

file under
Press

Sept. 12, 1906.

Mr. Wallace Heckman,

135 Adams Street,

Chicago.

Before
1912

Dear Sir:

I beg to acknowledge formally your letter of April 13th bearing on the question of increases in the Press Investment, and to say that I have delayed an earlier reply so that I might go into the history of the matter carefully and include the results of the year ending June 30th last. This has involved considerable work for the reason that a study of our records has been necessary, dating back to the completion of the Press Building, June 30th, 1902. I have just finished a somewhat exhaustive examination of the figures and wish to present some facts for your consideration with the view especially of clearing away what seems to me to be a misapprehension on your part regarding the financial history of the Press during the past four or five years, which I presume is shared by others, and of showing clearly the needs if the growing volume of business is to be maintained.

I have long had the feeling that neither you nor the members of the Press Committee understood my position when I maintained, ^{first} that the Authorized Press investment should be \$150,000 and later when I requested that it be allowed to remain at \$146,000 after the Laboratory Supply Department had been put on a basis of its own. Perhaps I should not be surprised at this, for the reason that you have not been in close touch with the details, and in view of the fact that when your impressions were formed we were not as closely associated on matters of general policy as we are at the present time. In reviewing the actions of the Board

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I have long had the feeling that neither you nor the members of the Press Committee understood my position when I maintained, first, that the Authorized Press Investment should be \$150,000 and later when I requested that it be allowed to remain at \$140,000 after the Laboratory Supply Department had been put on a basis of its own. Perhaps I should not be surprised at this, for the reason that you have not been in close touch with the details, and in view of the fact that when your impressions were formed we were not as closely associated on matters of general policy as we are at the present time. In reviewing the actions of the Board

In the light of my correspondence it would almost seem as if they must have been taken without a thorough knowledge of what forces were responsible for the increases in our investment and that my estimates submitted to the President must never have reached the Committee or Board. I realize that I am at a disadvantage in presenting my arguments at this late date, but I think I can make clear to you not only that I have been consistent and conservative on this question of the Press "Capital" but that we have really needed and have used from time to time the amount involved in my several statements made verbally and by correspondence.

In the light of the discussions I have heard in our Committee meetings I am disposed to believe that Dr. Harper did not fully understand all of the details involved in the situation and that because of this fact you and other members of the Committee probably were confused as to the real issue when the question of a "Working Capital" has been up for discussion during the past year. In my opinion this is shown (1) by a misapprehension as to the reason for the increase in the Press investment between the dates mentioned in your letter; (2) by the fact that we were not talking about the same thing in the beginning-- that is, you and other members of the Committee and Board were working on the "Investment Question" while I was talking with Dr. Harper on the question of a maximum figure which should be considered as our "Working Capital" or the amount which we would need to carry on the business over and above permanently invested funds. (See my letter to you Dec. 22nd, 1903, Exhibit A). You will see, therefore, why it has been so difficult for me to understand your position in the matter and I am very glad that your letter opens the way for me to point out the reasons for the confusion which has arisen.

Taking up specifically the points which are covered in your letter I shall endeavor to show the following:

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Taking up specifically the points which are covered in your

letter I shall endeavor to show the following:

1. That the Decennials were responsible for only a part of the increases to which you call attention.

2. That with the exception of this account the increases were authorized.

3. That if the Press "Capital" had been left at \$150,000 or later at \$140,000, funds for additional ^{Press} investments would not have been created.

4. That the developments of the past three years show that my original estimates for "Working Capital" were well founded.

Referring to the first two points I beg to present the following statement, portions of which are covered in your letter, showing amounts invested in the Press at different dates and giving the increase or decrease over previous dates as the case may be:

<u>Date</u>	<u>Investment</u>	<u>Increase</u>	<u>Decrease</u>
June 30, 1902	62,485.48		
" 30, 1903	126,875.84	64,390.36	
Nov. 30, 1903	150,745.59	23,869.75	
Dec. 31 1903	153,046.50	2,300.91	
June 30, 1904	122,324.68		30,721.82
June 30, 1905	135,982.58	13,657.90	
May 31, 1906	125,884.24		10,098.34

In your letter of April 13th you say that, "You will observe that the occasion for the action which limited the investment at \$150,000 was not that the University desired to invest that amount in the Press, but that since the amount actually authorized of \$62,485.48 had by the Decennial operation gone to this large amount of \$150,000, etc."

You will note from the foregoing figures that the increase between June 30th, 1902 and June 30th, 1903, amounted to \$64,390.00. Our records show that of this amount only \$19,827 is chargeable to the Decennial account. Practically all of the balance can be explained as follows:

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the increases to which you call attention.

2. That with the exception of this account the increases

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increase or decrease over previous dates as the case may be:

<u>Date</u>	<u>Investment</u>	<u>Increase</u>	<u>Decrease</u>
June 30, 1902	62,482.48		
" " 30, 1903	126,875.84	64,393.36	
Nov. 30, 1903	130,445.59	3,569.75	
Dec. 31, 1903	123,046.50	2,300.91	
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between June 30th, 1902 and June 30th, 1903, amounted to \$64,393.00. Our

records show that of this amount only \$19,827 is chargeable to the Decennial

account. Practically all of the balance can be explained as follows:

\$24,579.	Increase in Press equipment. Authorized from gift of Mr. Rockefeller.
6,489.	Increase in connection with the introduction of the Laboratory Supply account. This material was simply taken into the books of the Press for convenience of accounting, but when it was done it meant that the Press investment was increased by that amount so far as would be shown by the records.
1,282.	Increase in Retail stock necessitated by organization of pre-medical work at the University.
4,632.	Increase in work in progress on Journals and Miscellaneous work for the University.
4,694.	Increase in accounts receivable.
<u>2,221.</u>	Increase in stock of Publication Department.
43,897.	

