

Minutes of the Regular Meeting of the Executive Committee of the Board of Trustees of the University of Kentucky, Thursday, April 28, 1938.

The Executive Committee of the Board of Trustees of the University of Kentucky met in President McVey's office at the University, Thursday, April 28, at 10:30 a.m. The members of the Committee present were Judge R. C. Stoll, James Park and H. S. Cleveland. Mr. Cleveland accepted by letter appointment as a member of the Executive Committee made at the April 1938 meeting of the Board of Trustees. He met with the Executive Committee for the first time at this meeting.

1. Approval of Minutes.

The minutes of the meeting of the Executive Committee of February 24, 1938, were approved as published. The minutes of the meeting of the Executive Committee of March 22, 1938, were adopted and approved at the meeting of the Board of Trustees April 5, 1938, and made a part of the minutes of that meeting.

2. Financial Report.

The financial report for March, 1938, was filed by the Business Agent. The report was examined by the Executive Committee and was ordered inserted in the minutes.

Statement of Income and Expenditures

Month of March 1938

	<u>Previously Reported</u>	<u>Current Month</u>	<u>Fiscal Year to Date</u>
General Fund Income			
Fed. Appro.-Morrill-Nelson	28,566.65	5,713.33	34,279.98
Vocational Ed. Board	19,910.32	3,140.05	23,050.37
State Appro.-Summer Sch.	8,000.00		8,000.00
Special Agr. Appro.	16,000.00	2,000.00	18,000.00
State Apporo.- General	456,201.64	40,779.85	496,981.49
Interest on Peabody Endow.	1,000.00		1,000.00
State Appro.-Repairs to Buildings	7,557.67	424.06	7,981.73
Federal Appro.-Bankhead- Jones	19,624.95	3,924.99	23,549.94
Student Fees	247,136.82	6,749.12	253,885.94
Student Fees - Sum. Sch.	62,445.15		62,445.15
Student Fees - U. H. S.	8,360.00	1,600.00	9,960.00
Student Fees - El. Tr. Sch.	6,040.00	1,600.00	7,640.00
Student Fees - Un. Exten.	11,073.04	2,191.38	13,264.42
Miscellaneous Receipts	7,955.25	159.07	8,114.32
Rentals	1,348.00	225.00	1,573.00

Men's Dormitories	16,009.42	654.40	16,663.82
Total	<u>917,228.91</u>	<u>69,161.25</u>	<u>986,390.16</u>
Expenditures			
Instruction	583,560.15	79,302.55	662,862.70
Adm., Expense & Maint.	209,546.31	31,096.26	240,642.57
Additions and Betterments	16,619.95	1,014.40	17,634.35
Total	<u>809,726.41</u>	<u>111,413.21</u>	<u>921,139.62</u>
Excess of Income over Expenditures	<u>107,502.50</u>	<u>(42,251.96)</u>	<u>65,250.54</u>
Patterson Hall Income			
Board	46,218.26	652.76	46,871.02
Miscellaneous Receipts	56.77		56.77
Room Rent - Summer School	1,932.56		1,932.56
Total	<u>48,207.59</u>	<u>652.76</u>	<u>48,860.35</u>
Expenditures			
Expense	25,962.88	3,031.80	28,994.68
Additions and Betterments	20.40		20.40
Total	<u>25,983.28</u>	<u>3,031.80</u>	<u>29,015.08</u>
Excess of Income over Expenditures	<u>22,224.31</u>	<u>(2,379.04)</u>	<u>19,845.27</u>
General Fund Income	965,436.50	69,814.01	1,035,250.51
General Fund Expenditures	<u>835,709.69</u>	<u>114,445.01</u>	<u>950,154.70</u>
Excess of General Fund Income over Expenditures	129,726.81	(44,631.00)	85,095.81
Excess of Expenditures over Receipts for General Ledger accounts	(22,531.08)	(31,536.90)	(54,067.98)
Accounts Payable	<u>(19,802.19)</u>		<u>(19,802.19)</u>
Excess of Receipts over Expenditures for the fiscal year to date - Gen. Fund	<u>87,393.54</u>	<u>(76,167.90)</u>	<u>11,225.64</u>
Excess of Receipts over Expenditures for the fiscal year to date - General Fund			11,225.64
Cash in Bank July 1, 1937 - General Fund			<u>89,788.13</u>
Cash in Bank March 31, 1938 - General Fund			<u>101,013.77</u>
Experiment Station Income			
Hatch-Federal Appro.	11,250.00		11,250.00
Milk and Butter - Cash Rec.	7,221.70	833.75	8,055.45
Beef Cattle Sales	450.95		450.95
Dairy Cattle Sales	864.72	210.38	1,075.10
Sheep Sales	889.60		889.60
Swine Sales	666.83	570.76	1,237.59
Poultry Sales	1,230.44	122.62	1,353.06
Farm Produce Sales	2,690.68	75.61	2,766.29
Horticultural Sales	1,042.02		1,042.02
Seed Test	1,017.66	160.06	1,177.72

