members of the U. S. Naval Reserve. (C.M.O. 5-1951-149). Those students selected for training under the program established by the Act of 1946, *supra*, acquire reserve status under the provisions of the Act, and are commonly referred to as "Regular" NROTC students. Those not so selected, retain their former status and are commonly referred to as "Contract" NROTC students.

"6. The 1946 Act confers no medical or death benefits. The benefits detailed in paragraphs 2 and 3 above are available to all NROTC students, Contract or Regular. However, the Regular NROTC students, by virtue of their designation as "midshipmen in the Naval Reserve" may qualify for the benefits afforded members of the U. S. Naval Reserve by other provisions of law, (i.e., servicemen's indemnity, death gratuity, pension, retirement pay, hospitalization with pay and allowances and federal civilian employees' compensation benefits).

"7. Inasmuch as Contract NROTC students are not members of the U. S. Naval Reserve, they are not entitled to the additional benefits granted the Regular NROTC students, and are limited to the rights and benefits detailed in paragraphs 2 and 3 above."

"The following points seem clear:

"1. The only type of applicable benefit which is now available to Regular NROTC students, but not to Contract students, would be the servicemen's indemnity, amounting to a payment of \$10,000 to the family, or next of kin. The death gratuity providing six months' pay to the wife,

January 14, 1954

4764

would, of course, not be applicable to Contract students since they are, by definition, unmarried. Pension and retirement pay obviously would not apply to them and hospitalization is already included in their benefits.

"2. The present law which makes the servicemen's indemnity available to the survivors of a Regular student, but not to the survivors of a Contract student, seems patently inequitable. It creates the possibility that when two men lose their lives doing precisely the same work, under precisely the same conditions, the survivor's benefits may be altogether different.

"3. As it happened, all the men who lost their lives in the tragedy of last summer were Regular ROTC students. If some of them had been Contract students and others Regular students, the University might have been in a difficult position.

"4. According to Colonel Denig, Colonel Goodhart and Colonel Thelen have discovered that the same inequity exists in the Air Force and the Army.

"5. These circumstances are due not to military policy but to provisions in various Acts of Congress.

"Since the University offers ROTC training as a regular part of its program for its students and thereby more or less encourages them to enroll in one of the ROTC units, the University is under some obligation to protect the interests of the students while they are on summer duty, as well as while they are on the campus.

"The President, therefore, brings this situation to the attention of the Regents and suggests that they may wish to consider taking up with members of our Congressional delegation in Congress the feasibility of amending the pertinent Acts of Congress so that ROTC students on summer duty may have the same protection as regular servicemen."

President Cross recommended that he be directed to write on behalf of the Regents to the Oklahoma representatives in Congress, urging that the discrepancies be remedied.

On motion by Regent Grisso the recommendation was unanimously approved.

Regent Benedict stated he will see Congressman Jarman within the next few days and will take the matter up with him.

President Cross presented the following resolution by the Student Senate passed on December 17, 1953:

WHEREAS: As it stands now, the students at the University of Oklahoma may receive an athletic holiday for winning a major sporting championship - basketball or football.

January 14, 1954

4785

WHEREAS: This provision does not always insure the two annual holidays which are provided for in the setting up of the yearly calendar by University authorities.

WHEREAS: There are many occasions on which University students feel a holiday due.

WHEREAS: If the right to grant holidays at any desirable time was delegated to the Student Senate as a representative body of the students - more satisfaction could be obtained.

THEREFORE BE IT ENACTED: That the Student Senate shall have the right to grant a maximum of two school holidays throughout each school year - with the approval of the administration.

President Cross stated Dean MacMinn recommends that the action of the Student Senate, allowing the Senate the designation of two holidays each academic year, be approved. His reasoning is that this would make for good will and morale among the students and at the same time establish a policy under which students could not agitate for unscheduled holidays for reasons of caprice or crowd psychology.

He stated he agreed with Dean MacMinn and recommended approval of the proposal with the following conditions or provisos:

1. That the Student Senate not be given final authority to grant a holiday but be given authority to recommend holidays to the University administration.

2. That the students be told through the Student Senate that agitation for additional holidays will lead to withdrawal of this privilege from the Student Senate and to disciplinary action with regard to the agitators.

3. These holidays would be given in lieu of athletic holidays. Regents former policy would be rescinded.

4. That the recommendation of holiday come in at least two weeks before the recommended date, to allow time for adjustment of teaching schedules and the like.