Passing to the next period covered by your letter, namely; June 30, 1903 to December 31, 1903, we find an increase of \$26,170.66 with a total investment of over \$150,000. Without analysis these figures are perplexing, but I remember distinctly offering explanations of the situation to Dr. Harper many times, as the correspondence in my files shows, although I do not think I was in communication with you in the early stages of the discussion. I can see now how your impressions were gathered by considering only the trial balances for the months under consideration, without analysis. Only a small amount again of this increase can be charged to the Decennials. An analysis of the increase, namely, \$26,170.66 shows the following:

\$3,000.	Increase in Laboratory Supply Department
600.	" " Cash on hand
3,000.	" " stock in retail for the winter quarter, which had been purchased but which would not be sold until the next week.
2,000.	" covering extra outside work in progress in the Manufacturing Department and a small increase in individual accounts.
17,452.	" Representing accumulated charges against the University for printing the Journals. At present monthly bills are rendered. At that time they were rendered at irregular intervals.
<u>\$26,052</u>	

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" " stock in retail for the winter quarter, which had been purchased but which would not be sold until the next week.	3,000.
" " covering extra outside work in progress in the Manufacturing Department and a small increase in individual accounts.	2,000.
" " Representing accumulated charges against the University for printing the Journals. At present monthly bills are rendered. At that time they were rendered at irregular intervals.	17,452.
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It is evident, therefore, from the foregoing, that the Decennials were responsible for only a part of the increases which you mention, and further that specific authorization had been made for at least two large items going to make up the increase, viz; the gift for equipment and the accumulated charges for the Journals, to be taken out of ~~this~~ ^{their} appropriation. The other items were authorized under the provisions of the old constitution by which the Director was empowered to make such purchases as he deemed necessary for the conduct of the business from month to month and year to year. Further confusion arises from the fact that you are drawing your conclusions from the trial balance of Dec. 31, 1903, in comparison with the balance of June 30, 1903, when the year's business had been settled and all accrued bills against the University adjusted. To have a true basis of comparison it would have been necessary to have the books closed on December 31st as we did on the previous June 30th. To make this point clear, I would refer to the fact that on June 30th, 1904, our balance sheet showed an investment of \$122,324.68, which was considerably less than that of the previous year, June 30th, 1903, \$126,875.84.

Coming to my third and fourth points, I would say that the question of the "Working Capital" (you will note that I distinguish between Working Capital and Investment) was under discussion as early as May, 1902, and as you will see from my letter to you under date of Dec. 22, 1903, Exhibit A, and from correspondence with the President on the same day (see letter Dec. 22, 1903, Exhibit B) I was working on the question of the additional amount needed to carry on the business from month to month over and above the actual investment for equipment, stock, etc. at that time. In other words, I was endeavoring to make a statement of the maximum amount which the Press would have to borrow from the University during a certain ^{definite} period, that

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period being looked upon informally as a year in advance.

As you point out in your letter, our investment on Dec.31, 1903, had gone above \$150,000, our trial balance on that date showing the University ("Capital") account to be \$153,046.53, and this is a continually increasing amount, as should be noted, up to May 31, 1904 (see memoranda of investment on University account taken from trial balances, Exhibit C). With the adoption of the new constitution of the Press on Dec.23, 1903, the maximum authorized investment was placed at \$150,000 and designated as "Capital". The settlement of the Decennial account and other University bills between Jan.1st and June 30, 1904, reduced the actual investment, as shown by the trial balance on the latter date, to \$122,324.68. If I understand the spirit of the provision of the constitution covering the "Capital" question, we then had a "Working Capital" of \$27,675.32, which was reduced by action of the Trustees on Dec.8, 1904, nearly a year after the original action, in amount \$10,000, leaving a "Working Capital" (based on the theory above) of \$17,675.32 as of June 30th. Our records show, however, that on Nov. 30th, 1904, the University account stood at \$146,125.52. It must be that the action of December 8th referred to above reducing the "Capital" \$10,000 was based on the figures of November, which showed the investment as stated. At the time the reduction was made it should be remembered that we still had on our books the account of the Laboratory Supply Department and it will be noted that this reduction created an overdraft on our account with the University. From Exhibit C it will be noted that this overdraft was cared for during the next month and that the "Capital" of \$140,000 was not exceeded prior to the withdrawal of the Supply Department, March 31, 1905. This was possible because the stock purchases on this account are made in the summer and bills are paid in the autumn. After the middle of December our business in all departments has a tendency to drop off every year and after the removal of the Laboratory

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Supply Department it will be noted that we were well within our limit until the autumn of 1905, when it exceeded \$140,000. The same curve will appear in the figures of the current year although it is not probable that it will go above the \$140,000 mark, excluding for the moment the deficit question treated elsewhere. The investment in supplies prior to the withdrawal of the department from the Press was running at about \$6,750. and when it was withdrawn March 31, 1905, the inventories showed an investment of \$6,778.48-- with this out at the date mentioned above, June 30, 1904, we would have had a "Working Capital" of about \$10,925. If my early estimate had been adopted at the time it was made, or say on June 30th, 1903, when our investment stood at \$126,875, we would have had this amount plus \$15,000 (the amount recommended), or, on the basis on which you were working, \$141,875, which would have constituted the Press "Capital". But action was not taken until Dec. 23, 1903, and settlements were not made under the action until later. Judging from the general spirit of expansion manifest at that time in the University, and assuming in my ignorance that this represented a permanent policy which would directly affect the Press, I thought we should probably need a larger "Working Capital" than originally estimated and accordingly, in December, 1903, when we had about \$150,000 invested, (note Exhibits A and B) I stated that we would need about \$20,000 (note that this included the Laboratory Supply Account). This maximum amount was in fact needed, as is shown by the University account at the end of the several months between Jan. 31, 1903, and Feb. 28, 1905, the last date at which the balance contained the Laboratory Supply Account. (See Exhibit C). In reviewing the figures of the past year with the Laboratory Supply Department out, it will be seen that our average investment has been \$126,923.70, which includes expenditures for equipment, plant, stock, accounts receivable, etc. The exigencies of the year, however,

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have at different times necessitated a much larger sum than this, the highest point the University account ("Capital") has reached, having been \$136,513.21 on Nov. 30th last. On this date the University account was really \$142,130.93, but this amount is reduced to \$136,513.21 by the deficit of 1903-4, \$273.74 and 1904-5, \$5,343.98--total \$5,617.72, which appeared on our books as an asset although it represented dead capital. In round numbers this indicates that it has been necessary to have available about \$10,000 "Working Capital", which you will at once notice is \$5000. less than my original estimate. As business was running when the discussion began we would have needed the larger amount, but it has not been used for the reason that the express wish of the Board has been met in regard to the inauguration of certain economies and retrenchments. In our Committee conferences, however, it has often been pointed out that we ought to have a margin of a few thousand dollars, so that it might be possible for us to consider and if wise take up profitable undertakings from time to time. Granting that my original estimates were well founded and that we needed \$15,000, our "Capital " or maximum investment should have been \$140,000-- \$125,000., which is about which is about the average actual investment for one year, plus \$15,000 "Working Capital."