Seed Inspection	16,732.52	7,611.59	24,344.11
Rentals	3,007.36	119.67	3,127.03
Miscellaneous	236.97	16.80	253.77
Fertilizer, Fees	30,246.25	8,240.00	38,486.25
Public Service - St. Appro.	14,181.66	1,718.32	15,899.98
Public Service - Misc. Rec.	75.00	13.00	88.00
Feeding Stuffs - Fees	40,003.43	4,103.22	44,106.65
Adams - Federal Appro.	11,250.00		11,250.00
Serum - Sales	2,123.66	46.46	2,170.12
Serum - Virus Sales	173.22	(71.85)	101.37
Serum - Supply Sales	117.05	(17.46)	99.59
Serum - Misc. Sales	25.51		25.51
State Appropriation	32,156.12	3,489.50	35,645.62
Creamery - License Fees	9,605.46	(878.46)	8,727.00
Creamery - Testers' Lic.	2,294.89	989.01	3,283.90
Creamery - Glassware Tested	483.61	234.00	717.61
Robinson - State Appro.	8,805.30	1,107.27	9,912.57
Robinson - Misc. Receipts	2,260.03	427.50	2,687.53
West Ky.-State Appro.	10,068.93	535.10	10,604.03
West Ky.-Misc. Receipts	10,300.64	367.57	10,668.21
Purnell - Federal Appro.	45,000.00		45,000.00
Bankhead-Jones-Fed. Appro.	44,402.65		44,402.65
Nursery Inspection - State Appro.	1,440.00	180.00	1,620.00
Nursery Inspection - Fees	1,825.00	105.00	1,930.00
Total	<u>314,139.86</u>	<u>30,309.42</u>	<u>344,449.28</u>
Expenditures			
Expense	254,012.00	32,782.10	286,794.10
Additions and Betterments	9,026.74	3,659.55	12,686.29
Total	<u>263,038.74</u>	<u>36,441.65</u>	<u>299,480.39</u>
Excess of Income over Ex- penditures	51,101.12	(6,132.23)	44,968.89
Excess of Receipts over Ex- penditures for General Ledger accounts	(1,655.69)	4,004.67	2,348.98
Accounts Payable	(11,535.25)		(11,535.25)
Excess of Receipts over Ex- penditures	<u>37,910.18</u>	<u>(2,127.56)</u>	<u>35,782.62</u>
Excess of Receipts over Ex- penditures for the fiscal year to date - Experiment Sta.			35,782.62
Cash in Bank July 1, 1937 - Experiment Station			<u>26,472.45</u>
Cash in Bank March 31, 1938 - Experiment Station			<u>62,255.07</u>

Extension Division Income			
Federal Bankhead-Jones	366,730.49		366,730.49
Federal Smith-Lever	148,308.32		148,308.32
Federal Supplementary	26,545.52		26,545.52
Federal Capper-Ketcham	36,800.98		36,800.98
State Smith-Lever	78,530.57	9,903.76	88,434.33
County and Other	13,513.61	2,019.57	15,533.18
Total	<u>670,429.49</u>	<u>11,923.33</u>	<u>682,352.82</u>
Expenditures			
Expense	<u>461,096.69</u>	<u>61,181.97</u>	<u>522,278.66</u>
Excess of Income over Ex-			
penditures	<u>209,332.80</u>	<u>(49,258.64)</u>	<u>160,074.16</u>
Excess of Income over Expendi-			
tures for the fiscal year to			
date - Extension Division			160,074.16
Cash in Bank July 1, 1937 -			
Extension Division			<u>2,672.00</u>
Cash in Bank March 31, 1938 -			
Extension Division			<u>162,746.16</u>
Trust Fund Income			
Student Loan Fund	2,072.93	73.24	2,146.17
Student Notes Paid	2,030.69	611.47	2,642.16
Total Receipts	<u>4,103.62</u>	<u>684.71</u>	<u>4,788.33</u>
Expenditures			
Expense	18.00	13.00	31.00
Student Notes	355.00	85.00	440.00
General Ledger accounts	5,000.00		5,000.00
Total Expenditures	<u>5,373.00</u>	<u>98.00</u>	<u>5,471.00</u>
Excess of Expenditures over			
Receipts	<u>(1,269.38)</u>	<u>586.71</u>	<u>(682.67)</u>
Excess of Expenditures over			
Receipts for the fiscal			
year to date - Trust Fund			(682.67)
Cash in Bank July 1, 1937 -			
Trust Fund			<u>4,267.53</u>
Cash in Bank March 31, 1938 -			
Trust Fund			<u>3,584.86</u>
Summary			
General Fund Income	965,436.50	69,814.01	1,035,250.51
Experiment Station Income	314,139.86	30,309.42	344,449.28
Extension Division Income	670,429.49	11,923.33	682,352.82
Trust Fund Income	2,072.93	73.24	2,146.17
Total	<u>1,952,078.78</u>	<u>112,120.00</u>	<u>2,064,198.78</u>

