

MINUTES OF A REGULAR MEETING  
BOARD OF REGENTS OF THE UNIVERSITY OF OKLAHOMA  
THURSDAY, NOVEMBER 14, 1957 - 10:00 A.M.

The Regents of the University of Oklahoma met in regular session at 10:00 a.m. on Thursday, November 14, 1957 in the office of the President of the University, Norman.

The following were present: Regent Little, President of the Board, presiding; Regents McBride, Grisso, Benedum, Savage, Morgan, Northcutt.  
ABSENT: None.

The minutes of the meeting held on October 10, 1957, were approved.

President Cross read the proclamation by Governor Gary in designating November 16, the final day of the Semi-Centennial Celebration, as University of Oklahoma Day. A copy of the text of the proclamation follows:

PROCLAMATION

WHEREAS, more than 50,000 students have graduated from the University of Oklahoma; and

WHEREAS, the University of Oklahoma's influence is international, thirty-four foreign countries sending scholars there during the present school year; and

WHEREAS, almost one-fourth of all United States' geologists and twenty-one Rhodes scholars have been graduates of the University of Oklahoma; and

WHEREAS, the University's athletic program has greatly enhanced Oklahoma's prestige throughout the nation; and

WHEREAS, on November 16, the Big Red of Oklahoma meet the fighting Irish of Notre Dame at Norman in a nationally telecast football game, a fitting climax to the State's 50th anniversary celebration.

NOW, THEREFORE, I, RAYMOND GARY, Governor of the State of Oklahoma, hereby proclaim November 16 as

UNIVERSITY OF OKLAHOMA DAY

in appreciation for contributions of the past, accomplishments of the present, and the even greater future promise of the University of Oklahoma.

Regent Benedum brought up the matter of a president's home and suggested that some consideration be given for the acquisition of a president's

home some place off the campus. He suggested a committee be appointed to study the problem; also, that some thought be given to the use of the present president's home for other purposes.

Following a discussion, Regent Morgan moved, and it was voted, that such a committee be appointed to study the situation.

The Chair appointed the following on the committee: Regent Benedum, Chairman; Regents Grisso and Northcutt.

President Cross reported that Dr. Ronald Shuman, Research Professor of Business Management, had had a heart attack, and is confined in the Infirmary, but that he is not in serious condition.

President Cross brought up the matter of difficulties at Dallas at the time of the football game with Texas University, particularly downtown Dallas. He stated while there were many students on the streets around the hotels, much of the disturbance was caused by undesirable characters who took advantage of the situation. Also, there were two high school football games in Dallas and many of those attending the games probably congregated in Dallas after the game. He stated both institutions are discussing the problem with the respective student bodies in the hope that conditions may be improved. The matter of excessive prices on food and soft drinks was also discussed. He stated it is a real problem and that both institutions are attempting to avoid a repetition of conditions as they were this year.

At this point Boyd Gunning, Executive Secretary of the University of Oklahoma Foundation, and Ward Merrick, Ardmore, President of the Trustees of the Foundation, were invited to the meeting.

Opening the discussion, President Cross stated considerable progress had been made in the promotion and financing of the program through scientific groups, in accordance with the plan as outlined by Dr. Sliepcevic some time ago and approved by the Regents. He stated a grant in the amount of \$50,000 has been made by the National Science Foundation for this year and that we have been invited to make application for another \$50,000 grant next year. The Research Institute at the University of Oklahoma has agreed to transfer \$20,000 from funds on hand, subject to approval by the Board of Regents.

Mr. Merrick stated he was happy to report that commitments have been made for \$100,000 from two organizations, but that he is not at liberty to divulge the source.

Regent Savage moved, and it was voted to authorize the use of the \$20,000 transferred from the Research Institute on this project.

Mr. Gunning reported the solicitation campaign has been very successful and that at this time more money has been received for this year than during the entire year of 1956. The income is used for scholarships, and grants to members of the faculty for research projects, and that in very few instances are restrictions as to expenditures made. Mr. Gunning and Mr. Merrick left the meeting.

President Cross reported that Coston-Frankfurt-Short, Architects on the Library Addition, had made a gift of \$500 to be used for library books. They asked that no publicity be given to this gift.

It was unanimously voted that the President of the Regents write a letter of appreciation for the gift to Coston-Frankfurt-Short.

President Cross stated he had had a request from the Salvation Army for permission to place the kettles on the campus, outside the stadium, on the day of the football game with Oklahoma State University, on November 30. He stated the Regents have a policy of not permitting any solicitation on the campus except that once each year funds are solicited for the Medical Research Foundation, and on occasion for the band but that this has been discontinued since the Big-8 Conference provides funds for the band to bowl games.

Regent Northcutt moved, and it was voted to conform to the policy and that officials of the Salvation Army be so informed.

The problems in connection with Greek Letter organizations on the campus were brought up by President Cross. He stated that matters are being studied with the hope that a more satisfactory solution with reference to activities during rush week, pledging, financing, etc., may be worked out. Regent Benedum stated that he and Regent Savage, appointed as a committee to study the matter had discussed the problems, and would continue to do so. President Cross read a letter from Regent Grisso and his reply, and also a letter from Dean Couch. Copies of the letters follow:

"October 3, 1957

"Dear Dr. Cross:

"You may or may not recall that in my first or second year as a Regent, I brought up two matters merely for discussion. They were:

- "1. That the University should assume greater control of the fraternities and sororities, particularly as to their house planning and more particularly to specifically require that arrangements be made for off-street parking.

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"2. The second matter was to prohibit the pledging of freshmen.

"In each of the above, it was my opinion then and is now, that these matters should be considered and adopted. As I recall, I told you I would not originate them, but I thought your Board would unanimously go along with these ideas at a time of your choosing.

"Recently two of our alumni, each acting independently, both highly interested in and loyal to the University, have urged these two points. I told them I would again call these matters to your attention, and that my impression of your views was that you agreed and were merely waiting a propitious time.

"Best personal regards,

Sincerely,

/s/ W. D. Grisso

W. D. GRISSO"

"October 10, 1957

"Dear Mr. Grisso:

"I have your letter of October 3 concerning the two matters pertaining to Greek letter societies on our campus. You are correct in thinking that I agree with your views. The personnel in our Office of Student Affairs are not in complete agreement with me, especially with respect to deferred pledging. We have discussed these matters from time to time, and I have been trying to convince them before making a recommendation to the Regents.

"I plan to bring the matter up for discussion at the next meeting of the Board.

Cordially yours,

G. L. Cross  
President"

"October 17, 1957

"Dear Dr. Cross:

"For well over a decade I have, as dean of the University College, observed the Rush Week activities and the pledging of freshmen to the various sororities and fraternities on the campus.

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"Immediately after the pledging I have always had a good many disappointed students and their parents come to my office to discuss with me the possibility of dropping out of school because they did not receive a bid to their favorite organization. Curiously enough, after mid-semester grades are reported, many parents of students who were pledged come to my office to see what can be done to reduce the amount of time required by the fraternity or sorority so that their offspring can get their school work done.

"The excitement created by the entire situation, in my opinion, causes both parents and students to misjudge the place and importance of the Greek system, and, what is more immediately serious, to allow this exaggerated emphasis on fraternity or sorority activity to interfere with their academic responsibility. My feeling is that one way of correcting this and the harmful effect it has on student grades is to postpone both the rushing and the pledging until the prospective fraternity member's second year at the University. I realize there is some value in early pledging, but in my opinion its disadvantages to the student, the Greek organizations, and the University are far greater than anything they might gain from it.

"It is generally understood that the transition from high school to college is difficult. In addition, our study of the class which entered the University in 1952 showed clearly that a student's performance his first semester was crucial; what he does this semester is a reliable indication of whether or not he will make his way successfully to a degree here. If the transition is difficult and if the first semester is the most important one in determining a student's chances for a degree, then it appears to me essential that we make his environment that first semester as favorable for satisfactory and efficient studying as possible. The extra-curricular burden imposed on him by Greek organization activities interferes seriously with studies, and should therefore be scheduled at a time when the student is established academically and better able to carry it.

"I believe the matter is important in helping us reduce the number of failures among students at this institution. In this critical time in our history a college failure is no longer just a personal but a state and national loss.

"If a plan for delayed rushing and pledging were put into effect at this institution it would have to be administered by the Office of Student Affairs. I would like to recommend that that office be requested to prepare a plan in keeping with the points discussed above to be presented to our regents for their consideration.

Sincerely yours,

/s/ Glenn C. Couch

Glenn C. Couch, Dean  
University College"

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The matter was discussed at some length. Regent Benedum stated he and Regent Savage would meet with representatives of Panhellenic and the Interfraternity Council prior to the December meeting of the Regents. The Regents were unanimous in the feeling that the situation as it now exists is far from satisfactory and that some changes must be made.

It was voted to place the matter on the agenda for the December meeting. Regent McBride voted NO on this motion.

Personnel items on the agenda were presented, and on motion by Regent Benedum the recommendations as indicated were approved:

**PERSONNEL**

**FACULTY**

**LEAVE OF ABSENCE:**

Lawrence Freeman, Associate Professor of Business Communication, sick leave of absence at the rate of \$100 per month, November 1, 1957 to January 16, 1958.

**APPOINTMENTS:**

Paul Unger, Assistant Professor of Education, rate of \$6,204 for 12 months, February 1, 1958.

Robert Wayne Ketner, Supervisor, School of Social Work, rate of \$6,840 for 12 months, November 18, 1957 to August 1, 1958, salary paid by National Institute of Mental Health. Appointed Assistant Professor of Social Work, rate of \$6,516 for 12 months, August 1, 1958.

Robert Gale Daniel, Teaching Assistant in Petroleum Engineering, \$132 for 4½ months, 1/4 time, September 1, 1957 to January 16, 1958.

