

Minutes of Meeting of the Executive Committee of the Board of Trustees of the University of Kentucky, June 23, 1933.

The Executive Committee of the Board of Trustees of the University of Kentucky met in President McVey's office at the University of Kentucky June 23, 1933, at 10:30 a.m. The members of the Committee present were Judge R. C. Stoll, Chairman; James Park, Joe B. Andrews and R. G. Gordon. President Frank L. McVey and Secretary D. H. Peak were also present.

1. Minutes Approved.

The minutes of the meeting of the Executive Committee of March 20, 1933, were approved as published.

2. Financial Report.

The financial report for May was received and ordered to be recorded in the Minutes. It reads as follows:

EXHIBIT "B"

Statement of Income and Expenditures
Month of May 1933

	Previously Reported	Current Month	Fiscal Year To Date
General Fund Income			
Federal Appropriation	42,750.00		42,750.00
Special Agri. Appro.	21,909.18		21,909.18
Vocation Education Board	16,720.80	1,999.25	18,720.05
Bureau of Mineral & Topo- graphic Survey - Mis- cellaneous Receipts	882.82		882.82
Bureau of Mineral & Top. Survey - State Appro.	3,539.52		3,539.52
State Tax	587,996.78	58,573.97	646,570.75
Int. on Endowment Bonds	8,644.50		8,644.50
Int. on Liberty Loan Bonds	1,700.00		1,700.00
Student Fees	186,830.49	1,612.82	188,443.31
Student Fees - Sum. Sch.	14,415.54		14,415.54
Student Fees - U.H.S.	8,145.05	990.00	9,135.05
Student Fees - El. Tr. Sch.	7,377.25	100.00	7,477.25
Student Fees - Un. Exten.	24,074.97	858.83	24,933.80

Miscellaneous Receipts	19,121.09	425.94	19,547.03
Rentals	2,153.86	309.86	2,463.72
State Appro. - Library Book Stacks	7,019.95		7,019.95
Men's Dormitories	11,098.44	75.75	11,174.19
Total	<u>964,380.24</u>	<u>64,946.42</u>	<u>1,029,326.66</u>
Expenditures			
Instruction	681,933.33	67,802.86	749,736.19
Adm. Exp. and Maint.	210,330.35	16,595.29	226,925.64
Additions and Better.	16,755.10	268.37	17,023.47
Total	<u>909,018.78</u>	<u>84,666.52</u>	<u>993,685.30</u>
Excess of Income over Ex- penditures	<u>55,361.46</u>	<u>(19,720.10)</u>	<u>35,641.36</u>
Patterson Hall Income			
Board	36,161.66	352.50	36,514.16
Miscellaneous Receipts	172.64	41.10	213.74
Room Rent - Summer Sch.	1,271.50		1,271.50
Total	<u>37,605.80</u>	<u>393.60</u>	<u>37,999.40</u>
Expenditures			
Expense	26,604.59	3,327.62	29,932.21
Additions and Betterments	2,080.12		2,080.12
Total	<u>28,684.71</u>	<u>3,327.62</u>	<u>32,012.33</u>
Excess of Income over Ex- penditures	<u>8,921.09</u>	<u>(2,934.02)</u>	<u>5,987.07</u>
General Fund Income	1,001,986.04	65,340.02	1,067,326.06
General Fund Expend.	<u>937,703.49</u>	<u>87,994.14</u>	<u>1,025,697.63</u>
Excess of General Fund Income over Expendi- tures	64,282.55	(22,654.12)	41,628.43
Accounts Payable liqui- dated	(3,999.09)	(111.90)	(4,110.99)
Excess of Expenditures over Receipts for General Ledger Accounts	<u>13,002.54</u>	<u>(17,009.03)</u>	<u>(4,006.49)</u>
Excess of Receipts over Ex- penditures for the fiscal year to date - General Fund	<u>73,286.00</u>	<u>(39,775.05)</u>	<u>33,510.95</u>
Excess of Receipts over Ex- penditures for the fiscal year to date - General Fund			33,510.95
Cash in Bank July 1, 1932 - General Fund			<u>(12,274.36)</u>
Cash in Bank May 31, 1933 - General Fund			<u>21,236.59</u>