General Fund Expenditures	835,709.69	114,445.01	950,154.70
Experiment Station Expend.	263,038.74	36,441.65	299,480.39
Extension Division Expend.	461,096.69	61,181.97	522,278.66
Trust Fund Expenditures	18.00	13.00	31.00
Total	<u>1,559,863.12</u>	<u>212,081.63</u>	<u>1,771,944.75</u>
Excess of Income over Expenditures	392,215.66	(99,961.63)	292,254.03
Accounts Payable	(31,337.44)		(31,337.44)
Excess of Expenditures over Receipts for General Ledger accounts	(29,186.77)	(27,532.23)	(56,719.00)
Student Loan Fund Notes	<u>1,675.69</u>	<u>526.47</u>	<u>2,202.16</u>
Excess of Receipts over Expenditures for the fiscal year to date-Combined Fund	<u>333,367.14</u>	<u>(126,967.39)</u>	<u>206,399.75</u>
Excess of Receipts over Expenditures for the fiscal year to date - Combined Fund			206,399.75
Cash in Bank and on hand July 1, 1937-Combined Fund			<u>125,400.11</u>
Cash in Bank and on hand March 31, 1938-Combined Fund			<u>331,799.66</u>

Abstract of item shown on Statement of Income and Expenditures as "Excess of Expenditures over Receipts for General Ledger accounts \$56,719.00"

	<u>Debit</u>	<u>Credit</u>
Accounts Receivable	56,271.50	
Sundry accounts	<u>447.50</u>	
	<u>56,719.00</u>	

3. Requisition Committee Report.

The Requisition Committee filed written report of its action each week from March 24, 1938, to April 20, 1938. The report showed orders made by the Business Office on the authority of the Requisition Committee in the manner prescribed by the Board of Trustees and State laws, running from No. 6542 to No. 7254. The report was examined, and on motion and second the orders named therein were ratified and approved and payments on said orders were authorized and approved.

The following additional budget appropriation noted on the report was approved and allowed: tree fertilization, \$150.00.

4. Allotments for Fourth Quarter.

The Business Agent stated that he had received from the State Department of Finance, Budget Division, advice of allotments of appropriations for the fourth quarter of the year 1937-1938.

Appropriations and quarterly allotments compared:

Name of Fund	Amount of Appropriation	Amount Allot- ted Fourth Quarter	Total Allotted to Date
Princeton Substation	\$ 14,000.00	\$ 3,500.00	\$ 14,000.00
Quicksand Substation	14,000.00	1,134.80	11,984.80
Agricultural Extension	120,000.00	30,000.00	118,500.00
Repairs	8,000.00		8,000.00
Division of Colleges	664,411.32	133,000.00	630,731.32
College of Agriculture	24,000.00	5,000.00	24,000.00
Summer School	8,000.00		8,000.00
Experiment Station	48,000.00	10,800.00	46,687.43
Service Laboratories	21,000.00	5,514.74	20,964.74
Nursery Inspection	2,000.00	200.00	2,000.00

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Commonwealth of Kentucky
DEPARTMENT OF FINANCE
Frankfort

April 12, 1938

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

My dear Dr. McVey:

The allotments for the last quarter were made under my supervision, but, however, I did not see the one made for the University of Kentucky, or I would have authorized

the full appropriation. The balances will be allotted.