Tom Wesley Boyd, Teaching Assistant (Kingfisher Fellow) in Philosophy, \$500 for 9 months, 1/4 time, September 1, 1957.

James Jennings Rhyne, Teaching Assistant in Physics, \$300 for 4½ months, 1/4 time, September 1, 1957 to January 16, 1958.

**CHANGE:**

Geneva Evans, promoted from Instructor to Assistant Professor, University School, September 1, 1957.

RESIGNATIONS:

Henry S. Robinson, Associate Dean of the Graduate College and Professor of Classics, June 1, 1958. Accepted appointment as Assistant Director of American School of Classical Studies at Athens.

Robert Edward Hickman, Teaching Assistant in Civil Engineering, October 1, 1957.

GRADUATE ASSISTANTS

APPOINTMENTS:

Mary Martha Fish, Department of Economics, \$900 for 4½ months, 1/2 time, January 16 to June 1, 1958.

Joe Henry Ford, Guidance Service, \$146.66 per month for 3 months, 1/2 time, October 16, 1957 to January 16, 1958.

SCHOLARSHIPS

APPOINTMENTS:

Edward F. Blick, Douglas Aircraft (Aeronautical Engineering), \$125 per month, October 1, 1957 to January 1, 1958.

Larry P. Mozer, Douglas Aircraft (Aeronautical Engineering), \$125 per month, October 1, 1957 to January 1, 1958.

Charles Kenneth Dodson, Procon Incorporated (Civil Engineering), \$500 for 7 months, November 1, 1957 to June 1, 1958.

Kenneth W. Downey, Associated General Contractors of America Junior Scholarship (Civil Engineering), \$250 for November 1, 1957 to January 16, 1958.

Bruce Marx Powell, Associated General Contractors of America Senior Scholarship (Civil Engineering), \$250 for November 1, 1957 to January 16, 1958.

Robert E. Giffen, Magnolia Petroleum Company (Petroleum Engineering), \$400 for 9 months, September 1, 1957.

Robert Allyn Reid, Magnolia Petroleum Company (Chemical Engineering), \$100 for September 1957 and \$100 for January 1958.

Wayne Calvin Smith, Magnolia Petroleum Company (Chemical Engineering), \$100 for September 1957 and \$100 for January 1958.

John Hnatiuk, Mobil Oil of Canada (Petroleum Engineering), \$400 for 9 months, September 1, 1957.

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Laurance S. Reid, Jr., American Society for Metals (Metallurgical Engineering), \$200 for September 1957 and \$200 for January 1958.

Philip H. Stark, Cities Service Oil Company (Mechanical Engineering), \$600 for 9 months, September 1, 1957.

Monte D. Witte, Cities Service Oil Company (Mechanical Engineering), \$600 for 9 months, September 1, 1957.

#### FELLOWSHIPS

##### APPOINTMENTS:

Lyndon D. Boyer, Monsanto Chemical Company (Chemical Engineering), \$1,500 for 8 months, part time, November 1, 1957 to July 1, 1958.

Mustafa Mohamed El Rifai, Moncrief Foundation (Chemical Engineering), \$1,250 for 10 months, part time, September 1, 1957 to July 1, 1958.

James H. Fortenberry, Southern Education Foundation (Education), \$1,150 for 6 months, part time, September 1, 1957 to March 1, 1958.

Carlton H. Morse, Southern Education Foundation (Education), \$1,250 for 6 months, part time, September 1, 1957 to March 1, 1958.

Charles Henry Thomas, Southern Education Foundation (Education), \$1,250 for 6 months, part time, September 1, 1957 to March 1, 1958.

Patricia Ann Mosshammer, Humble Oil Company (Accounting), \$1,600 for 9 months, September 1, 1957.

William Samuel Stewart, Phillips Petroleum Company (Chemical Engineering), \$1,500 for 8 months, part time, November 1, 1957 to July 1, 1958.

#### RESEARCH ASSISTANTS

##### APPOINTMENTS:

Billie E. Morrison, Bureau of Water Resources Research, \$110 per month for 8 months, 1/2 time, October 1, 1957 to June 1, 1958.

Lowry L. McKee, Computer Laboratory, rate of \$1,560 for 9 months, 1/2 time, October 1, 1957 to June 1, 1958.

Richard Leon Wood, Computer Laboratory, rate of \$660 for 9 months, 1/4 time, October 1, 1957 to June 1, 1958.

Richard Brewer Worrell, Computer Laboratory, rate of \$660 for 9 months, 1/4 time, October 1, 1957 to June 1, 1958.



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**RESIGNATION:**

Walter Manson Whitlow, Bureau of Water Resources Research, September 1, 1957.

**NON-ACADEMIC**

**APPOINTMENTS:**

Robert Ray Burris, Assistant Football Coach, \$413.50 for 4 months, 1/2 time, October 1, 1957 to February 1, 1958.

Robert Len Derrick, Assistant Football Coach, \$827 for 8 months, 1/2 time, October 1, 1957 to June 1, 1958.

**RESIGNATIONS:**

John M. Chaney, Director, Machine Accounting, and Manager, Computer Laboratory, January 1, 1958. Accepted position at the University of Illinois.

Don M. Frensley, Chief Accountant, Office of the Controller, November 16, 1957. Accepted position at The Norman Transcript.

Woodrow W. Easley, Extension Specialist II, Field Development Services, October 1, 1957.

**UNIVERSITY OF OKLAHOMA MEDICAL CENTER**

**APPOINTMENTS:**

Harris DeWitt Riley, M.D., Professor and Head of Pediatrics, \$12,000 for 12 months, January 1, 1958.

George Adams, M.D., Associate Professor of Preventive Medicine and Public Health, clinical rates, October 1, 1957.

Raul Esteban Trucco, Assistant Professor of Research Biochemistry, clinical rates, October 1, 1957.

Allen Robert Hennes, M.D., Assistant Professor of Medicine, clinical rates, January 1, 1958.

Thomas Edward Wilson, Assistant Professor of Research Microbiology, clinical rates, October 1, 1957.

James W. Kelley, M.D., Instructor in Surgery, clinical rates, October 1, 1957.

James Walter Coin, M.D., Clinical Assistant in Radiology, \$325 per month, October 1, 1957.

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William Dean Blackwood, M.D., Junior Clinical Assistant in Medicine, clinical rates, October 1, 1957.

James Paul Costiloe, Research Associate in Medicine, \$350 per month for 12 months, October 1, 1957.

Raymond Kenneth Bower, Research Associate in Microbiology, \$400 per month for 12 months, October 1, 1957.

Samuel M. Meyers, Research Associate in Research Psychiatry, Neurology and Behavioral Sciences, clinical rates, October 1, 1957.

C. V. Ramana, Research Associate in Psychiatry, Neurology and Behavioral Sciences, clinical rates, October 1, 1957.

Donald T. Counihan, Consultant in Otorhinolaryngology, clinical rates, October 1, 1957. Also is Assistant Professor of Speech in the Department of Speech and Speech and Hearing Clinic.

Charles Morris York, Assistant Superintendent, Physical Plant, \$500 per month, October 1, 1957.

**CHANGES:**

William W. Schottstaedt, M.D., Associate Professor of Medicine and of Preventive Medicine and Public Health; given additional title of Associate Professor of Psychiatry, Neurology and Behavioral Sciences, September 1, 1957.

Mervin L. Clark, M.D., Assistant Professor of Medicine, salary increased from \$10,000 to \$11,000 for 12 months, September 1, 1957. Paid by Central State Hospital.

Paul W. Goaz, M.D., Instructor in Surgery; given additional title of Instructor in Research Microbiology, October 1, 1957.

Jess E. Miller, M.D., title changed from Instructor to Instructor in Urology and Co-ordinator of Cancer Teaching, salary changed from clinical rates to \$150 per month, September 1, 1957.

Karl K. Boatman, M.D., title changed from Chief Resident and Clinical Assistant to Clinical Assistant in Surgery, salary changed from \$125 per month to clinical rates, July 1, 1957.

Gladys C. Smith, M.D., Assistant Radiologist, Department of Radiology, salary changed from \$10,000 for 12 months to \$4,000 for 12 months, part time, October 14, 1957.

Opal Filson, title changed from Assistant Director to Head Nurse, Nursing Service, salary changed from \$375 to \$310 per month, October 1, 1957.

**RESIGNATIONS:**

Philip LaTorre, Instructor in Preventive Medicine and Public Health, November 1, 1957.

William F. Denny, Chief Resident and Clinical Assistant in Medicine, July 1, 1957.

Carol Spencer, Clinical Psychologist, September 1, 1957.

**DEATH:**

Carl Puckett, Visiting Lecturer in Medicine, September 27, 1957.

President Cross reported the death of Dr. Roy Gittinger on Sunday, October 13, 1957 and made the following statement and recommendation:

Dr. Gittinger first became a member of the faculty in 1902, and served in various capacities: teacher, registrar, dean of students, editor of University publications, and on many committees. In 1950, at the time of his retirement, he was named Regents' Professor as a special honor in recognition of his outstanding service in administrative and instructional work over a long period of time, and of notable achievement in the interest of education in the state and nation. He taught classes in English History voluntarily four years past his retirement, and in all he was active for a total of fifty-four years.

He recommended that the President of the Regents write a letter to Mrs. Gittinger, two sons and a daughter, expressing appreciation for many years of outstanding service, and sympathy in his passing.

Approved.

President Cross reported that the State Regents for Higher Education approved the action of the University Regents (June 13, 1957) in the recommendation that the College of Engineering and Graduate College be authorized to organize a curriculum in Engineering Sciences leading to the degree of Doctor of Philosophy in Engineering Sciences.