Moved by Regent Morgan to approve the recommendation. Regents McBride and Short voted NO. Motion carried.

See University Senate action of 1-27-69. (Journal)

President Cross recommended authorization to enter into the following contracts for Indoor Track events:

January 29, 1954 - Kansas State College at Manhattan

February 20, 1954 - University of Nebraska at Lincoln

Approved.

January 14, 1954

4786

President Cross recommended confirmation of the mail vote on the following applicants recommended for admission to the 1954 freshman class of the School of Medicine:

| LIST NUMBER | NAME | COUNTY | SCHOOL ATTENDED | PRESCRIBED AVERAGE | GENERAL AVERAGE |
|-------------|------|--------|-----------------|--------------------|-----------------|
|-------------|------|--------|-----------------|--------------------|-----------------|

December 18, 1953 List:

| | | | | | |
|-----|---------------------|------------|------------|------|--------|
| 1. | Daniel, Thomas G. | Blaine | Phillips | 3.00 | 2.93 |
| 2. | Roberts, D. M. | Oklahoma | O. U. | 3.00 | 2.90 W |
| 3. | Hammond, Rupert P. | Cherokee | N.E. State | 3.00 | 2.74 |
| 5. | Conover, Mildred L. | Oklahoma | Tulane | 2.92 | 2.86 |
| 6. | Eottonley, R. H. | Tulsa | O. U. | 2.90 | 2.86 |
| 9. | Bishop, D. W. | Washington | A & M | 2.85 | 2.63 |
| 10. | Keller, D. F. | Oklahoma | O. U. | 2.83 | 2.93 W |
| 11. | Royce, R. D. | Custer | S.W. State | 2.82 | 2.77 |
| 12. | Shepherd, V. J. | Cleveland | O. U. | 2.80 | 2.87 |
| 13. | Neal, Royden W. | Mayes | Phillips | 2.79 | 2.73 W |
| 14. | Shaver, J. O. | Bryan | S.E. State | 2.76 | 2.64 W |
| 26. | Wilson, L. M., Jr. | Oklahoma | O. U. | 2.62 | 2.70 |

December 28, 1953 List:

| | | | | | |
|-----|----------------------|----------|-------------------------------|------|------|
| 28. | Bressie, Jerry Lee | Ottawa | O. U. | 2.61 | 2.65 |
| 33. | Hoke, Bob | Oklahoma | Michigan State | 2.54 | 2.36 |
| 34. | Richard, Robert Max | Ellis | Wisconsin U. | 2.51 | 2.59 |
| 41. | Kunkel, James A. | Oklahoma | Westminster Col. | 2.40 | 2.38 |
| 48. | Holloway, Harry C. | Oklahoma | St. Louis Univ. | 2.32 | 2.35 |
| 63. | Atchison, Richard B. | Kiowa | Fresno St. Col. California | 2.12 | 1.90 |
| 79. | Hoffmeister, William | Tulsa | Westminster Col. | 1.98 | 2.00 |
| 74. | Naughton, Jno. P. | Comanche | St. Louis Univ. | 2.00 | 2.04 |

December 31, 1953 List:

| | | | | | |
|------|---------------------|--------------|-----------------|------|--------|
| 15. | Grisham, Richard S. | McCain | O. U. | 2.74 | 2.73 |
| 16. | Tatom, John H. | Tillman | O. U. | 2.73 | 2.81 |
| 18. | Rohrer, George V. | Harper | A & M | 2.71 | 2.77 |
| 19. | Calhoun, Harold W. | Beaver | N. W. State | 2.70 | 2.78 |
| 21. | Williams, James S. | Oklahoma | O. U. | 2.68 | 2.64 |
| 86. | Marble, Wm. James | Greer | Haverford (Pa.) | 1.93 | 2.40 |
| 90. | Burgett, Robert E. | Oklahoma | Yale | 1.90 | 1.90 |
| 94. | Fenster, David M. | Oklahoma | Yale | 1.85 | 1.84 |
| 109. | Erickmer, T. J. | Tulsa | Purdue | 1.62 | 1.71 W |
| 121. | Arndt, Jerome H. | Pottawatomie | Minnesota Univ. | 1.52 | 1.55 |

President Cross reported the following applicants were recommended for acceptance by the Admissions Board following a meeting on January 8, 1954:

January 14, 1954

4787

Applications Accepted: 11

| LIST NUMBER | NAME | COUNTY | SCHOOL ATTENDED | PREScribed AV. | GENERAL AV. | HRS. | HRS. |
|-------------|-----------------------|-------------|-----------------|----------------|-------------|------|------|
| 20. | Stakle, Sylvia | Payne | Okl. A & M | 2.70 | 2.39 | 37 | 68 |
| 22. | Coffey, Clinton M. | Roger Mills | O. U. | 2.68 | 2.64 | 44 | 85 |
| 23. | Cooper, Frank Harry | Ottawa | O. U. | 2.65 | 2.63 | 38 | 76 |
| 24. | Messenbaugh, Joseph E | Oklahoma | O. U. | 2.65 | 2.57 | 38 | 61 |
| 25. | Owen, John Roy | Tulsa | O. U. | 2.63 | 2.74 | 36 | 57 |
| 27. | Green, Gregory A. | Seminole | O. U. | 2.62 | 2.78 | 31 | 74 |
| 29. | Buttram, Harold E. | Craig | O. U. | 2.60 | 2.65 | 50 | 128 |
| 31. | Ryder, Judith H. | Cleveland | O. U. | 2.55 | 2.77 | 43 | 124 |
| 35. | Dooley, Robert T. | Stephens | O. U. | 2.51 | 2.50 | 29 | 62 |
| 37. | Mote, Wesley Robert | Carter | O. U. | 2.45 | 2.30 | 40 | 62 |
| 38. | Nava, Richard R. | Pittsburg | S. W. State | 2.44 | 2.48 | 43 | 72 |

Applications Withdrawn: 3

| | | | |
|-----|----------------------|----------|------------------|
| 10. | Keller, Daniel Floyd | Oklahoma | O. U. |
| 13. | Neal, Royden Wayne | Mayes | Phillips |
| 67. | Brenneman, Austin R. | Tulsa | Washington & Lee |

President Cross recommended approval of the above.

There was considerable discussion on the matter, particularly with reference to the distribution of students from various parts of the state. Regent McBride moved that the students recommended above be accepted. Regent Grisso stated he would approve acceptance of the following six applicants but would vote NO on all others listed:

- No. 12 V. J. Shepherd, Cleveland County
- No. 33 Bob Hoke, Oklahoma County
- No. 121 Jerome H. Arndt, Pottawatomie County
- No. 27 Gregory Albert Green, Seminole County
- No. 24 Joseph Fife Messenbaugh, Oklahoma County
- No. 31 Judith Harcourt Ryder, Cleveland County

The motion to accept the 41 students listed carried.

On motion by Regent McBride it was voted to accept, without mail vote, up to seventy-five (75) of the applicants recommended by the Admissions Board.

It was noted that two students - No. 10, D. F. Keller, and No. 13, Royden W. Neal, of the first list submitted, have withdrawn their applications, leaving a total of thirty-nine (39) approved to date. No. 67, Austin Russell Brenneman of Tulsa County, who did not appear on any of the recommended lists, has withdrawn his application.

January 14, 1954

4738

President Cross informed the Regents a group of dentists in Oklahoma had requested a hearing before the Board to present the need for the establishment of a School of Dentistry in connection with the School of Medicine and asked that they be invited to the meeting. The following were invited and introduced:

Dr. L. D. Wright, Oklahoma City
Dr. F. J. Reichmann, Oklahoma City
Dr. Dean Robertson, Oklahoma City
Dr. Ward Shaffer, Oklahoma City
Dr. Albert Bonnell, Muskogee
Dr. Max Armstrong, Tulsa
Dr. A. L. Frew, Oklahoma City
Dr. Joe Ozman, El Reno
Dr. C. A. Sebert, Clinton
Dr. John Cole, Norman
Dr. Charles D. Kochakian, Oklahoma City
Dr. Rolla Calkin, Guthrie

Dr. Rolla Calkin, of Guthrie, President of the State Dental Association acted as spokesman for the group. He expressed appreciation for the opportunity of a hearing by the Regents, "regarding a matter in which we have a great interest and that is the establishment of a dental school in Oklahoma". He stated the group present represented the State Association and that more than 90% of the dentists of Oklahoma are members of the association. He reported the executive council voted unanimously in favor of a dental school and when established it should be an "A" grade school, and that it should be an integral part of the Medical School.