Experiment Station Income			15,000.00
Hatch - Federal Appro.	15,000.00		15,000.00
Milk and Butter - Cash			
Receipts	7,786.88	266.77	8,053.65
Beef Cattle Sales	831.42		831.42
Dairy Cattle Sales	346.00		346.00
Sheep Sales	408.91		408.91
Swine Sales	466.91		466.91
Poultry Sales	1,296.24		1,296.24
Farm Produce Sales	1,576.79		1,576.79
Horticultural Sales	304.32		304.32
Seed Test	544.44	31.25	575.69
Seed Inspection	18,569.89	633.44	19,203.33
Rentals	3,421.70		3,421.70
Miscellaneous	612.12		612.12
Fertilizer - Fees	15,772.25		15,772.25
Public Service - State			
Appro.	15,419.16	1,833.33	17,252.49
Public Service - Misc.			
Receipts	18.14		18.14
Feeding Stuffs - Fees	27,613.86	630.75	28,244.61
Adams - Federal Appro.	15,000.00		15,000.00
Serum - Sales	1,139.57		1,139.57
Serum - Virus Sales	70.92		70.92
Serum - Live Stock	45.70		45.70
Serum - Supply Sales	116.45		116.45
Serum - Misc. Receipts	60.00		60.00
State Appropriation	41,339.54	3,006.69	44,346.23
Creamery - License Fees	4,535.50		4,535.50
Creamery - Testers' Lic.	1,480.00		1,480.00
Creamery - Glassware Tested	304.43		304.43
Robinson - State Appro.	10,082.11	1,377.01	11,459.12
Robinson - Misc. Receipts	3,634.73		3,634.73
West Ky. - State Appro.	10,662.34	1,393.46	12,055.80
West Ky. - Misc. Rec.	4,134.16		4,134.16
Purnell - Federal Appro.	60,000.00		60,000.00
Nursery Inspection - Fees	1,530.30		1,530.30
Blood Test	912.75		912.75
Total	<u>265,037.53</u>	<u>9,172.70</u>	<u>274,210.23</u>
Expenditures			
Expense	231,157.98	22,759.56	253,917.54
Additions and Better.	<u>2,252.36</u>	<u>487.38</u>	<u>2,739.74</u>
Total	<u>233,410.34</u>	<u>23,246.94</u>	<u>256,657.28</u>
Excess of Income over Ex-			
penditures	31,627.19	(14,074.24)	17,552.95
Excess of Expenditures over			
Receipts for General			
Ledger accounts	<u>(7,081.11)</u>	<u>(6,386.99)</u>	<u>(13,468.10)</u>
Excess of Receipts over			
Expenditures	<u>24,546.08</u>	<u>(20,461.23)</u>	<u>4,084.85</u>

Excess of Receipts over Expenditures for the fiscal year to date - Experiment Station			4,084.85
Cash in Bank July 1, 1932 - Experiment Station			<u>(5,383.43)</u>
Cash in Bank May 31, 1933 - Experiment Station			<u><u>(1,298.58)</u></u>
Extension Division Income			
Federal Smith Lever	148,308.76		148,308.76
Federal Add. Co-op.	31,000.00		31,000.00
Federal Supplementary	53,091.04		53,091.04
Federal Capper-Ketcham	36,800.98		36,800.98
State Smith-Lever	108,835.79	4,190.28	113,026.07
County and Other	2,117.88	127.86	2,245.74
Total	<u>380,154.45</u>	<u>4,318.14</u>	<u>384,472.59</u>
Expenditures			
Expense	<u>307,660.60</u>	<u>33,014.11</u>	<u>340,674.71</u>
Excess of Income over Expenditures	<u>72,493.85</u>	<u>(28,695.97)</u>	<u>43,797.88</u>
Excess of Income over Expenditures for the fiscal year to date - Extension Division			43,797.88
Cash in Bank July 1, 1932 - Extension Division			<u>7,737.68</u>
Cash in Bank May 31, 1933 - Extension Division			<u><u>51,535.56</u></u>
Trust Fund Income			
Student Loan Fund	874.99	94.16	969.15
Student Notes Paid	<u>2,033.23</u>	<u>17.65</u>	<u>2,050.88</u>
Total Receipts	<u>2,908.22</u>	<u>111.81</u>	<u>3,020.03</u>
Expenditures			
Expense	428.30	41.00	469.30
Student Notes	<u>2,584.75</u>	<u>270.50</u>	<u>2,855.25</u>
Total	<u>3,013.05</u>	<u>311.50</u>	<u>3,324.55</u>
Excess of Expenditures over Receipts	<u>(104.83)</u>	<u>(199.69)</u>	<u>(304.52)</u>
Excess of Expenditures over Receipts for the fiscal year to date - Trust Fund			(304.52)
Cash in Bank July 1, 1932 - Trust Fund			<u>1,308.58</u>
Cash in Bank May 31, 1933 - Trust Fund			<u><u>1,004.06</u></u>