At the October meeting the Regents approved incidental fee allocations for the fall semester on the same general basis as last year, pending completion of enrollment data. It is now requested that the Board approve the following specific allocations:

(1) Activity and service fees:

	<u>Per Student</u>
Student Health Service	\$ 6.50
Oklahoma Daily	1.00
Student Senate Activities	.75
Stadium	5.53 <sup>a</sup>
Union:	
Debt Service	6.13 <sup>a</sup>
Operations	1.50
Balance available for educational purposes	<u>8.59</u>
	\$30.00

a) Amounts determined by bond issue requirements

(2) A Power Plant fee of \$7.31, the rate necessary to meet bond issue requirements. The Power Plant fee is not included in the \$30.00 activity fee group because proceeds of this fee are placed in the Educational and General Budget and expended through the budget for heat, light, water and power.

Approved.

President Cross reported at a recent meeting of the Alumni Executive Board, the following re-statement of regulations under which the Distinguished Service Citation program is to be operated was approved by the Board. The plan is now ready for consideration by the Regents. This statement was worked out by a joint committee of Regents and Alumni representatives with Mr. T. R. Benedum serving as Chairman.

**THE DISTINGUISHED SERVICE CITATION PROGRAM  
SPONSORED BY THE UNIVERSITY OF OKLAHOMA AND THE  
UNIVERSITY OF OKLAHOMA ASSOCIATION**

- A. The purpose of the distinguished service citation program is to recognize and honor men and women who have made positive contributions to human progress through their devotion to enduring values, and their unselfish and sustained service to others.
- B. Eligibility for Citation.
1. Any living person who is a graduate or former student of the University of Oklahoma or who is a resident or former resident of the State of Oklahoma shall be eligible for consideration by the selection committee. Non-residents of the State of Oklahoma who have never lived in Oklahoma may be selected by unanimous consent of the committee.
  2. Nominations may be submitted to the Secretary of the Alumni Association or the Secretary of the University.

3. Not more than five honorees shall be selected to receive Distinguished Service Citations in any one year; however, fewer may be chosen at the discretion of the committee.

**C. Selection Committee.**

1. The selection committee shall be a secret committee consisting of six members appointed as follows: a) the President of the University of Oklahoma shall appoint three members; b) the President of the University of Oklahoma Association shall appoint three members. The President of the University and the President of the Association shall each appoint one member to serve one year, one member to serve two years, and one member to serve three years. Their successors shall be appointed for terms of three years. Vacancies shall be filled by the respective presidents. c) An effort should be made by the appointing authorities to see that each member of the selection committee represents a different vocation or classification.
2. The selection committee shall have full authority to choose recipients of the Distinguished Service Citations, however, the President of the University and/or the President of the Association may reject any proposed recipient.

**D. Factors to be considered by the Selection Committee.**

1. Good citizenship and distinguished service to his community, state or nation.
2. Humanitarian, cultural, intellectual, or scientific contributions to society, rather than material success standing alone.
3. Pioneering in new fields, thereby advancing ideas and opportunities for development.
4. Distinguished service and achievement which enhanced his chosen profession.
5. The characteristics sought should have been demonstrated over a period of years.

**E. Form of Citation Certificate.**

1. The Distinguished Service Citations shall be issued in the name of the University of Oklahoma and the University of Oklahoma Association, given under the seals of both sponsors and signed by the appropriate issuing officers.

**F. Presentation of Citations.**

1. The citations shall be awarded at the spring Commencement exercises at the University of Oklahoma and the names of recipients shall be listed in the printed Commencement program.

On motion by Regent Benedum, it was unanimously voted to approve the proposal.

President Cross reported that in April 1951 (p. 3939-40) the Regents entered into a contract with Claude A. Woodard, Tulsa, Oklahoma, covering waterproofing and pointing of masonry walls of certain buildings on the campus. The contract price was \$36,125.00. The work was completed satisfactorily, but payment of the final estimate was held up because of a suit which was brought against Mr. Woodard for additional wages. The contractor now has submitted a satisfactory certified copy of a court order dismissing that case.

President Cross recommended that the Board of Regents authorize final payment due on this contract, in the amount of \$4,734.06, be paid to the contractor upon receipt by the University of consent of the surety on the performance and statutory bonds.

Recommendation approved on motion by Regent Morgan.

President Cross reported that three bids have been received on bookshelves, charging desks, magazine and newspaper racks, bin trucks and a tracing table for the Library:

- |  |             |
|--|-------------|
| 1. Oklahoma Seating Co., Oklahoma City<br>(Mid-Century manufacture)              | \$ 5,945.00 |
| 2. Dowling's Inc., Oklahoma City<br>(Sjostrom manufacture)                       | 6,354.10    |
| 3. Remington Rand, Library Bureau, Oklahoma City<br>(Remington Rand manufacture) | 12,653.56   |

The low bid by Oklahoma Seating Company does not include Item No. 11, a charging desk to match those now in the Library. This item was bid at \$203.50 by the second low bidder.

The second low bid, by Dowling's Inc., did not include Item No. 13, newspaper rack. This item was bid at \$180.55 by the low bidder.

A comparison of bids can be made as follows:

Oklahoma Seating	\$5,945.00
Add for Item No. 11	203.50
	<u>\$6,148.50</u>

Dowling's Inc.	\$6,354.00
Add for Item No. 13	<u>180.55</u>
	\$6,534.55

On this basis Oklahoma Seating is low by \$386.05.

President Cross recommended that the low bid of the Oklahoma Seating Co. be accepted, without Item 11, at the bid price of \$5,945.00, subject, however, to delivery by the vendor of a satisfactory and acceptable sample six-foot range of shelving (Item 5 on bid) made up and finished exactly as the vendor agrees to make up all such shelving covered by the bid.

Approved on motion by Regent Benedum.

President Cross explained that the construction contract for the new dormitory unit at the Women's Quadrangle does not include the cost of utility connections.

Cost of extending a six-inch chilled water service line for air conditioning from the Jones Chapel site to the new dormitory site is estimated at \$27,121.00. (This line also will be used to air-condition the Quadrangle Dining Hall.)

Cost of installing steam, water, and sanitary and storm sewer connections to the new dormitory is estimated at \$5,165.00.

President Cross recommended that the Board authorize expenditure of \$32,286.00 from the 1954 Dormitory System Improvements Fund for installation of utility connections to the fifth dormitory unit of the Women's Quadrangle, the work to be done by the University's Physical Plant Department.

Approved on motion by Regent Savage.

President Cross reported nineteen bids on the women's dormitory were received and opened at 2:00 p.m. on Wednesday, November 13, and following is a tabulation on the bids:

<u>Contractor</u>	<u>Base Proposal</u>
Builders Construction Co.	\$698,300
Acme Construction Co.	703,327
Barbour and Short	714,379
Haskell Culwell	722,000
Charles T. Hughes Co.	739,288
Cowen Construction Co.	748,000
Bollinger Construction Co.	748,200
Chas. M. Suttie	748,280

<u>Contractor (contd.)</u>	<u>Base Proposal</u>
Harmon Construction Co.	\$754,897
Dunning Construction Co.	756,875
Walter Nashert	759,426
Anderson and House	766,641
Lippert Bros., Inc.	766,722
Dennehy Construction Co.	769,776
Bass, D. C. and Co.	769,967
Tankersley Construction Co.	777,082
Bush, E. B., Construction Co.	780,877
W. C. Shelton	783,000
Smith and Sons	795,230

The following resolution was proposed:

**RESOLUTION LISTING BIDS RECEIVED, DETERMINING  
THE LOWEST AND BEST BID AND AWARDDING CONTRACT**

WHEREAS, the Board of Regents of the University of Oklahoma, a body corporate under the name Regents of the University of Oklahoma, an agency of the State of Oklahoma, has advertised for bids for the construction of a dormitory building to house 200 women students on the campus of the University at Norman, Oklahoma; and

WHEREAS, bids have been received as shown on the tabulation sheet attached hereto; and

WHEREAS, the Board of Regents is of the opinion that the bid of Builders Construction Company, Oklahoma City, Oklahoma, is the lowest and best bid:

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of the University of Oklahoma:

SECTION 1. That the Builders Construction Company has submitted the lowest and best bid for the construction of the said project.

SECTION 2. That the bid of the said Builders Construction Company in the amount of \$698,300.00 is hereby accepted, subject to execution of a Loan Agreement between the Board of Regents and the United States of America, and subject also to approval by The Mutual Benefit Life Insurance Company, Newark, New Jersey.

SECTION 3. That, in order to cover the costs of the project for which an insufficient amount is provided in the said Loan Agreement, the University's business officer is hereby directed to transfer to the construction account of Project Okla. 34-CH-11 (D), from a fund previously set aside to be used for dormitory improvements, the sum of \$62,800.00.



SECTION 4. That the budget for the project be revised as follows:

	<u>Approved Budget</u>	<u>Requested Revision</u>
Construction		
(a) Building	\$600,000	\$698,300
(b) Site improvements	1,000	1,000
(c) Utility connections	18,630	18,630
(d) Equipment (fixed)	-0-	-0-
(e) Contingencies	20,000	-0-
Total Construction	<u>(639,630)</u>	<u>(717,930)</u>
Architectural-engineering	24,000	27,932
Government field expense	3,000	3,198
Legal and administrative	10,000	10,000
Interest during construction	20,125	20,125
Project contingency	<u>3,245</u>	<u>3,047</u>
<b>Total</b>	<b>\$700,000</b>	<b>\$782,232</b>

SECTION 5. That the officials of the Board of Regents upon whom such duty properly devolves shall, and they are hereby directed to prepare and execute in behalf of said Board of Regents all necessary contracts and documents relating thereto, immediately upon receipt of the approvals required by Section 2 above.

Moved by Regent Grisso, seconded by Regent Morgan, that the resolution be adopted. The motion to adopt the resolution was unanimously voted.