(Signed) Frank D. Peterson,
Director of Accounts
and Control

5. Accounting Machines.

President McVey made a statement concerning the proposed purchase or rental of accounting machines. This statement showed favorable attitude to installation of International Business Machine of heads of departments of the University in which the machines may be used to advantage. The Business Agent reported as follows:

ACCOUNTING MACHINES

Mr. McCain and I have made a study of accounting machines for use in the Business Office to the best of our ability. It now appears that the International Business machines may be used to the best advantage so far as accounting is concerned. The expense of rental of these machines and operation is not taken into consideration.

We have also considered the National Cash Register and Burroughs machines. Each of these will be satisfactory for the work in the Business Office that is desired to be done by machine accounting. The cost of either of these will be approximately \$1600. These machines are supposed to last for a period of ten or more years.

In event the IBM machines are put in, it will be necessary to have someone to superintend the operation of the machines. It is now my opinion that Coleman Smith may be able to do this in addition to his duties as Secretary of Organizations Fund. The attention to these two things will probably take up his entire time so that he will not have time for any other work in the Business Office. It is probable also that his salary will have to be adjusted so far as amount is concerned.

A room for the machine will have to be provided. It is now my opinion that the room occupied by Mr. Wachs is the most suitable for that purpose. The Business Office is now very crowded and it is necessary to have additional room. It is my opinion that the room now occupied by Mr. Salyers should be turned over to the Business Office. In event these changes are made and in order to make the use of these rooms most convenient, it will be necessary to have either a stairway from the Business Office to the basement rooms or at least a mail chute. I think also that if the IBM machines are put in the room occupied by Mr. Wachs it will be necessary to have a door cut between the two basement rooms referred to above.

I can not now see that there can be any change made in the expense of the Business Office on account of accounting machines. The accounting machines will aid very much, however, in securing quicker reports and more statistical data and in the long run it is probable that expense in addition to what we now have may be avoided.

The matter was continued, the Committee asking for more complete report.

6. State Warrants Called.

The Business Agent reported:

The State Treasurer called for payment on April 15 certain State Warrants. Among the warrants called was the one to the Student Loan Fund for \$4600.00. This has been collected and the amount should probably be put on interest account in the bank.

I am informed that another call has been or will be made for May 15. Mr. McFarland thinks it probable that that call will include the warrants in which the Peabody Fund is invested.

Question of reinvestment of the funds thus released from investment was raised, but no action was taken thereon.

7. Renewal of Note on Gymnasium.

The Business Agent reported: that at a meeting of the Alumni Association April 11, the Treasurer of the Association was authorized to sign the renewal of the Alumni note for funds formerly borrowed for payment on construction of Gymnasium due the First National Bank and Trust Company. Note was properly renewed after that date in the same form and with same endorsements as heretofore made, in the sum of \$7, 925.00. The interest due thereon was paid from funds set aside to Athletics from student fees.

8. Insurance on Men's Dormitories.

The question of the request for cancellation of policies written by Klair and Scott Agency, Lexington, Ky., on Kinhead and Breckinridge Halls, Men's Dormitories, held by the Security Trust Company, and the rewriting of these policies by other agencies, that has been pending since the September 1937 meeting of the Executive Committee, was brought before the Committee by the following communications from Governor Chandler to President McVey:

April 13, 1938

My dear Dr. McVey:

There are attached copies of communications from Mr. A. E. Kirkpatrick of New Haven, Kentucky, and from Assistant Attorney General A. E. Funk.

I wish you would please give this matter of insurance on Kinhead Hall your attention and communicate with Mr. Kirkpatrick.

With best wishes, I am

Faithfully yours,

(Signed) Albert B. Chandler
Governor

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

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ATTORNEY GENERAL'S OFFICE
Frankfort, Kentucky
April 5, 1938

Honorable A. B. Chandler, Governor,
of the Commonwealth of Kentucky,
Frankfort, Kentucky.

Dear Governor:

I am enclosing herewith a bill and letter from Dawson & Kirkpatrick, insurance agents. The bill is for the premium on insurance policy in the sum of \$142,000.00 on Kinhead Hall and contents, at the University of Kentucky. The policy was written in the Hartford Insurance Company, being No. 60058. It is my understanding that at the time this policy was written by the insurance agency there was a certain contract with the Security Trust Company of Lexington in regard to the insurance on this property and perhaps the Board of Regents had no right or authority to insure the property. Nevertheless, this insurance agency issued their policy and paid the premium to the company, amounting to \$117.48. After this policy was issued, it was found that the Security Trust Company had procured a policy covering the same property in another company and, of course, under the contract with the Security Trust Company, the latter had the right to procure the insurance on the property. Therefore, it will be necessary to cancel the policy issued to the University by the Dawson & Kirkpatrick Agency and under the short rate cancellation provision

there will be due them \$90.46. Since this policy was issued by this agency upon the request of State officials, it seems to me that the agency should be reimbursed the amount of the earned premium on the policy, and that amount being \$90.46 they should be paid that sum and the policy cancelled.