To state the matter in another way, if the original figure of \$150,000 had been allowed to stand, and when the Laboratory Supply Department was taken away our "Capital" had been reduced, in view of the economies and retrenchments of the past two years, we would now be in easy circumstances. The \$10,000 reduction, however, plus another reduction in connection with the Laboratory Supply account of about \$6,750. will mean that we have available at the present time only \$133,250., which is not sufficient to carry us from month to month with the present volume of business.

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To repeat in still another way some of the points made above, I would say that when I stated that we would need \$20,000 "Working Capital" it was on the supposition that the Laboratory Supply Department would be continued under the direction of the Press. If this was a fair assumption, from the foregoing it would appear that our "Working Capital" should be reduced by the withdrawal of the Laboratory Supply Department \$6,750., thereby leaving us a "Working Capital" of \$13,250. If we add this to our investment as per average of the University account from the trial balances of last year (\$126,923.70) we shall have a total of about \$140,000, a confirmation of the basis of my original estimate.

I think some confusion has arisen from different conceptions of the Decennial transaction. This enterprise has always been treated as a subsidized undertaking of the University and not as an investment of the Press. You will see again, from my early correspondence on this subject, that I am consistent at this point and that the Board was not adding to the Press investment by caring for this enterprise and paying its accrued bills; nor would it now be making a fund available for new expenditures if it should leave the Press investment at \$140,000 even after the removal of the Laboratory Supply business. My argument rests on two points, viz: 1. The minimum amount of invested "Capital" necessary; 2. The necessary "Working Capital" or maximum amount needed during the year to carry on the business. These two items, in my judgement, will still demand a maximum figure of about \$140,000 unless further retrenchments are demanded.

I think I have explained sufficiently the causes of the increases in the "Capital" for the period covered in your letter and made it clear that the estimates of the necessary "Working Capital" were as nearly accurate as they could have been made in advance, I wish to have you understand, however, that I consider the proposal to reduce the "Capital" by the amount of the investment in the Laboratory Supply Department in

To repeat in still another way some of the points made above, I would say that when I stated that we would need \$20,000 "Working Capital" it was on the supposition that the Laboratory Supply Department would be continued under the direction of the Press. If this was a fair assumption, from the foregoing it would appear that our "Working Capital" should be reduced by the withdrawal of the Laboratory Supply Department \$6,750., thereby leaving us a "Working Capital" of \$13,250. If we add this to our investment as per average of the University account from the trial balances of last year (\$126,923.70) we shall have a total of about \$140,000, a confirmation of the basis of my original estimate.

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tions of the Decennial transaction. This enterprise has always been treated as a subsidized undertaking of the University and not as an investment of the Press. You will see again, from my early correspondence on this subject, that I am consistent at this point and that the Board was not adding to the Press investment by carrying for this enterprise and paying its accrued bills; nor would it now be making a fund available for new expenditures if it should leave the Press investment at \$140,000 even after the removal of the Laboratory Supply business. My argument rests on two points, viz: 1. The minimum amount of invested "Capital" necessary; 2. The necessary "Working Capital" or maximum amount needed during the year to carry on the business. These two items, in my judgment, will still demand a maximum figure for of about \$140,000 unless further retrenchments are demanded.

I think I have explained sufficiently the causes of the increases in the "Capital" for the period covered in your letter and made it clear that the estimates of the necessary "Working Capital" were as nearly accurate as they could have been made in advance, I wish to have you understand, however, that I consider the proposal to reduce the "Capital" by the amount of the investment in the Laboratory Supply Department in

connection with its removal from our account as wholly logical. This is the only course that could be followed. It seems to me, however, that the first reduction of \$10,000 must have been made without a complete understanding of the situation, and from the figures which I have presented, I believe that you will agree that it should not have been made. I have referred above to the actual investment of the Laboratory Supply Department as shown by the inventories when the account was withdrawn from the Press book-- \$6,778.48 , March 31st, 1905. It will be noted that this account was withdrawn at the close of the year, when, as might naturally be expected, the stock was running low. The Capital needed, however, to care for the business has always approached \$10,000 (using the word "Capital" in the same sense as we do that of the "Press Capital"). If our Capital had remained at \$150,000 without the first deduction and upon the withdrawal of the Laboratory Supply account it had been reduced \$10,000, we would have then been on the correct basis, with a fund of \$140,000 available. A review of correspondence other than that referred to above will make it clear that this has always been the basis of my recommendation.

So much for the history of the case. The foregoing, I recognize, fails to take into consideration the deficits which have accrued on our business during the past three years, amounting to \$14,104.34, which by ruling of the Auditor was charged to the University on our books June 30th, last, and I assume thereby becomes a charge against our "Capital" account. This ruling is entirely logical; but it was impossible to forecast these losses and if they stand as a permanent charge against our "Capital" my estimates and reasoning are rendered valueless, inasmuch as they were based upon the assumption that the operations of the Press would continue to be conducted without serious loss. The deficit of 1903-4, \$273.74, is but a small amount; that of 1904-5, \$5,343.98 occurred in connection with the operations of the publication and circulation departments, but during the past year the

connection with the removal from our account as wholly logical. This is the only course that could be followed. It seems to me, however, that the first reduction of \$10,000 must have been made without a complete understanding of the situation, and from the figures which I have presented, I believe that you will agree that it should not have been made. I have referred above to the actual investment of the Laboratory Supply Department as shown by the inventories when the account was withdrawn from the Press book--\$6,778.48, March 31st, 1905. It will be noted that this account was withdrawn at the close of the year, when, as might naturally be expected, the stock was running low. The Capital needed, however, for one for the business has always approached \$10,000 (using the word "Capital" in the same sense as we do that of the "Press Capital"). If our Capital had remained at \$150,000 without the first deduction and upon the withdrawal of the Laboratory Supply account it had been reduced \$10,000, we would have then been on the correct basis, with a fund of \$140,000 available. A review of correspondence other than that referred to above will make it clear that this has always been the basis of my recommendation.

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deficit on the operations of these departments have been greatly reduced and we hope this year to reduce them still further, although we cannot hope for a profit from the present volume of business. The loss for 1905-6, \$8,486.62, came as a result of the strike, which cost in profits about \$16,000. With a force in our composing room of increasing efficiency at the present time, however, we may reasonably expect this department to regain its original earning power before June 30th, next.