He stated further,

Oklahoma students are now required to go outside the state for their dental training and in many cases they do not return to the State;

A number of counties of the state have no dentists;

The average age of dentists in Oklahoma is over 55;

The death rate among dentists is higher than the number of young dentists coming into the state;

The educational system would be more complete if we had a dental school and Oklahoma would be proud of it;

It would raise the standard of living because many residents in the low income class could get service through the clinic at low cost;

The junior and senior students might be available for work in some of the mental institutions;

National statistics on the matter indicate a shortage of dentists throughout the country.

January 14, 1954

4739

Dr. Callin stated such a school should accommodate approximately 150 students, with about 35 in each class. He estimated the cost of a building at \$1,375,000 with an annual budget for operation from \$325,000 to \$400,000. There would be income of 35% from tuition and fees, about 25% income in a clinic and it would require approximately 40% appropriations for operation.

Other members of the group made statements on the matter.

Dr. Callin expressed appreciation for the opportunity to present the matter to the Regents.

Regent Benedum thanked the group on behalf of the Regents for taking the time to come to the Regents on this mutual problem. He assured the group the Regents will consider the matter. He stated the money must come to the University from the Legislature through the State Regents, that the Dental Association would have to help with the Legislature to get the money. The Regents will consider it and expressed the hope it may be considered favorably.

The dental group retired from the meeting.

President Cross stated there is a great need for a School of Dentistry. The Legislature would have to provide additional funds because we do not have sufficient funds for our present program.

Following a discussion, Regent McBride made the following motion: "I move that we seek every possible means of establishing a highly accredited dental school in connection with the School of Medicine on the Oklahoma City campus, and endeavor to get sufficient funds for operation of the school.

The motion carried unanimously.

President Cross reported under the terms of the contract for architectural work for the Addition to the Crippled Children's Hospital, the architect (Hudgins, Thompson, Ball and Associates) prepared plans for air conditioning the Addition.

When the original construction contract bids were taken, it was necessary to eliminate the refrigeration units because of insufficient funds, although all of the duct work and other structural facilities for air conditioning were included.

Since the architect's fee was based on a percentage of the actual construction contract, the payments made for architectural services did not include the plans and specifications prepared for the refrigeration units.

The installation of the refrigeration units has now been completed and the architect is entitled to payment of four per cent of the cost of the work (4% of \$34,298.00) to cover fee for plans and specifications used in this project. The fee is four per cent rather than six, since the architect was not required to supervise this project.

January 14, 1954

4790

He recommended that the Regents authorize payment of \$1,371.92 to Hudgins, Thompson, Ball and Associates, for preparation of plans and specifications used in completion of the air conditioning system in the Addition to the Crippled Children's Hospital.

Regent Grisso moved approval of the recommendation. Regent Little asked that he be recorded as voting NO. The motion carried.

Regent Foster, reporting for the special committee on Insurance, submitted a letter from Page Lampkin, Executive Secretary of the Oklahoma Association of Insurance Agents, Inc., under date of December 9, 1953, which is as follows:

"December 9, 1953

"Mr. Emil R. Kraettli, Secretary
Board of Regents
University of Oklahoma
Norman, Oklahoma

"Dear Sir:

"I am writing this letter as Executive Secretary of the Oklahoma Association of Insurance Agents -- an organization with nearly 700 member agencies representing Capital Stock Companies and state-wide in representation. We are strictly in the fire and casualty field.

"For years our Association has been vitally interested in the better education of our membership and staff employees. Although our National Association offers a very satisfactory elementary course of study, we do not limit ourselves to this source only. Our State Association is, therefore, keenly interested in improving educational facilities for our membership and for those young men and women who aspire to a career in insurance work.

"For a good many years the University has provided some courses of study in insurance theory and application. More recently, you have enlarged and intensified this work. We are particularly pleased with the introduction of more advanced courses designed to lead to the C.P.C.U. designation (comparable to the C.P.A. in the accounting field). This is a splendid step and our Association is anxious to aid and promote this work.

"Implementing the work toward the C.P.C.U. designation, Dean Brown has employed Dr. Donald R. Childress. Apparently he is a very high type instructor and we are especially pleased with his work. Unfortunately, however, it appears that his work is being spread out pretty 'thin' -- dividing his time between the life insurance field and the fire, casualty and surety area of the insurance work. But, a fine start has been made. And, it is now timely to consider ways and means of extending the work to make it more and more useful to our industry.