Hoping that you can arrange to have the Board of Regents allow this agency the sum of \$90.46 short rate cancellation and that the policy will be cancelled. I am

Very truly yours

(Signed) A. E. Funk
Assistant Attorney General

April 1, 1938

Hon. A. E. Funk, Asst. Atty. General,
Frankfort, Kentucky

Dear Sir:

Following Senator Dawson's instructions we are enclosing the bill of the premium on Hartford Combined Policy #60058 covering \$142,500 on Kinkead Hall and Contents. In the event they desire this policy canceled as of April 5th, the day on which the Board meets, the earned premium will be \$90.46 as shown on our statement.

Thanking you and the Governor for the interest you have shown in this matter, we remain

Yours very truly,

Dawson and Kirkpatrick, Agt.

(Signed) By A. E. Kirkpatrick.

The Business Agent reported that Judge Robert G. Gordon had called him by telephone, stating that he regretted his inability to attend this meeting of the Executive Committee. Judge Gordon made inquiry as to the progress of the question of insurance on the Men's Dormitories, and the Business Agent informed him of the communications sent to President McVey by Governor Chandler. Judge Gordon then said that he recommended following the advice of the Attorney General in settlement of the claim for premium on insurance policy written by Dawson and Kirkpatrick, New Haven, Ky., and as well a similar settlement with Coleman's Insurance Agency, Mount Sterling, Ky. He asked the Business Agent to report this recommendation to the Executive Committee at the meeting of this date.

Thereupon, upon motion duly carried, it was ordered that the Business Agent request the State Director of Insurance to have

cancelled at short rate as of April 1, 1938, Hartford Combined Policy #60058 covering \$142,500 on Kinhead Hall and contents, written by Dawson and Kirkpatrick Agency, New Haven, Ky. The Business Agent was further directed to submit to the Department of Finance a copy of this resolution, and a copy of the original bill covering the premium on this policy, and ask that payment be made to Dawson and Kirkpatrick Agency, New Haven, Ky., in the sum of \$90.46.

It was further ordered on motion, duly carried, that the Business Agent request the Commissioner of Insurance to have cancelled at short rate as of April 1, 1938, Fidelity-Phoenix Fire Insurance Company policy No. S947 for \$45,350.00 and to have cancelled at short rate as of April 1, 1938, Fireman's Fund Insurance Company policy No. WFW 238877 for \$45,350.00 written on Breckinridge Hall and contents by Coleman's Insurance Agency, Mt. Sterling, Ky.

The Business Agent was further directed to submit the bills for the premiums on these two policies to the State Commissioner of Insurance and ask him to have the bills corrected so that they will be rendered on co-insurance basis. When such bills are received the Business Agent shall submit them in the usual course to the State Department of Finance and ask that payment be made to Coleman's Insurance Agency, Mt. Sterling, Ky.

The Business Agent was further directed to have the State Commissioner of Insurance have fire insurance placed on the contents of Kinhead Hall in the sum of \$5000.00 and on the contents of Breckinridge Hall in the sum of \$5000.00.

The Business Agent is directed to send a copy of this resolution to Governor Chandler and a copy to the State Commissioner of Finance.

9. Carnegie Grant for Community Music Study.

President McVey presented the following communication:

CARNEGIE CORPORATION
of New York
522 Fifth Avenue
New York

April 20, 1938

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

Dear President McVey:

I am glad to be able to tell you that, at a meeting of the Executive Committee of the Corporation held April 18, the following resolution was adopted:

RESOLVED, That, from the balance available for appropriation, the sum of ten thousand dollars (\$10,000) be, and it hereby is, appropriated to the UNIVERSITY OF KENTUCKY, toward support of the community music study, previously aided under Resolution X 1637.

Our Treasurer is being authorized to make payment of this amount on or about July 15, 1938.

(Signed) Robert M. Lester
Secretary.

On motion duly carried, the appropriation was accepted. The President was asked to notify the Carnegie Corporation of acceptance by the Executive Committee and to express appreciation for the appropriation.