Granted for the sake of argument, that these deficits will stand as a permanent charge against our "Capital" account and that there shall be no reduction below \$140,000 in connection with the removal of the Laboratory Supply account, our "Capital" would be about \$126,000. at the present time, hardly sufficient to carry the average investment of last year, to say nothing of the margin needed to carry the business through a fiscal year. If our investment is still further reduced by the withdrawal of the amount of Laboratory Supply account we shall have less than \$120,000, which still further complicates the situation.

From my comments on the method of caring for the accrued losses on our operations for the past three years, it will be observed that the real problem of the present does not come from the original reduction in our "Capital" of \$10,000, but, granted that my reasoning is well founded, from the proposed reduction below \$140,000 in connection with the aforesaid deficit. I have endeavored to demonstrate that the Press has needed and will continue to require in its legitimate business the gross sum of \$140,000 permanently invested in its plant, stock and a requisite working fund. If the Laboratory Supply Account had remained with the Press and the policy of expansion referred to above had continued the \$20,000 "Working Capital" or the \$150,000 "Capital" would have been needed. The Auditor states that he has not been instructed to reduce our "Capital" account by the amount

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of the Laboratory Supply inventory and that on his books we had available on June 29th, last, \$140,000, which still represents "Capital" with the deficit charge against it. On June 30th, however, the deficits referred to were charged to the University account (Capital), which reduced our fund to \$125,895.66. Our July 1st balance shows the University account as \$125,052.13, and on August 31st it had increased to \$129,579.23, representing an overdraft of \$3,683.57. From this date there will be increasing demands until after January 1st; and the outstanding obligations at the present time overdraw our account in excess of \$6,000.

If, after examining the facts as I present them in this letter, you agree with me, I wish to raise the question as to whether under the circumstances it would not be well to submit a proposal to our Committee that the University carry the deficit for the past three years in suspense as a loan to the Press until the results of the operations of the current year are known, with the understanding that all profits as realized be applied to the extinguishing of the debt. As stated above, I believe that this year we shall not only come out without a deficit but that increasing efficiency in the composing room will enable us to show something of a profit. I do not expect it to be as much as in preceding years, but I believe that it will go a long ways toward clearing up the accrued deficits as they now stand.

Very truly yours,

Director.

NM-AB.

P.S. A memorandum of the University account (Capital) as per trial balances for the several months from June 30th, 1902 to Aug. 31, 1906, is attached hereto marked Exhibit C.

Your letter (copy) Exhibit D.

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If, after examining the facts as I present them in this letter, you agree with me, I wish to raise the question as to whether under the circumstances it would not be well to submit a proposal to our Committee that the University carry the deficit for the past three years in response as a loan to the Press until the results of the operations of the current year are known, with the understanding that all profits as realized be applied to the extinguishing of the debt. As stated above, I believe that this year we shall not only come out without a deficit but that increasing efficiency in the composing room will enable us to show something of a profit. I do not expect it to be as much as in preceding years, but I believe that it will go a long way toward clearing up the accrued deficits as they now stand.

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attached hereto marked Exhibit C.

From letter (copy) Exhibit C.

Press Capital

(The University of Chicago Account as per University Press Trial Balances)

1902	
June 30	\$ 62,438.19
July 31	63,853.15
Aug.31	76,208.31
Sept.30	96,077.33
Oct.31	123,766.87
Nov.30	126,832.04
Dec.31	126,464.48
1903	
Jan.31	136,683.39
Feb.28	138,561.33
Mar.30	143,734.09
Apr.30	136,692.04
May 31	146,766.41
June 30	126,875.84
July 31	120,621.69
Aug.31	133,127.85
Sept.30	146,342.60
Oct.31	152,322.85
Nov.30	150,745.59
Dec.31	153,046.50
1904	
Jan.31	154,282.79
Feb.29	156,899.44
Mar.31	166,592.53
Apr.30	158,333.72
May 31	171,826.45
June 30	122,324.68
July 31	123,413.59
Aug.31	125,387.81
Sept.30	137,229.15
Oct.31	137,609.90
Nov.30 Cap.reduced \$10,000	146,125.52
Dec.31	135,426.37
1905	
Jan.31	137,712.17
Feb.28	138,334.70
Mar.31 L.S.Dept.out	128,015.68
Apr.30	1 30,518.24
May 31	130,295.02
June 30	135,982.58
July 31	130,160.24
Aug.31	131,427.70
Sept.30	139,567.41
Oct.31	141,721.86
Nov.30	142,130.93
Dec.31	131,083.72
1906	
Jan.31	132,424.74
Feb.28	127,536.47
Mar.31	131.626.54
Apr.30	129,740.11
May 31	125,884.24
June 30	121,575.43
July 31	125,052.13
Aug.31	129,579.23

Press Capital

(The University of Chicago Account as per University Press Trial Balance)

1902	Aug. 31	129,259.23
	July 31	125,022.13
	June 30	121,272.43
	May 31	125,884.24
	Apr. 30	129,740.11
	Mar. 31	131,626.24
	Feb. 28	127,236.47
	Jan. 31	132,424.74
1906	Dec. 31	131,083.72
	Nov. 30	142,130.93
	Oct. 31	141,721.86
	Sept. 30	139,267.41
	Aug. 31	131,427.70
	July 31	130,160.24
	June 30	135,982.28
	May 31	130,222.02
	Apr. 30	130,218.24
	Mar. 31	128,012.68
	Feb. 28	138,334.70
	Jan. 31	137,712.17
1905	Dec. 31	135,426.37
	Nov. 30	146,122.22
	Oct. 31	137,609.90
	Sept. 30	137,229.12
	Aug. 31	125,387.87
	July 31	123,413.29
	June 30	122,324.63
	May 31	121,826.42
	Apr. 30	128,333.72
	Mar. 31	166,292.23
	Feb. 29	156,899.44
	Jan. 31	154,282.79
1904	Dec. 31	123,046.20
	Nov. 30	120,742.29
	Oct. 31	122,322.82
	Sept. 30	146,342.60
	Aug. 31	133,127.82
	July 31	120,621.69
	June 30	126,872.84
	May 31	146,766.41
	Apr. 30	136,622.04
	Mar. 30	143,734.09
	Feb. 28	138,261.33
	Jan. 31	136,682.39
1903	Dec. 31	126,464.48
	Nov. 30	126,832.04
	Oct. 31	123,766.87
	Sept. 30	96,077.33
	Aug. 31	76,208.31
	July 31	63,823.12
	June 30	62,438.19

Nov. 30 Cap. reduced \$10,000

L.S. Dept. out

C x D

Copy

Chicago, April 13, 1906.