The following resolution approving a loan agreement was proposed:

**RESOLUTION APPROVING A LOAN AGREEMENT  
WITH UNITED STATES OF AMERICA**

WHEREAS, there has been filed with the Housing and Home Finance Agency, in behalf of the University of Oklahoma by the Board of Regents of the University of Oklahoma, (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 November 1, 1957, in connection with the Project referred to in said application and generally described in said Agreement; and

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

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

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

Project No. Okla. 34-CH-11(D)  
University of Oklahoma  
Norman, Oklahoma  
Contract No. H-502-217

L O A N   A G R E E M E N T

THIS LOAN AGREEMENT, dated as of November 1, 1957, by and between the Board of Regents of the University of Oklahoma, acting for and on behalf of the University of Oklahoma, a public educational institution of higher learning located in Norman, Oklahoma (herein called the "Borrower"), and the United States of America (herein called the "Government"), WITNESSETH:

Section 1. Amount, Purchase Price and Purpose. Subject to the Terms and Conditions (8-56) attached hereto, and made a part hereof, and the provisions of this Agreement, the Borrower will sell and the Government, acting by and through the Housing and Home Finance Administrator (herein called the "Administrator"), will purchase \$700,000 aggregate principal amount of the obligations of the Borrower described below (herein called the "Bonds"), or such lesser amount thereof as the Administrator estimates will be required, together with the Borrower's funds provided from other sources, to pay the development cost of the Project (estimated to be \$700,000) hereinafter described, at a price equal to the principal amount thereof plus accrued interest, the proceeds of the sale of such Bonds to be used solely for the development of the said Project.

Section 2. Description of Bonds. The Bonds which the Borrower agrees to exchange for outstanding Bonds, and the Bonds which the Borrower agrees to sell, are described as follows:

(a) Series "A" Bonds. This Series to be exchanged with present Bond-Holder:

(1) Designation: Dormitory System Bonds of 1957, Series "A".

(2) Date: October 1, 1957.

(3) Principal Amount: \$5,841,000, being all of an authorized issue of such Series "A" Bonds.

(4) Denomination: \$1,000.

- (5) Type: Negotiable, serial, coupon Bonds, payable to bearer.
- (6) Interest Rate: 3.65% per annum, payable semi-annually on April 1 and October 1 in each year, first interest payable April 1, 1958.
- (7) Maturities as of October 1:

<u>Numbers</u>	<u>Amount</u>
1A to 177A	\$177,000
178A to 361A	184,000
362A to 552A	191,000
553A to 750A	198,000
751A to 955A	205,000
956A to 1167A	212,000
1168A to 1387A	220,000
1388A to 1616A	229,000
1617A to 1852A	236,000
1853A to 2097A	245,000
2098A to 2351A	254,000
2352A to 2615A	264,000
2616A to 2888A	273,000
2889A to 3171A	283,000
3172A to 3464A	293,000
3465A to 3768A	304,000
3769A to 4084A	316,000
4085A to 4410A	326,000
4411A to 4749A	339,000
4750A to 5100A	351,000
5101A to 5463A	363,000
5464A to 5841A	378,000

- (8) Numbers: 1A to 5841A inclusive, in order of maturity.
- (b) Series "B" Bonds: This Series to be sold by the Borrower and purchased by the Government:
- (1) Designation: Dormitory System Bonds of 1957, Series "B".
- (2) Date: October 1, 1957.
- (3) Principal Amount: \$700,000, being all of an authorized issue of such Series "B" Bonds.
- (4) Denomination: \$1,000.
- (5) Type: Negotiable, serial, coupon Bonds, payable to bearer.

(6) Interest Rate: 2-7/8% per annum, payable semi-annually on April 1 and October 1 in each year, first interest payable April 1, 1958.

(7) Maturities as of October 1:

<u>Numbers</u>	<u>Amount</u>	<u>Year</u>	<u>Numbers</u>	<u>Amount</u>	<u>Year</u>
1B to 9B	\$ 9,000	1959	231B to 246B	\$16,000	1977
10B to 19B	10,000	1960	247B to 263B	17,000	1978
20B to 30B	11,000	1961	264B to 281B	18,000	1979
31B to 41B	11,000	1962	282B to 299B	18,000	1980
42B to 52B	11,000	1963	300B to 318B	19,000	1981
53B to 64B	12,000	1964	319B to 337B	19,000	1982
65B to 76B	12,000	1965	338B to 356B	19,000	1983
77B to 88B	12,000	1966	357B to 376B	20,000	1984
89B to 100B	12,000	1967	377B to 397B	21,000	1985
101B to 113B	13,000	1968	398B to 419B	22,000	1986
114B to 126B	13,000	1969	420B to 441B	22,000	1987
127B to 140B	14,000	1970	442B to 463B	22,000	1988
141B to 154B	14,000	1971	464B to 487B	24,000	1989
155B to 168B	14,000	1972	488B to 511B	24,000	1990
169B to 183B	15,000	1973	512B to 535B	24,000	1991
184B to 198B	15,000	1974	536B to 561B	26,000	1992
199B to 214B	16,000	1975	562B to 587B	26,000	1993
215B to 230B	16,000	1976	588B to 614B	27,000	1994
			615B to 641B	27,000	1995
			642B to 670B	29,000	1996
			671B to 700B	30,000	1997

(8) Numbers: 1B to 700B inclusive, in order of maturity.

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

(d) Place and Medium of Payment: Both Series "A" and Series "B" Bonds payable as to both principal and interest at the Liberty National Bank and Trust Company, Oklahoma City, Oklahoma, or at the fiscal agency of the State of Oklahoma in the City of New York, State of New York, or in the event of the discontinuance of such agency then at the Manufacturers Trust Company, New York, New York, in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of debts due the United States of America.

(e) Redemption Provisions: Bonds numbered 2098A to 5841A, inclusive, and Bonds numbered 101B to 700B, inclusive, are callable for redemption at the option of the Borrower on October 1, 1967,

or on any interest payment date thereafter, at the principal amount thereof plus accrued interest to the date fixed for redemption and a premium as to each Bond so redeemed prior to maturity in 1967 of 2.2% of the principal amount thereof, which premium shall be reduced by 1/5 of 1% in each succeeding year so that the Bonds will be redeemable without premium in 1978 and thereafter. The Bonds of each series maturing in 1959 and subsequent years are also callable for redemption from the revenues remaining from the operation of the dormitory system after all requirements contained in the Bond Resolution shall have been met in each year, at the option of the Borrower, in inverse numerical order of maturities, with Bonds within any maturity (including both Series A and Series B) to be selected by lot, on October 1, 1958, and on any interest payment date thereafter, at the principal amount thereof plus accrued interest to the date fixed for redemption. Notice of redemption in either instance is to be given not less than 30 days prior to the date fixed for redemption. If the Government purchases any of the Series B Bonds, and so long as any of such Bonds remain in its possession, it will waive the non-callable provision, redemption premium and notice of call applicable thereto.

(f) **Security:** Special obligation of the Borrower payable from and secured by a first lien on and pledge of the net revenues derived from the operation and ownership of the Dormitory System. The term "Dormitory System" shall be understood to include and refer to the following:

(1) All of the buildings and facilities for the acquisition, furnishing, equipment or improvement of which or the making of additions to which, the Dormitory System Bonds of 1954 and the bonds refunded thereby were issued, and the dormitory to be added to the system with part of the proceeds of the Dormitory System Bonds of 1957, together with all improvements, extensions and additions thereto which may be made while any of the Dormitory System Bonds of 1957 remain outstanding, including specifically, but without limitation, the buildings and facilities popularly called and referred to as "Sooner City," "Wilson Center," "Cross Center," "Residential Halls (Hester and Robertson Houses)," "Commissary Building," "Parkview Apartments," and the "Women's Quadrangle," the Women's Quadrangle being the portion of the System which is to be enlarged through the construction of the dormitory with part of the proceeds of the Dormitory System Bonds of 1957; and

- (2) To the extent now or at any time hereafter authorized by law, all student housing facilities hereafter acquired, owned or operated by the University for students in attendance at said University at Norman, Oklahoma, which may, in accordance with specified provisions as set forth in the resolution authorizing issuance of the Bonds, become a part of said System while any of the bonds payable from the Bond Fund (provisions (b) (2) of the Special Conditions) remain outstanding.

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

- For (1) all maturities in the years 1959 through 1973;
- (2) all maturities in the years 1974 through 1988;
- (3) all maturities in the years 1989 through 1997; and
- (4) the entire issue.

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

In the event any other bidder or bidders offer to purchase all the Series "B" Bonds, or any portion of the Series "B" Bonds in blocks as specified at an interest cost of not more than 2-7/8% per annum, the Series "B" Bonds or any such portion thereof shall be sold to such bidder(s). In the event of a sale of all the Series "B" Bonds to a purchaser or purchasers other than the Government, this Agreement shall terminate except with respect to obligations hereunder between the Borrower and the Government as of the date of such sale of the Series "B" Bonds. In the event any of the Series "B" Bonds are awarded to the Government, it is agreed that the obligations hereunder shall continue in the same manner as if all the Series "B" Bonds were sold to the Government. In the event no bid is received from a bidder or bidders other than the Government within the terms herein specified, all the Series "B" Bonds shall be sold to the Government.

**Section 4. Description of the Project.** The Project shall consist of a dormitory building, to house approximately 200 women students, together with necessary appurtenant facilities (herein called the "Project").

**Section 5. Audit and Inspection Expenses.** The amount of the fixed fee for audit and inspection expenses referred to in Section 36 of the attached Terms and Conditions shall be \$3,198.