10. Proposed Bond Issue.

Attention was called to the proposed bond issue for new construction and for refunding debt on Men's Dormitories by presentation of statement previously mailed to each member of the Board of Trustees by President McVey.

Consideration of the question was postponed, awaiting further information on the proposal.

11. Constitution for Student Union.

The President presented copy of constitution for Student Union proposed by the Student Union Building Committee. After suggestions of changes were made by members of the Executive Committee, it was stated that on the whole the proposed constitution seemed to meet requirements. However, it was deemed advisable that further study be made by members of the Board of Trustees and the President was asked to have copy of the proposed constitution sent to each member of the Board.

12. Inspection of Gas Lines.

Explosion of gas in one of the manholes back of Student Union Building that occurred April 27, 1938, was reported. It appears that accumulation of gas from leak in gas line was ignited by a spark from motor. Two men, employed by contractors, were seriously injured. On suggestion of Judge Stoll, inspection for leaks in gas lines on the campus was ordered.

13. Annual June Commencement.

The annual June Commencement was announced by President McVey for June 3, 1938. It is proposed to be held at the Stadium at 7:00 o'clock p.m., under arrangements being made by the Commencement Committee. He said that the change of time is desired in order to avoid the unpleasantness of midday heat. The regular June meeting of the Board of Trustees was announced for 10:00 a.m., Commencement day, June 3, 1938.

14. List of Employees Prepared.

The President stated that at the request of the State Division of Personnel the Business Agent had caused to be made an alphabetical list of regular employees of the University of Kentucky. The list shows the name, residence, original residence and the amount of monthly or weekly salary, according as paid. Part time employees and county agents are not listed. Transmission of a copy of the list as prepared to the State Division of Personnel was approved.

15. Petition of Students.

During the meeting there was presented to the President which he, in turn, referred to the Executive Committee, a petition signed by students of the Engineering College asking for changes in the organization of the College. The petition was ordered filed.

16. The Matter of Audit.

The President presented copy of letter written by him to the accounting firm of Peat, Marwick, Mitchell and Company, Chicago, Illinois, in answer to inquiry from that firm, as to action on bids previously made for making audit of accounts of year 1935-36. The letter sets forth the situation as to matter of audit.

At the date of this meeting of the Executive Committee, no opinion on the question of audit pending before the Attorney General had been received. For that reason the President had not asked for bids as ordered at the April meeting of the Board of Trustees.

17. Truck Accident - Liability.

Opinions of Attorney General, and correspondence,

a. Letter submitting

March
Thirty
1938

Honorable Hubert Meredith
Attorney General
Frankfort, Kentucky

Dear General Meredith:

I have been asked by the Executive Committee of the Board of Trustees of the University of Kentucky to request an opinion from your office on the liability of the University on account of automobile accidents.

I state a particular case as follows: A collision occurred between the farm truck of the Kentucky Agricultural Experiment Station and a truck of the Lexington Water Company on February 19, 1938. The Lexington Water Company claims damages from the Experiment Station for repairs of its truck in the approximate amount of \$120. The University truck was so badly damaged that it had to be traded in for a new truck.

In order that the case may be presented from the standpoint of the University and also from the standpoint of the Lexington Water Company, I submit herewith copy of a letter to Dean Cooper from Professor Ely, professor of dairy husbandry. Also I submit copy of a letter to Dean Cooper from the Lexington Water Company.

I will appreciate it very much if you will let me have your opinion at an early date.

Very truly yours,

(Signed) D. H. Peak
Business Agent

b. Opinion No. 1 - Assistant Attorney General

Commonwealth of Kentucky
ATTORNEY GENERAL'S OFFICE
Frankfort

April 5, 1938

Mr. D. H. Peak
Business Agent
University of Kentucky
Lexington, Kentucky

Dear Sir:

Your letter of March 30, wherein you request our opinion as to the liability of the University by reason of an automobile accident, has been referred to me for reply.

The statement of Professor Ely, attached to your letter, indicates that the liability was on the part of the Lexington Water Company truck driver. The letter of Mr. Jacobson of the Lexington Water Company indicates that the University truck driver admitted responsibility. It seems to be altogether a question of fact.

If the board of trustees feels that the University driver was operating the truck in a proper manner then their course would be to sustain him and refuse to pay the damages claimed by the Lexington Water Company. It is a matter of judgment to be exercised by the board of trustees after hearing both sides of the case as far as possible. No one could foresee what a jury might do if suit were brought. If the University, however, can rely upon proof being given substantially the same as that indicated in Professor Ely's letter, then my personal opinion is that payment should not be made to the Lexington Water Company.