Summary

General Fund Income	1,001,986.04	65,340.02	1,067,326.06
Experiment Station Income	265,037.53	9,172.70	274,210.23
Extension Division Income	380,154.45	4,318.14	384,472.59
Trust Fund Income	874.99	94.16	969.15
Total	<u>1,648,053.01</u>	<u>78,925.02</u>	<u>1,726,978.03</u>
General Fund Expenditures	937,703.49	87,994.14	1,025,697.63
Experiment Station Expend.	233,410.34	23,246.94	256,657.28
Extension Div. Expenditures	307,660.60	33,014.11	340,674.71
Trust Fund Expenditures	428.30	41.00	469.30
Total	<u>1,479,202.73</u>	<u>144,296.19</u>	<u>1,623,498.92</u>
Excess of Income over Expenditures	168,850.28	(65,371.17)	103,479.11
Accounts Payable liquidated	(3,999.09)	(111.90)	(4,110.99)
Excess of Expenditures over Receipts for General Ledger accounts	5,921.43	(23,396.02)	(17,474.59)
Student Loan Fund - Notes	<u>(551.52)</u>	<u>(252.85)</u>	<u>(804.37)</u>
Excess of Receipts over Expenditures for the fiscal year to date - Combined Fund	<u>170,221.10</u>	<u>(89,131.94)</u>	<u>81,089.16</u>
Excess of Receipts over Expenditures for the fiscal year to date - Combined Fund			81,089.16
Cash in Bank and on hand July 1, 1932 - Combined Fund			<u>(6,611.53)</u>
Cash in Bank and on hand May 31, 1933 - Combined Fund			<u>74,477.63</u>

Abstract of item shown on statement of Income and Expenditures as "Excess of Expenditures over Receipts for the General Ledger accounts \$17,474.59"

	<u>Debit</u>	<u>Credit</u>
Accounts Receivable	19,182.27	
Insurance Paid in Advance	537.84	
Sundry Accounts		6,658.52
Surplus	<u>4,413.00</u>	
	<u>24,133.11</u>	
	<u>6,658.52</u>	
	<u>17,474.59</u>	

3. Allowance on Back Salaries

It appearing that, including the collection of Mill Tax and Inheritance Tax by the Auditor of Public Accounts for the month of June 1933, the receipts for the year 1932-1933 will probably exceed the expenditures; and it further appearing that the Attorney General has given an opinion that excess of income over expenditures for the fiscal year may be applied to unpaid salaries for the year 1931-1932, it was ordered that distribution be made on the unpaid salaries for the year 1931-1932, not exceeding in total the excess of income over expenditures for the year 1932-1933, such distribution to be made as funds are available for that purpose.

4. Student Fees and Refunds

The following schedule of changes in student fees and refunds of fees was adopted:

Fees for Regular Students per Semester (Residents of Kentucky)

	<u>*Registra- tion Fee</u>	<u>Incidental Fee</u>	<u>Total</u>
All colleges except Law	\$5.00	\$42.00	\$47.00
College of Law	5.00	45.00	50.00
(Non-residents)			
In all colleges (in addition to other fees)			13.00

Part-time Students (Residents of Kentucky)

Undergraduate	5.00	3.00 per credit hour			
Graduate	5.00	4.00 " " "			
(Non-residents)					
Undergraduate	5.00	4.00 " " "			
Graduate	5.00	5.00 " " "			

Auditors

In lecture and recitation courses	2.00	1.00 " " "			
In studio and laboratory courses	2.00	3.00 " " "			

*The registration fee is payable each semester by all students and is not returnable.