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

- (a) All outstanding Dormitory System Bonds of 1954 shall be exchanged for a like amount of the Series "A" Bonds of the 1957 issue prior to the delivery of any portion of the Series "B" Bonds.
- (b) From and after the date the Dormitory System Bonds of 1954 are exchanged, the gross revenues derived from the operation of the Dormitory System, as defined under Security, shall be used as follows:
- (1) The Borrower shall pay the current expenses of the Dormitory System, as a first charge, from the said gross revenues as such expenses become due and payable. Current Expenses shall include all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation of the Dormitory System, but shall exclude depreciation, and all general administrative expenses of the Borrower.
  - (2) The Borrower shall establish with the Trustee to be designated in the Bond Resolution, and maintain so long as any of the Bonds are outstanding, a separate account to be known as "Dormitory System Bonds of 1957 Principal and Interest Fund" (herein collectively called the "Bond Fund") into which shall be deposited all monies remaining in the Principal and Interest Fund of said Dormitory System Bonds of 1954, at time of the exchange described in (a) above, and all accrued interest received from the sale of the Series B Bonds. Thereafter, there shall be paid into the Bond Fund from the revenues of the Dormitory System, after providing for the payment of Current Expenses, such sums as are necessary to assure the prompt payment of the debt service on the outstanding Bonds for the then current year and in addition thereto the amount necessary to make the required payment into the Reserve Fund provided for in provision (3) below. So far as is practicable, the payments to be made into the Bond Fund in each twelve month's period shall be made in approximately equal monthly installments on the 15th day of each month, except that when the 15th day of the month shall be a Saturday or holiday, then the payment shall be made on the next preceding secular day. If in any month, the revenues of the dormitory system, applicable thereto, are insufficient to make the payment required to be made into the Bond Fund, such deficiency shall be made up and paid into the Bond Fund from the first net revenues of the system thereafter received and available for such purpose.

- (3) The Borrower shall establish with the Trustee to be designated in the Bond Resolution, and maintain so long as any of the Bonds are outstanding, as a separate account to be known as the "Dormitory System Bonds of 1957 Reserve Fund" (herein collectively called the "Reserve Fund") into which shall be deposited all monies and securities remaining in the Dormitory Bonds of 1954 Reserve Fund at the time of the exchange described in (a) above, which shall amount to not less than \$575,000 (securities as used herein means obligations of the U.S. Government). Thereafter, and until the amount in the Reserve Fund in money and surrender value of investments in U. S. Obligations shall be equal to one and one-half (1½) times the largest amount of principal and interest payable from the Bond Fund in any future twelve months period and thereafter whenever such payments shall be necessary to restore money paid out of the Reserve Fund for the purpose for which it is created, there shall be paid into the Reserve Fund in each twelve months period ending on September 30, from the revenues of the Dormitory System, not required for the purposes of (1) and (2) above, the sum of at least \$15,000 in the twelve months period ending September 30, 1958, and at least \$15,000 in each succeeding twelve months period. The money in the Reserve Fund shall be used solely for the payment of principal and interest on the bonds payable from the Bond Fund as to which there would be a default if the money were not so used; provided, however, that whenever the Reserve Fund shall be in its full amount, interest earnings of Reserve Fund investments may, by direction of the Borrower, be transferred to the Bond Fund.
- (4) The Borrower shall establish with the Trustee, to be designated in the Bond Resolution, as a separate account to be known as the "Maintenance and Equipment Account" into which shall be deposited any revenues of the Dormitory System remaining at the end of each twelve month's period ending on September 30 after all payments required to be made from such revenues as provided by (1), (2) and (3) above have been made and after all deficiencies in such payments remaining from prior periods have been remedied, and the revenues so deposited shall be used by the Borrower when needed for major repairs, the replacement of furnishings and equipment, the construction of additions or improvements to the Dormitory System, or acquisitions for the Dormitory System, or, in the discretion of the Borrower, the retirement of Bonds prior to maturity, either through the purchase thereof on the open market at not more than the price at which the bonds are currently redeemable, or through the calling of Bonds for redemption, the Trustee shall permit



withdrawal of money from the Maintenance and Equipment Fund for the purposes and under the conditions stated above upon certification of need by the Vice President and Business Manager of the University of Oklahoma, or his successor in function acting as agent for the Borrower.

- (c) It shall be covenanted and agreed with the holders of the Bonds that so long as any of the bonds of either Series remain outstanding and unpaid, the Borrower shall have the right and power to issue additional bonds payable from the revenues of the Dormitory System on a parity with the Bonds specifically authorized in the Bond Resolution provided however, that:
- (1) The average annual net revenues derived from the operation of the Dormitory System in the two completed fiscal years immediately preceding the issuance of the additional bonds must have been equal to at least 1.3 times the average annual amount of principal and interest payable from the Bond Fund in those fiscal years. If the proceedings authorizing the additional bonds shall provide for an increase in any of the rates and charges to be imposed for the use of the facilities of the Dormitory System, there may be added to the net revenues of the Dormitory System for such last completed fiscal years purposes of the above computation, such additional amount as, based on the actual number of students using such facilities in such fiscal years, would have been produced had such increased rates and charges been in effect throughout such fiscal years. "Fiscal year" for the purposes of this section shall be a year commencing on July 1 of the calendar year and ending on the last day of June of the following year. "Net revenues" shall be construed to be the gross revenues of the Dormitory System, remaining after the payment therefrom of the cost of operating and maintaining the Dormitory System as hereinabove provided.
  - (2) The average annual net revenues (as defined above) in the two completed fiscal years immediately preceding the issuance of the additional bonds must have been equal to at least one and one-tenth (1-1/10) times the sum of the average annual amount of principal and interest payable from the Bond Fund in such fiscal years and the maximum annual principal and interest to become payable in any future fiscal year by reason of the issuance of the additional bonds.
  - (3) The Vice President and Business Manager of the University of Oklahoma, or his successor in function, shall have certified to the Trustee that his detailed estimate of the operating income and maintenance and operation expenditures of the Dormitory System after occupancy of the additional facilities for which the additional bonds are to be issued shows net

revenues (as above defined) equal to at least one and three-tenths (1-3/10) times the maximum principal and interest to become payable from the Bond Fund in any future fiscal year commencing with such occupancy. Estimate of net earnings of additional facilities shall be based upon assumed occupancy of 90 percent.

- (4) All payments required to be made into the Bond Fund and the Bond Reserve Fund under the foregoing provisions must be current.
  - (5) The additional bonds must be payable as to principal on October 1 of each year in which principal falls due and must be payable as to interest on April 1 and October 1 of each year.
  - (6) The proceeds of the additional bonds must be used for the making or improvements, extensions or additions to or acquisitions for the Dormitory System.
- (d) The Terms and Conditions constituting part of this Loan Agreement are hereby amended or modified as follows:
- (1) The term "Bond and Interest Sinking Fund" as used in the last paragraph Section 8 shall mean the "Bond Fund."
  - (2) Section 28 is revised to read: "So long as any of the Bonds remain outstanding, the Borrower shall not mortgage or encumber or otherwise dispose of the Dormitory System or any part thereof, except that the furnishings and equipment thereof may be disposed of if they are replaced with furnishings and equipment of not less than equal value and except that the Sooner City portion of the Dormitory System may be disposed of when in the opinion of the Borrower, concurred in by the Trustee, it appears that the operation of any portion of the Sooner City Dormitory units (Prefabricated temporary structures) is no longer economically feasible, in which event, the portion of the Sooner City Dormitory units, including furnishings and equipment not usable in other portions of the Dormitory System, shall be sold at fair market value and the proceeds derived from such sales shall be deposited with the Trustee and held as surplus revenues to be used exclusively for the redemption of Bonds prior to maturity thereof in the same manner as Bonds would be redeemed from surplus revenues as provided in the Bond Resolution."
  - (3) Section 39 is revised to read: The Borrower expressly covenants and agrees that it will impose and collect rentals, fees and charges for the use of all facilities afforded by

the Dormitory System which shall be fully adequate and sufficient to produce net revenues equal to at least one and three-tenths (1.3) times the amount required to be paid in the ensuing year for principal and interest falling due in such year on Bonds payable from the revenues of the Dormitory System. If necessary, the Borrower will require a sufficient number of students to occupy and use the system, notwithstanding any other similar facilities which may at any future time be available for the housing of students in attendance at the University of Oklahoma, so that said system shall at all times during the regular and summer scholastic terms be occupied and used as nearly as possible to 100% of its capacity.

- (4) Substitute the terms "Bond Fund," "Reserve Fund" and "Maintenance and Equipment Account" for the terms "Bond and Interest Sinking Fund Account" and "Building Maintenance and/or Equipment Reserve Account" in Section 41.
- (5) Section 42 is revised to read: The Borrower covenants and agrees to keep proper books of records and accounts (separate and apart from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the operation and maintenance of the Dormitory System and the allocation and application of the revenues thereof, and that such books shall be available for inspection by the holder of any of the Bonds at reasonable hours and under reasonable conditions. Not more than six months after the close of each fiscal year the Borrower agrees to furnish to the Mutual Benefit Life Insurance Company, Newark, New Jersey, the Government, while it is the holder of any of the Bonds, and each holder of any of the Bonds who may so request, an audit report covering the operation of the Dormitory System for such year, or, if so requested, in writing by the holders of not less than forty percent of the Bonds of either series then outstanding, an operating and income statement certified by independent auditors of their selection. The Borrower agrees to furnish the annual financial report of the University each year as soon as available to any Bondholder requesting it.
- (6) Delete Section 19 and insert in lieu thereof: Computation of Wages. The Borrower shall require of its contractors general compliance with all applicable state and local laws or ordinances with respect to the hours worked by laborers and mechanics engaged on the Project and with respect to compensation for overtime.

November 14, 1957

5844

IN WITNESS WHEREOF, this Agreement has been executed in the name and on behalf of the United States of America, Housing and Home Finance Administrator, by the undersigned Regional Administrator, and in the name of the Board of Regents of the University of Oklahoma, acting for and on behalf of the University of Oklahoma, by the undersigned President of said Board, and under its official seal, attested by the Secretary of said Board.