Hubert Meredith
Attorney General

(Signed) By W. Owen Keller
Asst. Atty. General

c. Supplemental Request

UNIVERSITY OF KENTUCKY

April 11, 1938

Honorable W. Owen Keller
Assistant Attorney General
Frankfort, Kentucky

Dear General Keller:

I have yours of April 5 in regard to truck accident on which I requested the opinion of the Attorney General as to liability of the University. Members of the Executive Committee are of the opinion that, on account of the University being an institution of the State of Kentucky, there is no liability in cases of this kind. It was intended that my request for opinion cover this point. Perhaps I did not make this clear but I will appreciate hearing from you in regard to that question.

The University does not wish to avoid such liability but the members of the Executive Committee questioned whether or not they would have the power to authorize settlement should there be no liability against the University as a State institution.

Thank you very much for your prompt answer to my letter.

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

d. Opinion No. 2 - Assistant Attorney General

Commonwealth of Kentucky
ATTORNEY GENERAL'S OFFICE
Frankfort

April 12, 1938

Mr. D. H. Peak
Secretary
Board of Trustees
University of Kentucky
Lexington, Kentucky

Dear Mr. Peak:

This is to acknowledge receipt of your letter of April 11, relative to the liability of the University for an automobile accident which occurred recently. I regret that I misunderstood exactly the point you had in mind in your previous letter.

The University of Kentucky is not a branch or arm of the State Government to such an extent as to grant it sovereignty and prevent it from being sued. The University is a special legislative creature, not a part of the common school system or an arm of the Government, but a corporation set up and organized by the Legislature and given certain powers to act through its board of trustees.

Under the provisions of Section 4527-18 of the Kentucky Statutes, which outlines and defines the duties of the board of trustees of the University of Kentucky, we find that: - "The board of trustees----shall be a body corporate,---and as a corporation shall have the power to sue and be sued, implead and be impleaded-----."

Under the provisions of this and other sections of the statutes applying to the University of Kentucky, we believe that since the University functions as a corporation it may be dealt with as a corporation, and that if the board of trustees believes a liability exists in the matter referred to, it could effect a compromise settlement with the aggrieved party, or suit might be brought by the party against the University.

HUBERT MEREDITH
Attorney General

By (Signed) W. Owen Keller
Asst. Atty. General

e. Cases cited to Assistant Attorney General

UNIVERSITY OF KENTUCKY

April 19, 1938

Honorable W. Owen Keller
Assistant Attorney General
Frankfort, Kentucky

Dear General Keller:

I showed your letters relative to the liability of the University in case of truck accident to Judge R. C. Stoll, Chairman of the Executive Committee of the Board of Trustees. He was present at the time the Committee members asked me to obtain opinion from your office. Judge Stoll has asked me to call your attention to the following cases in connection with the question of liability of the University:

Kelterers, etc., v State Board of Control 131Ky287
Kentucky State Park Commission v Wilder 260Ky191
Kentucky State Park Commission v Wilder 256Ky314
University of Louisville v Metcalf 216Ky341

I beg your pardon for bothering you so much about this.

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

Action was continued pending reply to letter copied in Sub-Section e above.

18. Request for Sewer Connection - Experiment Station.

Letter from Dean Cooper presented:

April 13, 1938

President Frank L. McVey
University of Kentucky

Dear President McVey:

Mr. E. C. Stocker and Mr. Winfield Underwood, have requested the privilege of making an attachment to the main line sewer which extends from the agricultural engineering building and the dairy building to the city sewer on Washington Avenue. This sewer comes from an area in which there are four or five families, but Mr. Stocker and Mr. Underwood are the only ones interested.

I can see no objection, with certain limitations, to their making an attachment to the present sewer line which is ample to take care of our needs for many years in the future. I would propose the following limitations and requirements:

1. That the sewer be installed and connected, in so far as it runs upon Experiment Station property, in accordance with the requirements of the University engineer.
2. That the type of construction designated, manholes, if required, or other features, be installed at no expense to the University and in conformity with the requirements set up by the University engineer.
3. That the location of the line shall be that designated by the engineer.
4. That permission for additional use of the sewer shall be given only upon authorization of the Experiment Station.
5. That the work shall be carried on in such manner as

not to disturb the activities of the Experiment Station, and that upon completion the surface shall be restored to its original condition.