REFUNDS

The registration fee is not refunded. Students who withdraw from the University after the first week may receive refunds on incidental fees as follows:

Second week	75%
Third week	50%
Fourth week	30%
Fifth week	20%
Sixth week	10%

5. Student Grants in Aid Committee

President McVey reported the selection of a committee on Grants in Aid of Students. The committee consists of Dr. J. S. Chambers, Enoch Grehan, M. E. Ligon, W. D. Funkhouser, Major B. E. Brewer, B. L. Pribble, and T. T. Jones. On motion and second, the selection of the committee was approved.

6. Report on Group Insurance

The annual report of the Committee on Group Insurance was presented and a copy was ordered placed on file. The Group Insurance Committee suggested that some plan be adopted so that the insurance group may include the entire staff of the University. President McVey was authorized to mail to each member of the staff a letter in substance as follows:

June 26, 1933

To Members of the University Staff:

Several years ago the University began the custom, when a member of the staff died, of paying to the wife or heirs one-half of the deceased's salary. This custom will no longer be followed. In its place the group insurance is expected to provide for the immediate expense incident to the death of a member of the staff. In consequence, the University would appreciate the cooperation of staff members in advancing the interests of the insurance group.

(Signed) FRANK L. McVey
President of the University

He was further authorized to give like information to each new employee at the time of employment.

7. Federal Appropriations

President McVey stated that newspapers were reporting a change of plan by Director of the Federal Budget as to payment of Morrill-Nelson, Hatch, Adams, Purnell and Smith-Lever funds. A reduction of at least twenty-five per cent had been proposed but that order was temporarily suspended. Up to the date of this meeting the University had received no notice of action by the Director of the Budget.

8. Budget Approved

The budget for the year 1933-1934 was presented by President McVey and, on motion and second, it was duly approved. The Chairman of the Executive Committee and the Secretary of the Board of Trustees were authorized to sign the budget, and the following endorsement was made on the copy of the budget presented for that purpose;

Budget accepted as basis of expenditures for the year 1933-34 and provisions for income and expenditures approved.

(Signed) Richard C. Stoll
Chairman of the Executive Committee

(Signed) D. H. Peak
Secretary of the Board of Trustees

June 23, 1933

9. Tablet on Patterson Hall

President McVey presented the following letter from C. N. Manning, President of the Security Trust Company:

June 14, 1933

Dr. Frank L. McVey, President
University of Kentucky
Lexington, Kentucky

Dear Dr. McVey:

The 29th clause of the will of Prof. Walter K. Patterson reads as follows:

"Because I obtained for the University of Kentucky from the General Assembly of the Commonwealth of Kentucky the appropriations for the purchase of the ground and the erection thereon of the building known as 'Patterson Hall' and because at considerable outlay to myself I secured to the University of Kentucky by purchase the grounds on which 'Patterson Hall' is located, thereby guaranteeing the title to said property, and because free of cost to the University I supervised the erection of the said 'Patterson Hall', the laying out of the grounds, the building of the roads, and the planting of trees and shrubbery, I direct my Executor to have a commemorative tablet with an appropriate inscription placed on 'Patterson Hall' provided this request is approved and authorized by the Board of Trustees of the University of Kentucky. I suggest a plain bronze tablet such as the one recently placed on the 'James Kennedy Patterson Memorial Home' on the campus of the University of Kentucky."

I am wondering whether it is agreeable to the Board of Trustees of the University to have the suggested tablet placed on Patterson Hall. If so, I should be very glad to have you revise or entirely rewrite the inscription which I submit below, namely:

IN MEMORY OF
WALTER KENNEDY PATTERSON
1845 - 1932

Whose efforts and help in the purchase of the ground, the erection of Patterson Hall, and the landscaping and planting, are gratefully acknowledged by means of this tablet erected by authority of the Board of Trustees of the University of Kentucky

Cordially yours,

(Signed) C. N. Manning
President, Security Trust
Company

On motion duly passed the Executor of the Walter K. Patterson Estate was authorized to proceed with the erection of the tablet under the terms of the will and the inscription suggested by Mr. Manning was approved.