UNITED STATES OF AMERICA  
Housing and Home Finance Administrator  
Community Facilities Commissioner

By \_\_\_\_\_  
Regional Administrator

\_\_\_\_\_  
Date

BOARD OF REGENTS OF THE UNIVERSITY OF  
OKLAHOMA ACTING FOR AND ON BEHALF OF  
THE UNIVERSITY OF OKLAHOMA

(SEAL)

By \_\_\_\_\_  
President, Board of Regents

ATTEST:

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

H-951  
(8-56)

HOUSING AND HOME FINANCE AGENCY  
Community Facilities Administration

TERMS AND CONDITIONS

Constituting Part of the Loan Agreement Providing  
for the Financing and Construction of College  
Housing and Service Facilities Under Title  
IV of the Housing Act of 1950 (Public  
Law 475, 81st Congress, as amended)

Section 1. Definitions. As used in these Terms and Conditions: "Government" means the United States of America generally, and specifically the Housing and Home Finance Agency or its successor to the powers exercisable under Title IV of the Housing Act of 1950, as amended; "Administrator" means the Housing and Home Finance Administrator, or his successor, or the Community Facilities Commissioner or such other person as may be duly authorized to act in said capacity; "Project" means the structure or structures which the Government has agreed to aid in financing under the Loan Agreement; "Loan Agreement" means the contract between the Government and the Borrower pertaining to the Government's loan for the Project and includes both these Terms and Conditions and the contract instrument or instruments of which these Terms and Conditions

constitute a part; "Borrower" means the educational institution designated in the Loan Agreement; "Bonds" mean the Bonds which the Government agrees to purchase under the Loan Agreement; and "Costs of the development of the Project" means the cost of construction work at the Project site, cost of necessary architectural/engineering services, cost of providing the necessary fixed equipment, legal, administrative and clerical costs, cost of land acquisition, necessary travel expenses, Government audit and inspection costs, interest during construction, and other necessary miscellaneous expenses as determined by the Administrator.

**Section 2. Prerequisites to Government's Obligations.** The Government shall be under no obligation to the Borrower, under the Loan Agreement, to disburse any funds thereunder, if:

- (a) **Representations.** Any representation made by the Borrower in its loan application or any supplement thereto or amendment thereof, or in any document submitted to the Government in connection with such application or loan, shall be incorrect or incomplete in any material respect, or the Administrator determines that the Borrower has failed to proceed promptly with Project financing or construction;
- (b) **Financial Condition.** The financial condition of the Borrower shall have changed unfavorably in a material degree from its condition as theretofore represented to the Government;
- (c) **Concurrence by Government.** The Borrower, having submitted to the Government the documents mentioned in Section 14 hereof, shall have proceeded without having been advised by the Administrator or his duly authorized representative that the same are satisfactory and in compliance with the provisions hereof; it being the purpose of this provision to insure that no action will be taken in the development of the Project which would result in a legal or contractual violation rendering it impossible for the Government to make the loan hereunder or for the parties to accomplish the objects of the Loan Agreement.

**Section 3. Furnishings and Moveable Equipment.** The Borrower shall, on or before substantial completion of the Project, provide from sources other than the loan hereunder, and from sources and in a manner which will not jeopardize the security of the Bonds, the furnishings and moveable equipment necessary to the full enjoyment of the use, occupancy and operation of the Project.

**Section 4. Project Site.** The Project shall be located on lands of the Borrower, at a site to be approved by the Government.

**Section 5. Title Evidence.** The Borrower shall furnish the Government satisfactory evidence of its ownership of the Project site.

**Section 6. Payment of Bonds.** The Borrower shall promptly initiate and prosecute to completion all proceedings necessary to the authorization, issuance,

and sale of the Bonds and to the security thereof. When the said proceedings have been completed to the point of but not including the delivery of the Bonds to the Government, the Borrower may file a requisition requesting the Government to take up and pay for the Bonds. The requisition shall be supported by a signed certificate of purposes in which must appear in reasonable detail the purposes for which the proceeds of the Bonds covered by the requisition are to be used, and by such additional data as the Administrator shall require in order to determine whether it is obligated under the provisions of the applicable Loan Agreement to honor such requisition. If the Government is so obligated, it will promptly take up and pay for the Bonds covered by such requisition, within the limitations, however, specified in the Loan Agreement.

Section 7. Opinion of Bond Counsel. Simultaneously with the delivery of any of the Bonds to the Government, the Borrower shall furnish the Government the approving opinion of bond counsel of recognized standing in the financial markets of the United States, as determined by the Administrator, and covering generally all of the Bonds and, specifically and unqualifiedly, the Bonds then being delivered to the Government.

Section 8. Construction Account. The Borrower shall set up in a bank or banks which are members of the Federal Deposit Insurance Corporation, or with the fiscal agency of the Borrower fixed by law, a separate account or accounts (herein collectively called the "Construction Account") into which shall be deposited the proceeds from any temporary loans and the proceeds from the sale of the Bonds (except accrued interest payments) and the additional funds, if any, required by the provisions of the applicable Loan Agreement to be furnished by the Borrower in order to assure the payment of all costs of the development of the Project. Moneys in the Construction Account shall be expended only for such purposes as shall have been previously specified in a signed certificate of purposes filed with and approved by the Administrator.

Where the Moneys on deposit in the Construction Account exceed the estimated disbursements on account of the Project for the next 90 days (3 months), the Borrower may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government which shall mature, or which shall be subject to redemption by the holder thereof at the option of such holder, not later than three (3) years after the date of such investment.

Any Moneys remaining in the Construction Account after all costs of the Project have been paid shall be promptly used for the redemption of Bonds: Provided, however, that any of such funds in an amount less than \$1,000 shall be deposited in the Bond and Interest Sinking Fund Account.

Section 9. Payment of Costs - Additional Funds. The Borrower shall pay all costs of the development of the Project, and furnish from sources other than the Government, and from sources and in a manner which will not jeopardize the security of the Bonds, the additional funds, if any, which will be sufficient to finance the total development costs of the Project. Such additional

funds, if any are required, shall be deposited into the Construction Account by the Borrower on its own initiative, and, in any event, promptly upon the request of the Government.

Section 10. Legal Matters. The Borrower shall furnish the Government a transcript of proceedings for the authorization, issuance, sale and security of the Bonds showing to the satisfaction of Counsel for the Government that the Bonds, when delivered and paid for, will constitute binding and legal obligations, payable and secured in accordance with their tenor, and that all proceedings for the financing and the acquisition, construction and development of the Project preliminary to the delivery of the Bonds to the Government have been had and adopted in due time, form, and manner as required by law.

Section 11. Security. The Borrower shall include in the proceedings for the authorization, issuance, sale, and security of the Bonds, provisions for the payment of the principal of and interest on the Bonds and for the security thereof of the nature required to assure such payment and to safeguard the loan hereunder, including, in case the Bonds are payable in whole or in part from any special sources of revenues, provisions designed to assure the production of such revenues and the application thereof to the extent required for the payment and security of the Bonds and interest thereon, including the maintenance of reasonable reserves.

Section 12. Approvals and Permits. The Borrower shall obtain all approvals and permits required by law as a condition precedent to the acquisition, construction, development, and operation of the Project.

Section 13. Supervision and Inspection. The Borrower shall provide and maintain on its own behalf competent and adequate architectural or engineering services covering the supervision and inspection of the development and construction of the Project.

Section 14. Submission of Proceedings, Contract and other Documents. The Borrower, unless otherwise instructed by the Government, shall submit to the Government:

- (a) three copies of the proposed resolutions or ordinances for the authorization and issuance of the Bonds, including any supplements or amendments thereto, prior to the adoption or enactment of any such resolutions or ordinances;
- (b) two copies of all proposed contracts and proposed contract documents relating to the Project, prior to the invitation of bids thereon;
- (c) a written statement concerning the proposed execution or award of each contract relating to the Project, before such execution and before the award thereof is approved;

- (d) all proposed wage rates to be established by the Borrower pursuant to the provisions of Section 18 hereof, before such wage rates are put into effect;
- (e) two sets of executed contract documents relating to the Project and three sets of conformed copies thereof, before any work, service, material or equipment is performed or furnished thereunder;
- (f) a written statement concerning the proposed assignment of any interest in or part of any contract relating to the Project, before an assignment thereof is approved;
- (g) a written statement concerning each proposed amendment, or proposed extra, change, or additional work order intended to affect any contract relating to the Project, before such amendment, or extra, change, or additional work order is executed or issued;
- (h) such other data, reports, records, and documents relating to the construction and operation of the Project as the Government may require.

**Section 15. Construction by Contract.** All work on the Project shall be done under contract and every opportunity shall be given for free, open, and competitive bidding for each and every construction, material, and equipment contract. The Borrower shall give such publicity by advertisements or calls for bids by it for the furnishing to it of work, labor, materials, and equipment as will provide adequate competition; and the award of each contract therefor shall be made to the lowest responsible bidder as soon as practicable: Provided, That in the selection of equipment or materials the Borrower may, in the interest of standardization or ultimate economy, if the advantage of such standardization or such ultimate economy is clearly evident, award a contract to a responsible bidder other than the lowest in price.

**Section 16. Contract Security.** The Borrower shall require that each construction contractor shall furnish a bond in an amount at least equal to 100 percent of his contract price as security for the faithful performance of his contract and for the payment of all persons performing labor and furnishing materials in connection therewith: Provided, That if applicable State law requires a separate bond for the protection of laborers and materialmen, the Borrower will require that each such contractor shall furnish a bond in the amount above stated for the faithful performance of his contract and a separate bond in an amount required by applicable State law but in no event less than 50 percent of his contract price for the payment of all persons performing labor and furnishing materials in connection with his contract.