My dear Mr. Miller:

Mr. Arnett has been good enough to give me a statement of the amounts invested in in the Press on June 30 1902 and later, viz:-

At the date last named the amount invested was \$62485.48

On June 30, 1903, one year later, it was ----- 126875.84

On Dec. 31, 1903 it had gone above ----- 150000.

This last sum included work on the Decennials which had not been billed to the University.

You will observe that the occasion for the action which limited the investment at \$150000. was not that the University desired to invest that amount in the Press, but that since the amount actually authorized of \$62485.48 had by the Decennial operation gone to this large amount of \$150000., and the Board took the action which required that under no circumstances would the amount then invested be exceeded. Dr. Harper then thought that \$135000. should be the limit of the Press investment but it was finally, after the Press had been relieved of the Decennial, left at \$145000, \$5000. above the amount supposed to be adequate. To make my point clear in regard to the equipment amount it could be stated in this way-

After relieving the Press of the Decennials by the contribution of Mr. Rockefeller of \$18000. to have left the investment at \$150000. would have added the \$18000. to the Press investment. Logically, to leave the Press Investments the same as before the \$18000 was contributed by

20

Copy

Chicago, April 13, 1906.

My dear Mr. Miller:

Mr. Arnett has been good enough to give me a statement of the amounts invested in the Press on June 30, 1902 and later, viz:-
At the date last named the amount invested was \$23485.48
On June 30, 1903, one year later, it was ----- 128875.84
On Dec. 31, 1903 it had gone above ----- 150000.
This last sum included work on the Decennial which had not been billed to the University.

You will observe that the occasion for the action which limited the investment at \$150000. was not that the University desired to invest that amount in the Press, but that since the amount actually authorized of \$23485.48 had by the Decennial operation gone to this large amount of \$150000., and the Board took the action which required that under no circumstances would the amount then invested be exceeded. Dr. Harper then thought that \$135000. should be the limit of the Press investment but it was finally, after the Press had been relieved of the Decennial, left at \$145000. above the amount supposed to be adequate. To make my point clear in regard to the equipment amount it could be stated in this way:-

After relieving the Press of the Decennial by the contribution of Mr. Rockefeller of \$18000. to have left the investment at \$150000. would have added the \$18000. to the Press investment. Logically, to leave the Press investment the same as before the \$18000. was contributed by

Mr. Rockefeller the Press should be reduced to \$132000. To have left the Press at \$150000. in addition to the \$18000. contributed by Mr. Rockefeller would have left its total investment \$168000. If, in addition to that, on the cashing of the Equipment Department to have left the Press with still \$150000. would have made the Press' investments \$174700- a constantly increasing amount you will see. Hence my theory that so large an advance to the Press investment, \$77515. in 1902-3, which is still permitted to remain there notwithstanding its relief from the Decennial operation which occasioned it, would seem a fair and liberal treatment of the Press Department, unless a policy is to be entered upon of adding so large a sum as from \$5000. to \$7000. each year, which in a sense is in that event to be regarded as either an inadequately financed department at the start or one being operated at a loss of approximately that amount annually. Is there any escape from this reasoning?

Very truly yours,

W. Heckman

Mr. Newman Miller,

Dir. Press Division.

Mr. Rockefeller the Press should be reduced to \$13000. To have left the
Press at \$13000. in addition to the \$18000. contributed by Mr. Rockefeller
would have left its total investment \$31000. It, in addition to that, on the
basis of the Equipment Department to have left the Press with still
\$13000. would have made the Press' investments \$24700 - a constantly
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the Press investment, \$77515. in 1902-3, which is still permitted to remain
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at a loss of approximately that amount annually. Is there any escape from
this reasoning?

Very truly yours,

W. Hoffman

Mr. Norman Miller,

Press Division.

Sept.15, 1906.

Mr Wallace Heckman,

Oregon,

Illinois.

Dear Mr.Heckman:

At your request I beg to submit the following, supplementary to my letter of September 12 th, with special reference to the loss which the Press sustained last year and the prospects of profit for the future.

My recommendation that the deficits of the past three years be held in suspense means, of course, that I am requesting a loan from the University, of this amount, \$14,000. My expectations of profit are based, of course, on the assumption that we shall continue with the same volume of business in the Manufacturing Department; that we shall have no more labor troubles(I do not think we are likely to suffer any embarrassment in this respect in the near future),and, that the volume of business in the Retail Department will continue about the same as in the past. In connection with our publishing operations we can ^{not} expect to show a profit. The work planned for the coming season contemplates a material cut in promotion expense and this, with a moderate increase in our business,will, I believe, reduce the loss below that of the past two years.

The net loss for the year ending June 30th last was \$8,486.62. Three ^{element} ~~forces~~ I may say are accountable for this loss: First, the operations in connection with publishing. Second, the work which we did for the University in connection with the purchasing of library books. Third, the strike of

Sept. 15, 1908.

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Three forces I may say are accountable for this loss: First, the operations

in connection with publishing. Second, the work which we did for the University

in connection with the purchasing of library books. Third, the strike of

the typographical union, which began Jan. 2nd, last.

I have commented sufficiently on the status of our publishing interests and in the past I have frequently called attention to the fact that books cannot be bought on a margin of 5% above cost. Our records of this work have been carried on a ~~xx~~ separate basis *during the past year* which shows the cost independent of the operations of the Retail Department. In the past the loss on this work has been ~~covered~~ *obscured* by the profits of the Retail Department.

Coming to the question of the strike, I would say that during the year 1904-5 the volume of business in the Manufacturing Department amounted to \$144,230., on which a profit of \$21,554. was realized. Last year the volume of business amounted to \$141,512. On the basis of the previous year (the schedule of charges was the same) our profit should under normal conditions have been \$19,126, but owing to the very heavy additional expense in connection with the strike and the fact that our force was practically paralyzed during the first three months, from which it did not recover during the last three months, our profits were only \$2,387. for the entire year. We cannot assume that our force has at this time regained the old efficiency and it is not probable that our product during this year will bring us the same profit which we were enjoying prior to the disturbance. It is reasonably certain to assume that all of the loss in profits referred to above fell on the last six months of the fiscal year. We have gone through the period of re-organization, however, and our new force is daily gaining in efficiency and the quantity and quality of our product is rapidly improving, so that by the first of January we expect to have our composing room in a normal condition. Granting for the sake of argument, that during the coming year our volume of business remains the same and that our loss in profits on account of the strike shall not be more than ~~half~~ *half* that of the first six months of the strike, our loss will be \$8,369., which, on the basis of the profits

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volume of business remains the same and that our loss in profits on account of the strike shall not be more than that of the first six months of the strike, our loss will be \$8,362., which, on the basis of the profits

W.H.-Page 3.

realized before should give us a net profit of about \$10,750. Our Retail Department should show a profit of about \$5000., which will give us a total of \$15,750. in profits. Against this, will, of course, be charged the deficits of the publishing end of the business, which I believe will be within \$6000 (in comparison with about \$12,000 last year and \$20,000 the year before). On this basis we shall have close to \$10,000 to apply on our debt.