10. Cost of Electric Service

President McVey presented a statement and tabulation of the cost of electric service made by M. J. Crutcher, Superintendent of Buildings and Grounds, accompanied by the suggestion that something be done toward securing a better rate. The committee recommended that the question be taken up with Mr. Reed of the Lexington Utilities Company.

11. Government Plan of Construction

President McVey reported progress on his investigation of government financing of construction. He was authorized to make further investigation, especially as to refinancing the Men's Dormitories.

12. Education Commission

The State Educational Commission has been considering the matter of control over state educational institutions. The proposal before the Commission suggests the creation of a board of fifteen to have supervision over curricula as related to institutions and over budgets when presented to the State Budget Commission. Each institution was to be represented by a member of the Board of Trustees and the president. In the case of the University there were to be two members of the board, the president and the dean of the College of Education. The State Board of Education was to have a representation of three, making a membership of fifteen. In making up his report President McVey stated he had asked the Commission to give the University a representation of five, reducing the Board of Education to a representation of two, the other institutions to have the same representation as above. The committee instructed the President to continue to press for a representation of five on the Board.

13. Selection of Member of Executive Committee

A vacancy existing in the membership of the Executive Committee by reason of the expiration of the term of office of Mr. E. B. Webb as trustee of the University of Kentucky; on motion, duly seconded, Mr. C. O. Graves was selected to fill the vacancy and the Secretary of the Board of Trustees was directed to notify Mr. Graves of the selection.

14. Interest on Bank Balances

The following notice was received from the First National Bank and Trust Company, the depository of University funds:

June 21, 1933

TO OUR DEPOSITORS:

In accordance with provisions of the Banking Act of 1933, the Federal Reserve Act has been amended to the effect that no bank which is a member of the Federal Reserve System may pay interest on demand deposits. We quote below an excerpt from Section 11 (b) of the new Act:

"No member bank shall, directly or indirectly by any device whatsoever, pay any interest on any deposit which is payable on demand."

We, therefore, are obliged to discontinue the payment of interest on demand deposit balances, effective on and after June 16th, 1933.

Should you wish to place all or a portion of your balance in a time deposit account, we shall be pleased to pay interest on such an account or accounts subject, however, to rules and regulations that will be prescribed from time to time by the Federal Reserve Board.

Yours very truly,

(Signed) FIRST NATIONAL BANK & TRUST COMPANY

Order incorporated in minutes and no further action taken.

15. Bureau of Mineral and Topographic Survey Statements Approved

The Business Agent presented a statement of expense in the Bureau of Mineral and Topographic Survey as follows:

June 23, 1933

BUREAU OF MINERAL AND TOPOGRAPHIC SURVEY
(COLLECTIONS)

University Post Office	Postage	\$22.89
Railway Express Agency	Express	3.29

The statement was approved by the Executive Committee and ordered to be submitted to the Auditor of Public Accounts for payment.

16. Authorized to Borrow Money

On motion duly seconded the following order was passed:

Authority to borrow during the fiscal year 1933-1934 for the purpose of paying salaries, bills approved and due and current operating expenses, a sum not to exceed \$100,000.00 is hereby granted, the notes to be signed by the Chairman of the Executive Committee and the Business Agent or by the President of the University of Kentucky and the Business Agent.

17. Interest on Federal Funds

The following communication was received from the Commissioner of Education:

June 5, 1933

To Presidents and Business Managers,
Land-Grant Colleges and Universities.

Your attention is called to a decision by the Comptroller General of the United States dated January 16, 1933, in regard to interest accruing upon Morrill-Nelson appropriations, an excerpt from which follows:

"-----I have to advise that the interest accruing upon all such funds (Second Morrill Act of August 30, 1890 - 26 Stat. 417; and Nelson Amendment of March 4, 1907 - 34 Stat. 1281) ----- is interest accruing to the United States and should be covered into the Treasury as miscellaneous receipts."

Further rulings dated March 22, 1933, provide that:

1. The effective date of this ruling is January 16, 1933.
2. Interest accrued January 16 to June 30, 1933, inclusive, must be accounted for and covered into the Treasury at the close of the fiscal year, June 30, and thereafter, accrued interest shall be accounted for at the close, June 30, of each fiscal year.
3. Morrill-Nelson funds must be kept in a deposit account separate from all other funds.