**Section 17. Contractors' Insurance.**

- A. The Borrower shall require that each of its construction contractors shall maintain, during the life of his contract, insurance as follows:



1. Compensation Insurance. Workman's Compensation and Employees Liability Insurance as required by applicable State or territorial law for all of such contractors' employees who will be engaged in work at the site of the Project and, if any part of such contractors' contract is sublet, the contractor shall require each subcontractor to maintain such insurance for all of the subcontractor's employees who will be so engaged unless the subcontractor's employees are protected by the principal contractor's insurance.
  2. Liability Insurance. Public Liability and Property Damage Insurance in amounts deemed adequate by the Administrator for bodily injury and/or death, and for property damage, to protect such contractor from claims for damages for personal injury and/or death and damage to property of others which may arise from any operations under his contract whether such operations be by himself or by any subcontractor or anyone directly or indirectly employed by either of them; and on any part of the work which is sublet, the contractor shall require each subcontractor to maintain like insurance unless the subcontractor is covered by the contractor's Public Liability Insurance Policy.
  3. Proof of Carriage of Insurance. The contractor shall furnish the Borrower (owner) with certificates showing the type, amounts, class of operations covered, effective dates and dates of expiration of his insurance policies. Such certificates shall also contain substantially the following statement "The insurance covered by this certificate will not be cancelled or materially altered except after ten days written notice has been received by the owner".
- B. At the option of the Borrower, the following insurance may be provided by the Borrower or its contractor:
1. Builders Risk Fire and Extended Coverage. Fire and Extended Coverage Insurance to protect the Borrower and the contractor and subcontractors against loss caused by the perils insured against in the amount of 100% of the insurable value of the Project including items of labor and materials in place or to be used as part of the permanent structure including surplus materials, temporary structures, and miscellaneous materials and supplies incident to the work.

Such insurance shall be maintained in full force and effect until the Project is accepted by the Borrower from its contractor. In the event the Borrower elects to provide such insurance, the bidding documents shall contain a notice to the bidders of such fact and that the cost of Fire and Extended Coverage Insurance shall be excluded from their respective contract bids.

If the Project is partially occupied prior to acceptance from the contractor, the Borrower shall obtain assurances of coverage during such period; and also obtain consent of the surety company to such prior occupancy.

**Section 18. Wage Rates.** The Borrower shall require all of its contractors engaged in work on the Project to comply with any applicable State law governing the payment of minimum rates of pay to workmen employed on the Project. In the absence of any such State law, the Borrower shall compile, and submit to the Administrator for his approval, a list of prevailing rates of pay for all laborers and mechanics to be employed on the construction of the Project (which list shall be based upon the wage rates prevailing for the same classes of laborers and mechanics employed in construction activities, similar in character to the Project in the area in which the Project is to be constructed). Upon obtaining the Administrator's approval of any such proposed minimum wage rates, or the rates required by applicable State law, the Borrower will include such list in all contracts calling for work on the Project and require adherence thereto. The Borrower shall also require of its contractor that all such lists shall be posted at appropriate conspicuous points on the site of the Project. Unless otherwise required by law, wage rates need not be listed for non-manual workers, including executive, supervisory, administrative and clerical employees.

**Section 19. Computation of Wages on 8-Hour Day.** The Borrower shall require of its contractors (a) that the wages of every laborer and mechanic engaged in work on the Project shall be computed on a basic day rate of eight hours per day, eight hours of continuous employment, except for lunch periods, constituting a day's work; and (b) that work in excess of eight hours per day shall be permitted upon compensation at one and one-half times the basic rate of pay for all hours worked in excess of eight hours on any one day.

**Section 20. Payment of Employees.** The Borrower shall require of its contractors that all employees engaged in work on the Project be paid in full (less deductions made mandatory by law) not less often than once each week.

**Section 21. Wage Underpayments and Adjustments.** The Borrower shall require of each of its contractors that, in cases of underpayment of wages by the contractor, the Borrower may withhold from such contractor out of payments due, an amount sufficient to pay workers employed on the work covered by his contract the difference between the wages required to be paid under the contract and the wages actually paid such workers for the total number of hours worked and may disburse such amounts so withheld by it for and on account of the contractor to the respective employees to whom they are due.

**Section 22. Accident Prevention.** The Borrower shall require of its contractors that precaution shall be exercised at all times for the protection of persons (including employees) and property, and that hazardous conditions be guarded against or eliminated.

Section 23. Audit and Inspection. The Borrower shall require of its contractors that the Administrator, or his authorized representatives, be permitted, and it will itself permit them to inspect all work, materials, payrolls, records of personnel, invoices of materials and other relevant data and records appertaining to the development of the Project; and shall permit the Government to audit the books, records, and accounts of the Borrower appertaining to the loan and the development of the Project. The Borrower shall cause to be provided and maintained during the construction of the Project adequate facilities at the site thereof for the use of the Administrator's representatives assigned to the Project.

Section 24. Reports, Records and Data. The Borrower shall submit, and shall require each contractor and subcontractor on the Project to submit, to the Government such schedules of quantities and costs, progress schedules, payrolls, reports, estimates, records and miscellaneous data as may be required under applicable Federal Statutes or rules and regulations promulgated thereunder.

Section 25. Payments to Contractors. Not later than the fifteenth day of each calendar month the Borrower shall make a partial payment to each construction contractor on the basis of a duly certified and approved estimate of the work performed during the preceding calendar month by the particular contractor, but shall retain until final completion and acceptance of all work covered by the particular contract a reasonable amount, specified in the contract, sufficient to insure the proper performance of the contract.

Section 26. Convict Made and Foreign Materials. The Borrower shall require of its contractors that (a) no materials manufactured or produced in a penal or correctional institution be incorporated into the Project; and (b) that only such unmanufactured articles, materials, or supplies as have been mined or produced in the United States of America, and only such manufactured articles, materials, or supplies as have been manufactured in the United States of America, substantially all from articles, materials or supplies mined, produced, or manufactured, as the case may be, in the United States of America, shall be employed in the construction of the Project. Exceptions to the foregoing shall be made only through a change in the contract covering such exception.

Section 27. Kick-back Statute. The so-called Kick-back Statute, Public Law No. 324, 73rd Congress, approved June 13, 1934 (48 Stat. 1948), and the regulations issued pursuant thereto, are a part of these Terms and Conditions, and the Borrower shall comply, and require each of its contractors employed in the construction, prosecution, or completion of the Project to comply therewith, and to cause his subcontractors to do likewise.

Section 28. Retention of Title. So long as the Government holds any of the Bonds, the Borrower shall not dispose of its title to the Project or to any facility the revenues of which are pledged as security for the Bonds, or to any useful part thereof, including any facility necessary to the operation

and use thereof, and the lands and interests in lands comprising their sites, except as permitted in the Loan Agreement and the bond authorizing proceedings.

Section 29. Signs. The Borrower shall cause to be erected at the site of the Project signs, identifying the Project, and indicating the fact that the Government is participating in the development of the Project.

Section 30. Interest of Third Parties. The Loan Agreement is not for the benefit of third parties, including the holders from time to time of any of the Bonds, and the Government shall be under no obligation to any such parties, whether or not indirectly interested in said Agreement, to pay any charges or expenses incident to compliance by the Borrower with any of its duties or obligations thereunder.

Section 31. Bonus or Commission. By execution of the Loan Agreement the Borrower represents that it has not paid and, also, agrees not to pay, any bonus, commission, or fee for the purpose of obtaining an approval of its application for the loan hereunder.

Section 32. Insurance on Completed Project.

A. Fire and Extended Coverage. Upon acceptance of the Project from the contractor, the Borrower shall, if such insurance is not already in force, procure Fire and Extended Coverage Insurance on the Project, and upon receipt of funds acquired pursuant to the Loan Agreement, the Borrower shall, if such insurance is not already in force, procure Fire and Extended Coverage Insurance on any other of its buildings, the revenues of which are pledged to the security of the loan hereunder. The foregoing Fire and Extended Coverage Insurance shall be maintained so long as any of the Bonds are outstanding and shall be in amounts sufficient to provide for not less than full recovery whenever a loss from perils insured against does not exceed 80 per centum (80%) of the full insurable value of the damaged building.

Where a Trustee is to be or has been designated in connection with the bond issue, each such insurance policy shall be acceptable to the Trustee and shall contain a clause making all losses payable to the Trustee as its interest may appear.

In the event of any damage to or destruction of any of said building or buildings, the Borrower shall promptly arrange for the application of the insurance proceeds for the repair or reconstruction of the damaged or destroyed portion thereof, or retire the outstanding Bonds.

B. Boiler Insurance. Upon acceptance of the Project from the contractor, the Borrower shall, if such insurance is not already in force, procure and maintain, so long as any of the Bonds are outstanding, Boiler Insurance covering any steam boilers servicing the Project, in a minimum amount of \$50,000.00.

- C. Liability Insurance. Upon receipt of any funds acquired pursuant to the Loan Agreement, the Borrower shall, if such insurance is not already in force, procure and maintain, so long as any of the Bonds are outstanding, Public Liability Insurance with limits of not less than \$50,000.00 for one person and \$100,000.00 for more than one person involved in one accident to protect the Borrower from claims for bodily injury and/or death which may arise from the Borrower's operations, including any use or occupancy of its grounds, structures and vehicles.

Section 33. Use and Occupancy Insurance. Immediately upon occupancy of any portion of the Project and so long thereafter as the funds and investments of the "Bond and Interest Sinking Fund Account" (which Account is to be maintained by the provisions of the Loan Agreement) are less than the maximum debt service reserve required by said provisions of the Loan Agreement, the Borrower shall procure and maintain Use and Occupancy Insurance on each building, the revenues of which are pledged to payment of the Bonds, in an amount sufficient to enable the Borrower to deposit in the Bond and Interest Sinking Fund Account, out of the proceeds of such insurance, an amount equal to the sum that would normally have been available for deposit in such Account from the revenues of the damaged building during the time the damaged building is non-revenue producing as a result of loss of use caused by the perils covered by Fire and Extended Coverage Insurance. Where a Trustee is to be or has been designated in connection with the bond issue, each such insurance policy shall be acceptable to the Trustee and shall contain a loss payable clause making any loss thereunder payable to the Trustee as its interest may appear.