January 14, 1954

4791

"Because of the complexity of modern life itself, the field of fire, casualty and surety insurance has become more and more complicated. Today, it is a highly technical subject. With the savings of people and the resources and assets of businesses depending upon our industry for faithful and effective safeguards, it is apparent that those engaged in insurance work must be thoroughly trained if they are to serve adequately.

"Not only is there a crying need for better preparation of young people for work as agents and company executives but it is equally important to prepare young women especially for clerical, stenographic, accounting, underwriting and claims positions in offices of agencies and companies. Obviously, the need is great -- and the opportunity for service by the University is apparent.

We are aware, of course, that effectively advancing such courses of study requires funds -- money which perhaps your Board may find difficulty in providing. Already, our State Association, Oklahoma City Association and fire and casualty company men (in company with the life insurance agencies of Oklahoma) are providing certain funds in support of the work of Dr. Childress. Now, the Oklahoma Association of Insurance Agents which I represent, solicits the opportunity to still further promote the work of this department.

"In a preliminary conversation with Mr. Roscoe Cate, Vice-President of the University, I discussed the distribution of insurance covering properties and operations of buildings and facilities on which insurance is required. We are aware that the matter of placing this coverage has, at times, become embarrassing, because of pressure from agents all over the state wishing to participate. Although it seems that your local agents have given excellent service to the management of your buildings and facilities, there never-the-less appears to be a continuing demand for recognition by outside agents and companies.

"I have now consulted at length with certain leaders of the State Association about your problem and am authorized to offer a proposition for your consideration.

"We propose to set up a committee of member agents who are thoroughly competent to guide a program of insurance such as your buildings and facilities require. In effect, this committee of our Association would become your agent.

"In turn, we propose to establish a fund out of which to finance such projects as the Association and University might agree upon. It is our plan not to compensate committee members for their services, other than perhaps mileage and meals for committee members not living in Oklahoma City or Norman, and the additional expense of operating the plan.

"As background or historical reference, may we briefly recount the experience of the Board of Education, in Oklahoma City, the City of Oklahoma City and the County of Oklahoma in this general field. These three

January 14, 1954

4792

sub-divisions place all insurance through Oklahoma City Association of Insurance Agents. No member agent receives a thin dime in commissions-- not even the committee members who do the work. Instead, the Association takes all commissions as received by agents and develops a 'Public Business' fund. From this fund the Association distributes approximately \$10,000 for public services -- in school safety education, police department safety and education, fire prevention activities, etc.

"We might add that the local boards of Tulsa, Ada, Bartlesville, Stillwater, Enid and other state cities have developed similar plans. Then, from all over America comes reports of 'board placement' plans in various cities. Thus, you are assured that this plan offered the University is not untried. On the contrary, it has ample precedent -- it is used in dozens of our larger cities -- for that matter, ALL the insurance for the state of Rhode Island is placed through the Rhode Island Association.

"This, in general, is our proposition. May we suggest that you give it your full consideration. Then, at the proper time, a committee of our Association will be pleased to meet with the Board of Regents, or a committee thereof, for more complete discussion of the plan.

Respectfully submitted,

/s/ Page Lampkin

Page Lampkin,
Executive Secretary"

Regent Foster called attention to the specific proposal to establish a fund "to finance such projects as the Association and University might agree upon". He stated it was his understanding the Association would channel all premiums into this fund except the cost of handling the insurance, approximately 35%, leaving about 65%. There is no definite assurance that all this would come to the University, but this is possible.

Regent Foster stated: "It is the recommendation of the committee that this offer be accepted, the details turned over to and worked out by Mr. Cate." He moved that the report and recommendation be adopted.

The motion was unanimously adopted.

Regent McBride moved, and it was voted, that the Committee on Insurance be commended for their work, and also Regent Little for bringing the matter to the attention of the Board.

Regent McBride moved a vote of appreciation to Regent Grisso for his work in connection with the Investment Portfolio of the Will Rogers Memorial Scholarship Fund.

Approved.

January 14, 1954

4793

Committee on Purchasing (Regents Benedum, Short, McBride). Regent Benedum stated the committee was not ready to report, that the matter would come up at the next meeting.

As an item of new business Regent Grisso brought up the matter of the number of votes required to transact business before the Regents. He offered the following motion: "That the rules of order be modified to provide that every member of the seven members of the board vote on every subject."

Regents Morgan and Foster asked that this matter be held over until another time and no vote was had on the motion.

There being no further business the meeting was adjourned at 3:50 p.m.

Emil R. Kraettli, Secretary