Rice Begins Study Of Living Costs, Pitzer Notes Unique Situation Here

By TERRY O'ROURKE
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Rice University has begun an extensive study of the costs of room and board for the residential colleges.

In an interview with two representatives of the Thresher, Dr. K. S. Pitzer, President of Rice University, said that Mr. H. Russel Pitman, chief accountant of Rice, and other administration officials are traveling to other universities examining the operation of college dormitories and off campus profit-making housing. Among these are TCU, SMU, TWU, Tulane and Vanderbilt.

Dr. Pitzer pointed out, however, that the situation of the Rice Residential colleges is unique in several ways.

Government Loans
Other universities have been able to obtain low interest loans from the Federal Government ranging from 2% to 3 and 5/8% in order to build college housing. The original Rice Charter specifically forbids the University to take advantage of such loans. Article Nine of the charter states that:

The Trustees of said Institute, are hereby expressly forbidden ever to permit any lien, encumbrance, debt or mortgage to be placed upon any of the property, or funds, belonging now, or that may hereafter belong, to said Institute; and it is the desire of the party of the first part, and he so directs, that the entire property of the Institute shall always be kept free from debt.

The money to build the extensions to the four men's colleges Dr. Pitzer further explained, did not come from the men for whom the colleges were named.

The necessary funds were borrowed from the University's endowment at the standard commercial rate of 6%.

Women's Colleges
The major costs of Brown and Jones Colleges were paid (Continued on Page 5)
Campus Finances Examined

(Continued from Page 1) through gifts from Mr. and Mrs. George Brown and from Houston Endowment, Inc. But these gifts were not sufficient to cover the entire expense of the colleges. The University borrowed the balance from its endowment, again at the rate of 6%.

The money to finance the new kitchen was similarly borrowed from the endowment. Dr. Pitzer said that the total debt incurred by the University for the new sections of the men's colleges and part of the women's colleges and the new kitchen amounts to approximately five million dollars.

Savings

These figures indicate that, with government financing, savings between $120,000 and $225,000 per year would be possible. This would be a substantial saving for Rice's approximately 1300 college residents.

Dr. Pitzer went on to explain why the college system at Rice is more expensive than dormitories at other schools.

A substantial expense inherent to the college system is the maintenance of satellite kitchens and a number of dining halls. Overhead is considerably less on a campus where there is a large central dining hall with an adjacent kitchen.

Duplication

The six colleges at Rice require an unavoidable amount of duplication. There must be six dish crews, six head waiters, seven cooking crews, a staff of dietitians and supervisors, and truck drivers to distribute the food after it is prepared. Additional costs of the college system include Masters, resident associates, and college libraries.

Dr. Pitzer concluded the interview by saying that further figures would be available in about two weeks which would definitely show that there is no hidden tuition in the room and board costs at Rice.