4. The person duly designated to receive the funds from the Federal Government is responsible for the accounting of such interest as may be credited to the deposit account by the bank in which the deposit account is maintained.

Checks covering interest accrued from January 16 to June 30, 1933, should be mailed with the annual reports and will be forwarded by me to the Treasurer of the United States to be covered into the Treasury as miscellaneous receipts.

Very respectfully yours,

(Signed) Wm. John Cooper
Commissioner of Education

The same ruling applies to Federal Smith-Lever funds and the Hatch, the Adams and the Purnell Funds.

18. Library Stacks Bill Approved

The following bill presented by the Superintendent of Buildings and Grounds for the erection of Library Stacks was approved and ordered certified to the Auditor of Public Accounts for payment:

June 22, 1933

To furnish all Labor and Materials necessary to complete the installation of three tiers of book-stacks in New Library Building. The work is classified as follows:

1, Cartage and Drayage from University Siding to Building.....	\$	40,00
2, Installing and erecting all steel supports and bookshelving		365,00
3, Manufacturing and setting concrete slab flooring, 3200 sq. ft.		862,00
4, Installing all electric conduit and wiring for power and light.....		880,00
5, Painting all exposed metal work on stacks except shelving		574,00
6, Waxing and polishing all concrete slab flooring.....		48,00
	\$	<u>2769,00</u>

19. Authorized to Sell State Warrants

The Business Agent reported that he was able to sell state warrants on hand at 91 to 91½ per cent and accrued interest. The sale of the warrants at best price obtainable was authorized.

20. Appointments and Other Staff Changes.

Appointments:

Dr. T. T. Jones, Dean of Men, to succeed C. R. Melcher, salary \$1400.00, payable on twelve months basis.

Lyle B. Croft, Assistant Dean of Men, salary \$2100.00 payable on a twelve months basis.

Robert Broh Kahn, graduate assistant in Bacteriology for the year 1933-34, salary \$200.00.

Miss Susan Miller, Librarian of the Henry Clay High School, part-time instructor in Library Science.

Miss Lucy Gragg, Librarian of the University Training School Library, part-time instructor in Library Science.

D. B. Palmeter, graduate assistant in Mathematics for year 1933-34, salary \$300.00.

Lee P. Hutchinson, graduate assistant in Mathematics, for year 1933-34, salary \$300.00.

Andrew Ferrille, graduate assistant in Mathematics for year 1933-34, salary \$300.00.

Leonard Miller, instructor in the Department of Physical Education, for the year 1933-34, taking the place of John Campbell, named in the Minutes of the Board of Trustees of June 1, 1933.

Reappointments:

Miss Mary Cole Holloway, half-time secretary in the Department of English, for the year 1933-34, salary \$400.00

Stewart Barney, technician in the Department of Bacteriology for the year 1933-34, salary \$27.00 per month for twelve months.

Jack Todd, technician in the Department of Bacteriology, for year 1933-34, salary \$23.00 per month for twelve months.

Brooks Hamilton, technician in the Department of Hygiene and Public Health, for the year 1933-34.

Miss Mildred Semmons, acting head of the Department of Library Science, for the year 1933-34, ranking as assistant professor.

Miss Margaret I. King, part-time instructor in Library Science, for the year 1933-34.

Miss Sallie Pence, instructor in Mathematics, for the year 1933-34.

Miss Dorothy Rominger, assistant in Physics for the year 1933-34, salary \$840.00, payable on a twelve months basis.

E. G. Trimble, assistant professor in Political Science, for the year 1933-34.

Miss Sue Layton, student assistant in charge of Carnegie Art Library, for the year 1933-34, salary \$400.00.

Leaves of Absence:

Dr. W. W. Dimock was granted a leave of absence of twenty-six days following the end of his annual vacation: to wit, August 15, 1933. The purpose is for travel and study in Europe.

J. C. Jones, professor in the Department of Political Science, was granted a leave of absence for the year 1933-34 on half pay.

On motion, the Committee adjourned.

D. H. Peak
Secretary, Board of Trustees