Section 34. Interest of Members of or Delegates to Congress. No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.

Section 35. Prompt Procedure - Economic Construction. The Borrower covenants and agrees that it will proceed promptly with all matters necessary to the financing and the development of the Project; and that the Project will be undertaken and developed in such a manner that economy will be promoted in such development and in the construction work; and that the Project will not be of elaborate or extravagant design or materials.

Section 36. Audit and Inspection Expenses. In determining the costs of the Project, there shall be included a sum to be specified in the Loan Agreement as the agreed fixed fee for payment of the Government's expense of supervising and inspecting the work appertaining to the development of the Project and of auditing the books, records, and accounts pertaining to the Project. The Government will bill the Borrower after award of the construction contract for such expense, and the Borrower will promptly make payment to the Government therefor, from the first funds received by it for construction of the Project, as part of the consideration for the loan hereunder and as a cost incident to the financing and development of the Project.

In the event of termination of this Agreement through the sale of all of the Bonds to private purchasers, the Borrower shall be entitled to a refund of

all or a proportionate part of the above fixed fee, dependent on whether the Government has rendered any service in inspecting the construction of the Project and in conducting audits of the Borrower's books, records, and accounts pertaining to the Project prior to or within a reasonable time after said sale of the Bonds. The refund shall be in such an amount as the Community Facilities Commissioner, Housing and Home Finance Agency, determines to be equitable under the circumstances.

Section 37. Construction Financing. If the Borrower wishes to start construction prior to the sale of the Bonds, it may do so after having furnished the Government with (1) a satisfactory preliminary opinion of Bond counsel; (2) evidence of its ability to finance on reasonable terms the cost of the Project up to the time the Bonds are ready for delivery; and (3) evidence of the receipt of firm bids establishing that the Project can be constructed within the approved estimated cost thereof.

In the event any loan under temporary financing should become due prior to the time when the Bonds are ready for delivery, the Borrower may apply to and, provided that the Borrower is in compliance with the Terms and Conditions of this Loan Agreement, receive from the Government an advance against the Bonds in an amount sufficient to liquidate such temporary loan.

If in the determination of the Community Facilities Commissioner the Borrower is unable to obtain interim financing on reasonable terms prior to Bond sale, the Community Facilities Commissioner will consider a request by the Borrower for temporary financial aid in order to avoid undue delay in the construction of the Project.

Any funds made available to the Borrower by the Government pursuant to this Section shall be repaid in full from the first proceeds derived from the sale of the Bonds, and shall bear interest at the rate per annum specified in Section 2 in the Loan Agreement from the date made available to the date of repayment. All funds obtained by the Borrower for temporary financing of the construction of the Project shall be deposited in the Construction Account described in Section 8 above and shall be disbursed therefrom only in accordance with the provisions of said Section 8.

Section 38. Non-Discrimination. The Borrower shall require that there shall be no discrimination against any employee who is employed in carrying out the Project, or against any applicant for such employment, because of race, religion, color or national origin. This provision shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Borrower shall insert the foregoing provision of this Section in all its contracts for Project work and will require all of its contractors for such work to insert a similar provision in all subcontracts for Project work: Provided, That the foregoing provisions of this Section shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

The Borrower shall post at the Project, in conspicuous places available for employees and applicants for employment, notices to be provided by the Community Facilities Administration setting forth the provisions of this non-discrimination clause.

Section 39. Parietal Rules. The Borrower shall establish and maintain throughout the life of the loan, such parietal rules, rental rates and charges for the use of the Project facilities and such other facilities the revenues of which are pledged in this Loan Agreement as may be necessary to (1) assure maximum occupancy and use of said facilities and (2) provide (a) the debt service on the Bonds, (b) the required reserve therefor and (c) the Building Maintenance and/or Equipment Reserve where such reserves are required pursuant to the Loan Agreement.

Section 40. Prerequisites to Loan Disbursements. The Borrower shall prior to filing any requisition for loan funds or requesting the Government's approval of any interim construction financing, present satisfactory evidence of its ability to provide (1) the moveable equipment and furnishings required for the operation of the Project; (2) such funds as are necessary with the loan proceeds to assure completion of the Project; and (3) the Project site or sites free from all encumbrances.

Section 41. Investment of Funds. Moneys on deposit to the credit of the Bond and Interest Sinking Fund Account and/or the Building Maintenance and/or Equipment Reserve Account shall, upon request by the Borrower, be invested by the Trustee or other designated depository, in direct obligations of, or obligations the principal of and the interest on which are guaranteed by, the United States Government.

Section 42. Proper Records and Books. The Borrower shall covenant that it will keep accurate financial records and proper books relating to the Project and other facilities the revenues of which are pledged to secure the Bonds and such records and books shall be open to inspection by the Bondholders and their agents and representatives. It shall further covenant that not later than 90 days after the close of each fiscal year it will furnish to the Trustee and to any Bondholder who shall request same in writing, copies of audit reports prepared by an independent public accountant, or where appropriate, by the State auditing official, reflecting in reasonable detail the financial condition and record of operation of the Borrower, the Project, and other pledged facilities.

Moved by Regent Grisso, seconded by Regent Morgan, that the resolution be adopted. The motion to adopt the resolution was unanimously voted.

President Cross reported that the draft of the Dormitory Bond Issue Resolution, as listed on the agenda as item No. 18, had not been finally approved by the Housing and Home Finance Agency, and that it may be necessary to call a special meeting of the Regents to consider the resolution. It was

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agreed that a special meeting be held upon call by President Cross, if HHFA approval is received substantially before the next regular meeting.

The following communication from Dean Everett, concerning salaries of certain members of the faculty of the School of Medicine, was read:

"October 10, 1957

"Dear President Cross:

"After discussing with you the difficulties which the Medical Center has been facing in securing certain members of the Faculty, I respectfully recommend a change in policy described below.

"It has been a policy in the School of Medicine to equate the salaries of clinical professors regardless of the routine service duties which they have to perform for the University Hospitals. If our salary scale were higher than present finances permit, this policy could be continued and we would be able to fill vacancies in Anesthesiology, Pathology, and Radiology, but our present salary levels no longer make this possible. I am enclosing a copy of a recent report of the salaries paid for radiologists by fifteen southern university schools of medicine and their hospitals. It will be noted from this report that we are the only school of medicine in the south which attempts to finance the total salary from the School of Medicine budget. All others either supplement the school of medicine salary by a stipend from the hospital or else pay the entire salary from their university hospital. The report also shows that the head of the Department of Radiology receives an average salary of \$17,933 yearly, as contrasted with our salary of \$12,000 from our school of medicine. We have had very practical evidence during the past year that no one can be obtained to fill the position as head of any of the three departments at less than \$15,000 per year.

"In order to make it possible to recruit these faculty members and thus to keep the services at the University Hospitals operating at a level which will allow hospital income to be earned as predicated in the University Hospitals budget, I respectfully recommend that faculty members in the Departments of Anesthesiology, Pathology, and Radiology receive an additional stipend, from the University Hospitals as follows:

Not to Exceed

Professors	\$3,000 per annum
Associate Professors	\$2,000 per annum
Assistant Professors	\$1,000 per annum

In order that other clinical Faculty members shall not misunderstand the policy, such payments should be limited to those faculty members whose duty it is to give a very large fraction of their time to routine anesthesiology, radiology, and pathology procedures



which are necessary for the other clinical services in the University Hospitals.

"I see no alternate method of meeting the problem. If the University will approve this policy as a guide to the administrators of the Medical Center, we will allocate the necessary funds from the Hospital budget as opportunity arises. I am making this recommendation with the approval of the Business Administrator and the Superintendent of University Hospitals. Thank you for giving me the opportunity to present this serious problem to you.

Cordially yours,

/s/ Mark R. Everett

Mark R. Everett  
Director and Dean"

SALARIES OF FULL-TIME MEDICAL SCHOOL-HOSPITAL RADIOLOGISTS  
(Southern Schools)

	<u>No. Replies</u> <u>Applicable</u>	<u>Salary Paid By</u> *			<u>Other Income</u> <u>Permitted</u>	<u>Average</u> <u>Salary</u>	<u>Median</u> <u>Salary</u>
		<u>School</u>	<u>Hospital</u>	<u>Both</u>			
Professor	15	1	7	7	12	\$17,993	\$17,500
Associate Professor	13	2	6	5	11	13,350	13,500
Assistant Professor	15	1	7	7	12	11,467	12,500
Instructor	13	1	6	6	10	8,253	9,000

\*Paid on 1:1 basis except for one instance in which Hospital paid one-third and School paid two-thirds.

Three returns indicated salaries not paid by academic rank.

Twenty questionnaires sent out, twenty returned.

President Cross explained that it is the practice, in many institutions, to supplement salaries in certain fields in Schools of Medicine from funds of hospitals, since members of the staff render service in hospitals in addition to their teaching work.

He recommended that faculty members in the Departments of Anesthesiology, Pathology, and Radiology receive an additional stipend, from the University Hospitals as follows:

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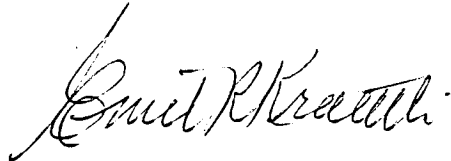
Professors, not to exceed \$3,000.00 per annum  
Associate Professors, not to exceed \$2,000.00 per annum  
Assistant Professors, not to exceed \$1,000.00 per annum

Moved by Regent Benedum, and unanimously voted, to approve the recommendation.

President Cross recommended that the Regents, through its President, express appreciation to Ward Merrick, of Ardmore, for his contributions and time given to the University of Oklahoma Foundation and the University.

The recommendation was unanimously approved.

There being no further business the meeting was adjourned at 2:20 p.m.



Emil R. Kraettli, Secretary