Therefore, in case my estimates are correct, by the end of the current fiscal year we should be in a position to return about \$10,000 of the amount for which we are now asking and at the same time to carry the business in its present volume without difficulty. I am certain that we shall be able to carry out our plans for publishing new books and I believe that we could also make the necessary additions to our plant, which have been discussed, ~~namely~~ for example, the purchase of another linotype machine.

Yours very truly,

Director.

NM-AB.

realized before should give us a net profit of about \$10,750. Our Retail Department should show a profit of about \$3000, which will give us a total of \$13,750. in profits. Against this, will, of course, be charged the deficits of the publishing end of the business, which I believe will be within \$8000 (in comparison with about \$12,000 last year and \$20,000 the year before). On this basis we shall have close to \$10,000 to apply on our debt.

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Yours very truly,

Director.

WM-AB.

Press

CONSTITUTION
of
THE UNIVERSITY PRESS.

*Article I-III
This was printed
in Annual Report
to Pres. 1907-08
p. 131-2*

ARTICLE I.

SCOPE

1. The activities of the Press shall be confined to the University's educational work and organized as follows:

(1) Manufacturing

A. To include

- a. Composition, plating, presswork, and binding of books, pamphlets, journals, circulars, etc.
- b. Production of stationery
- c. Purchase of stock, supplies, and necessary additions to plant.

(2) Publishing

A. To include

- a. The publication of books, pamphlets, journals, and Extension Syllabi
- b. The publication or distribution of all official documents of the University

(3) Retailing and Purchasing

A. To include

- a. The purchase and supply to students and others of books, stationery, and other articles and materials for use in connection with the University's educational work.
- b. The purchase and delivery of books for the libraries.
- c. The purchase and delivery of stationery and supplies for all offices and departments.

(4) Advertising

A. To include

- a. The sale of space in the University Journals
- b. The purchase of advertising space for various University and Press interests.

The business of the University falling under the foregoing classification shall be conducted through the Press.

Green

Article I-III
This was printed
in Annual Report
of 1907-08
p. 131-5

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OF
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The business of the University falling under the foregoing classification shall be conducted through the Press.

ARTICLE II

F U N D S .

1. The investment in the several lines of work shall not exceed \$140,000. except upon special action of the Board of Trustees. This fund shall be designated as the "Capital" of the Press.
2. A "Subsidy Fund" shall be provided to care for the publication of books and pamphlets which cannot be excepted to meet expenses, the said fund to be drawn upon only on authorization of the Committee on Expenditures. The "Subsidy Fund" may be replenished by (1) returns from sales of books and pamphlets, (2) special appropriations, (3) gifts from private sources, and (4) income from endowments, should any be made.
3. University journals shall be provided for by "Special Appropriation," for certain fixed subsidies over and above income from all sources. Beyond this, expenditures may be met by (1) receipts from subscriptions, exchanges, review books, advertising, etc., (2) gifts from private sources, and (3) income from a sinking fund.

ARTICLE III

CONTROL

The Committee on Press and Extension exercises general control over the Press and from time to time establishes regulations for its conduct.

ARTICLE II

FUND 2.

1. The investment in the several lines of work shall not exceed \$140,000. except upon special action of the Board of Trustees. This fund shall be designated as the "Capital" of the Press.
2. A "Subsidy Fund" shall be provided to care for the publication of books and pamphlets which cannot be expected to meet expenses, the said fund to be drawn upon only on authorization of the Committee on Expenditures. The "Subsidy Fund" may be replenished by (1) returns from sales of books and pamphlets, (2) special appropriations, (3) gifts from private sources, and (4) income from endowments, should any be made.
3. University Journals shall be provided for by "Special Appropriation," for certain fixed subsidies over and above income from all sources. Beyond this, expenditures may be met by (1) receipts from subscriptions, exchanges, review books, advertising, etc., (2) gifts from private sources, and (3) income from a sinking fund.

ARTICLE III

CONTROL

The Committee on Press and Extension exercises general control over the Press and from time to time

Regulations

~~The following recommendations are presented constituting~~
~~the~~ Regulations of the University Press in connection with (1) the Journals, (2) Books and Pamphlets, (3) University Extension Syllabi, (4) Commercial Printing including Circulars, Official Documents, etc., and (5) Basis of Charges.

I. Journals.

1. Financial Provisions.

University Journals are provided for by special appropriations for certain fixed subsidies over and above income from all sources. Beyond this, expenditures may be met by (1) receipts from subscriptions, exchanges, review books, advertising, etc., (2) gifts from private sources, and (3) income from a sinking fund.

2. Terms of Publishing.

It is understood that all office expenses and publishing expenses, except those for special promotion, shall be borne by the Press, and that all moneys received from sales, less 25%, shall be credited to the accounts of the several Journals, the said 25% representing a commission to the Press for publishing.

3. Advertising.

In such University Journals as may warrant, advertising may be carried. It shall be understood that the Press shall bear all expenses of securing advertising and of manufacturing connected therewith, and further that 20% of the receipts from said advertising shall accrue to the accounts of the several journals and be accounted for as an item of income, as hereinbefore provided.

to the Journals

4. Procedure.

(1) Journals may be published

- A. When the manufacturing cost is provided by special appropriation.
- B. When the manufacturing cost is provided by gifts from private sources.

(2) Proposals for publishing

- A. Proposals for the publication of journals shall be made through the Administrative Board of the University Press, which body shall consider the question of propriety of publication by the Press.
- B. Proposals involving a special appropriation shall be presented to the Committee on Press and Extension, with all information pertaining thereto and no steps shall be taken toward publication without specific authorization by the Board of Trustees.
- a. After the publication of a University Journal has been authorized, the following routine shall be observed:

Regent

~~The following provisions are provided concerning~~

Provisions of the University Press in connection with (1)
 the Journals, (2) Books and Pamphlets, (3) University Extension
 Syllabi, (4) Commercial Printing including Circulars, Official
 Documents, etc., and (5) Basis of Charges.

I. Journals.

1. Financial Provisions.

University Journals are provided for by special appropriations
 for certain fixed subsidies over and above income from all
 sources. Beyond this, expenditures may be met by (1) receipts
 from subscriptions, exchanges, review books, advertising, etc.,
 (2) gifts from private sources, and (3) income from a sinking
 fund.

2. Terms of Publishing.

It is understood that all office expenses and publishing
 expenses, except those for special promotion, shall be borne
 by the Press, and that all moneys received from sales, less
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 The said 25% representing a commission to the Press for
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 expenses of securing advertising and of manufacturing connected
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- A. When the manufacturing cost is provided by special appropriation.
- B. When the manufacturing cost is provided by gifts from private sources.

(2) Proposals for publishing

- A. Proposals for the publication of Journals shall be made through the Administrative Board of the University Press, which body shall consider the question of propriety of publication by the Press.
- B. Proposals involving a special appropriation shall be presented to the Committee on Press and Extension, with all information pertaining thereto and no steps shall be taken toward publication without specific authorization by the Board of Trustees.

a. After the publication of a University Journal has been authorized, the following routine shall be observed:

plus minor budget
app. (Encl.)

- (a) Appropriations for University Journals are made as a single budget item, annually, and the apportionment of the amount for each journal is made under the direction of the Committee on Press and Extension.
- (b) Apportionments are made for the estimated excess of expense over income, based on 75% of receipts from subscriptions, exchanges, review books, etc., plus 20% of advertising receipts, plus gifts from private sources, with the understanding that in case a surplus shall accrue to the credit of a Journal for any year the same shall be placed in a sinking fund for the said Journal; provided the editor may be allowed for the improvement of his journal for the succeeding year as much as he may require up to one half of the said surplus, the balance to go into the sinking fund, and provided further that any loss beyond the amount of the deficit as represented by the appropriation shall become a charge upon the account of a Journal for the next year. Aside from funds secured in this manner, gifts from private sources shall be received for the sinking fund for the benefit of a journal. The income from the sinking fund shall be compounded annually until such time as the income from the sinking fund, together with the receipts from other sources, shall be sufficient to maintain the journal.
- (c) At the beginning of every year the Director shall notify each editor of the status of the account of his journal for the preceeding year, and render him a statement of the amount available by appropriation, gifts, etc., and an estimate of the probable income from other sources for the year. It shall be the duty of each editor in conference with the Director to arrange a budget of expenditures of funds thus available, apportioning amounts to the several expense accounts of his journal for the year. The budget shall include the cost of manufacturing, editorial office, contributions and reprints, promotion, etc. Budgets shall be filed with the Auditor on or before October 1st of each year. It shall be understood that expenditures may be made to the amount of the budget of each journal if the total does not exceed the amount estimated, provided from time to time the status of the income accounts shall warrant. If such is not the case further expenditures shall not be made without special authorization of the Committee on Expenditures, upon application of the editor of the journal concerned.
- (d) The cost of manufacturing shall include:
 - The cost of composition, plates, stock, presswork of text matter, and binding.
 - The cost of composition, stock, and presswork of cover, except the cost of composition of any advertising pages which may appear on the cover.
 - Note. The cost of composition, stock, and presswork of all advertising forms and the composition of all advertising pages of cover forms shall be charged to the Press.

C. Proposals involving gifts from private sources may be accepted upon the recommendation of the Administrative

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(c) upon application of the editor of the journal authorization of the Committee on Expenditures, expenditures shall not be made without special shall warrant. If such is not the case further from time to time the status of the income accounts total does not exceed the amount estimated, provided to the amount of the budget of each journal if the shall be understood that expenditures may be made Auditor on or before October 1st of each year. If promotion, etc. Budgets shall be filed with the editorial office, contributions and reprints, budget shall include the cost of manufacturing, expense accounts of his journal for the year. The available, apportioning amounts to the several to arrange a budget of expenditures of funds thus duty of each editor in conference with the Director from other sources for the year. It shall be the gifts, etc., and an estimate of the probable income a statement of the amount available by appropriation, his journal for the preceding year, and render him notify each editor of the status of the account of At the beginning of every year the Director shall sufficient to maintain the journal. with the receipts from other sources, shall be time as the income from the sinking fund, together sinking fund shall be compounded annually until such the benefit of a journal. The income from the sources shall be received for the sinking fund for funds secured in this manner, gifts from private account of a journal for the next year. Aside from by the appropriation shall become a charge upon the loss beyond the amount of the deficit as represented into the sinking fund, and provided further that any one half of the said surplus, the balance to go the succeeding year as much as he may require up to be allowed for the improvement of his journal for fund for the said journal; provided the editor may a surplus shall accrue to the credit of a journal private sources with the understanding that in case plus 50% of advertising receipts, plus gifts from from subscriptions, exchanges, review books, etc., of expense over income, based on 75% of receipts Apportionments are made for the estimated excess Extension.

(a) Appropriations for University Journals are made as a single budget item, annually, and the apportionment of the amount for each journal is made under the direction of the Committee on Press and

copy to (copy)

Board of the University Press, subject to rules governing the terms of credit and provisions regarding ~~publishing~~ contracts hereinafter specified.

- D. All contracts for the publication of journals shall be certified by the Chairman of the Publication Committee of the Administrative Board of the University Press, as belonging to and constituting a part of the University's educational work, and bear the approval of the President of the University.

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governing the terms of credit and provisions regarding
~~publishing~~ contracts hereinafter specified.
D. All contracts for the publication of journals shall be
certified by the Chairman of the Publication Committee
of the Administrative Board of the University Press,
as belonging to and constituting a part of the
University's educational work, and bear the approval
of the President of the University.

II. Books and Pamphlets.

1. Financial Provisions

A subsidy fund is provided by the University, to care for the publication of books and pamphlets which cannot be excepted to meet expenses, the said fund to be drawn upon only on authorization of the Committee on Expenditures, as hereinafter specified. The subsidy fund may be replenished by (1) returns from sales of books and pamphlets, (2) special appropriations, (3) gifts from private sources, and (4) ~~by~~ the income from endowments, should any be made.

2. Terms of Publishing

- (1) All moneys received from sales of books and pamphlets published from funds of the Press shall be credited to its account.
- (2) All moneys received from sales of books and pamphlets manufactured from appropriations from the subsidy fund, less 60%, shall be credited to the subsidy fund, the said 60% representing a commission to the Press for publishing.

3. Procedure

- (1) Books and pamphlets may be published:
 - A. When the manufacturing cost is provided from the general funds of the Press.
 - B. When the manufacturing cost is provided from the subsidy fund.
 - C. When the manufacturing cost is provided by gifts from private sources.
- (2) Proposals for Publishing
 - A. All proposals for the publication of books and pamphlets, shall be made through the Administrative Board of the University Press, which body will consider the question of the propriety of publication by the Press.
 - B. Proposals involving an investment by the Press or an appropriation from the subsidy fund shall be presented to the Committee on Press and Extension with all information pertaining thereto ~~which body shall have authority to approve or disapprove of the decision of publishing in accordance with its findings.~~ *for action.*
 - C. Proposals involving gifts from private sources may be accepted upon the recommendation of the Administrative Board of the University Press, subject to rules governing the terms of credit and provisions regarding ~~publishing~~ contracts hereinafter specified.
 - D. All contracts for the publication of books and pamphlets, shall be certified by the Chairman of the Publication Committee of the Administrative Board of the University Press as belonging to and constituting a part of the University's educational work, and bear the approval of the president of the University.

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A subsidy fund is provided by the University, to care for the publication of books and pamphlets which cannot be expected to meet expenses. The said fund to be drawn upon only on authorization of the Committee on Expenditures, as hereinafter specified. The subsidy fund may be replenished by (1) returns from sales of books and pamphlets, (2) special appropriations, (3) gifts from private sources, and (4) income from endowments, should any be made.

Terms of Publishing

(1) All money received from sales of books and pamphlets published from funds of the Press shall be credited to its account.

(2) All money received from sales of books and pamphlets manufactured from appropriations from the subsidy fund, less 60%, shall be credited to the subsidy fund, the said 60% representing a commission to the Press for publishing.

Procedure

(1) Books and pamphlets may be published:
A. When the manufacturing cost is provided from the general funds of the Press.
B. When the manufacturing cost is provided from the subsidy fund.
C. When the manufacturing cost is provided by gifts from private sources.

(2)

A. All proposals for the publication of books and pamphlets, shall be made through the Administrative Board of the University Press, which body will consider the question of the propriety of publication by the Press or an appropriation from the subsidy fund shall be presented to the Committee on Press and Extension with all information pertaining thereto which body shall have authority to approve or disapprove of the proposal.
B. Proposals involving gifts from private sources may be accepted upon the recommendation of the Administrative Board of the University Press, subject to rules governing the terms of credit and provisions regarding publishing contracts hereinafter specified.
C. All contracts for the publication of books and pamphlets, shall be certified by the Chairman of the Publication Committee of the Administrative Board of the University Press as belonging to and constituting a part of the University's educational work, and bear the approval of the President of the University.

III. University Extension Syllabi.

1. Financial Provisions

It shall be understood that a requisition duly certified by the Secretary of the Committee on Expenditures shall be provided in every case authorizing the manufacturing cost.

2. Terms of Publishing

All moneys received from sales of University Extension Syllabi, less 10%, shall be credited to a special syllabus account, it being understood that the said 10% represents a commission to the Press for publishing.

III. University Extension Syllabi.

1. Financial Provisions

It shall be understood that a regulation duly certified by the Secretary of the Committee on Expenditures shall be provided in every case authorizing the manufacturing cost.

2. Terms of Publishing

All moneys received from sales of University Extension Syllabi, less 10% shall be credited to a special extension account, it being understood that the said 10% represents a commission to the Press for publishing.

IV. Commercial Printing, including Circulars,
Official Documents, etc.

1. Financial Provisions

Miscellaneous printing, e.g. blanks, circulars, official documents, etc., for departments of the University shall be executed on orders received from any ~~duly~~ recognized official when accompanied by a requisition duly signed by the Secretary of the Committee on Expenditures.

2. Terms of Distributing

Circulars and official documents may be mailed on orders received from any ~~duly~~ recognized official, when accompanied by a requisition duly signed by the Secretary of the Committee on Expenditures.

IV. Commercial Printing, including Circulars,

Official Documents, etc.

Financial Provisions

Miscellaneous printing, e.g. plans, circulars, official documents, etc., for departments of the University shall be executed on orders received from any ~~any~~ recognized official when accompanied by a requisition duly signed by the Secretary of the Committee on Expenditures.

Terms of Distributing

Circulars and official documents may be mailed on orders received from any ~~any~~ recognized official, when accompanied by a requisition duly signed by the Secretary of the Committee on Expenditures.

V. Basis of Charges.

1. Manufacturing

- (1) The price of work shall include the actual departmental cost of the same, plus 20% in case of work done at first hand, and 10% in case of work done on contract, and stock shall be figured at an advance of 10% over the actual cost of the same delivered.

2. Publishing

- (1) The price of publications (books, pamphlets, journals, etc.) furnished to the University for Library or other purposes shall be billed at regular trade discounts.
- (2) Books, pamphlets, periodicals and other material secured for review in or exchange with University journals and turned into the general or departmental libraries, shall be billed the same as if purchased through regular channels. Funds from this source shall be accounted for by the Press the same as receipts from subscriptions.

3. Advertising

- (1) Advertising space of University Journals used by any department or school of the University shall be billed at regular trade rates.
- (2) Space used by the Press shall be billed in the same manner.

4. Purchasing

- (1) Charges for books and supplies shall be billed at the cost of the goods purchased plus 10%.
- (2) Charges for advertising space purchased for the use of any department of the University shall be made on the basis of cost plus a commission not to exceed 10%.

5. Mailing

- (1) The price of work billed shall include the actual departmental cost of the same, plus 20% in case of work done at first hand, and 10% in case of work done on contract, and stock shall be figured at an advance of 10% over the actual cost of the same delivered, and postage furnished at an advance of one half of one per cent.

6. Shipping

- (1) For all work executed to be charged against the University, 10% shall be added to the actual shipping charges to cover the cost of packing, wrapping, etc.

the cost of working, including, etc.
The amount to be added to the working capital shall be equal
(1) to the cost of working, including, etc.

2. **Working Capital**

of one year's work.
The amount to be added to the working capital shall be equal
(1) to the cost of working, including, etc.

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