I recommend that easement be granted for the purpose of this sewer right.

(Signed) Thomas Cooper
Dean and Director

On motion and second duly carried, Dean Cooper was authorized to enter into agreement with the parties named in the above copied letter, permitting use of the sewer with express stipulation in contract for discontinuance of the privilege on thirty days notice.

The agreement shall be reduced to writing, which written contract shall be signed and acknowledged by the parties thereto, Dean Cooper being authorized to sign and acknowledge it for the University of Kentucky. The contract shall be recorded in the Fayette County Clerk's Office.

19. P. W. A. - Construction.

a. 1. Acceptance of Student Union Building Reported.

April 14, 1938

Mr. D. H. Peak
Business Agent
Administration Building
University of Kentucky

Dear Mr. Peak:

We are accepting the Student Union Building for the University of Kentucky as of April 19, 1938. This acceptance constitutes cancellation of insurance policies of all contractors and I ask that you take immediate steps to have insurance protection on this building effective from this date.

(Signed) E. B. Farris
Assistant to the Chief
Engineer
University of Kentucky
Building Program

2. Report on Insurance

April 20, 1938

Mr. D. H. Peak
Business Agent
University of Kentucky

Re: Insurance,
Student Union Building.

Dear Mr. Peak:

I have discussed the matter of the insurance for the Student Union Building with Colonel Graham and he instructed me that \$25,000.00 will be adequate on this building.

This policy should cover damage by fire and wind. I believe that the following description will be beneficial in establishing a rate on this insurance: As you know, this building has a kitchen in it for cafeteria operation. The building is a structural steel frame, fireproofed by encasing the beams in concrete and the columns in double brick. The floors are beam and girder type reinforced concrete. The roof is of Robertson Protective Metal. The ceilings next to the roof are constructed of plaster on metal lathes attached to metal runner channels and furring channels. All partitions are of fireproof construction, that is, they are either Ceramic Tile or Gypsum Tile. The exterior walls are of brick and of brick and tile. This building is set up for winter air conditions. All sash is of the fixed type.

Please take steps to have these covered immediately as we are accepting this building as of Tuesday, April 19, 1938.

(Signed) E. B. Farris
Assistant to the
Chief Engineer
University of Kentucky
Building Program

3. Insurance Ordered

April 21, 1938

Mr. Sherman Goodpaster
Director of Insurance
Frankfort, Kentucky

Dear Mr. Goodpaster:

The new Student Union Building has been received from the contractors and insurance carried by the contractors has been released, therefore we find it desirable to

have insurance placed on this building.

I have consulted Dean Graham in regard to the amount and he advises me that, inasmuch as this is a fireproof building, \$25,000 will, in his opinion, be sufficient amount of fire insurance. Like amount of tornado insurance should be carried and like amount on contents. I will appreciate it very much if you will have this taken care of.

The building may be described as a three story brick and tile metal roof building 142 1/2 feet by 157 2/3 feet situated on the University campus at Lexington, Ky.

On investigation I find that, if policies written by Dawson and Kirkpatrick and Coleman's on Kinhead and Breckinridge Halls are cancelled in their entirety, there will be no insurance on the contents of these two Halls. Either that part of these policies in regard to the contents should not be cancelled or else you should place \$5000 on the contents of each of the above mentioned Halls.

(Signed) D. H. Peak
Business Agent

4. Approving Order.

The action of the Business Agent in requesting insurance by the State Division of Insurance in amounts named in letter copied in Sub-Section a-3 was approved.

b. College Construction Bonds

The Business Agent made the following statement:

P W A CONSTRUCTION BONDS

Bond due June 30, 1938	\$15,000.00
Interest for the year	<u>18,570.00</u>
	\$33,570.00

Available Funds

Balance on hand July 1, 1937	\$4,219.58	
Fees, First Semester, set aside	9,285.00	
Fees, Second Semester, set aside	9,285.00	
Old fees set aside	<u>2,080.60</u>	<u>24,870.18</u>

Balance necessary for payment	\$ 8,699.82
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c. Experiment Station Annex Bonds

The balance on the bonds issued to the First National Bank and Trust Company for funds for construction of Experiment Station Annex, due June 1, 1938, will be \$11,000.00, bonds, and \$220.00, interest. It was ordered that there be set aside from Experiment Station collections such an amount as may be authorized by Dean Cooper for transfer to the Experiment Station Annex Interest and Bond Redemption Fund, that said amount be transferred to said fund and that payment thereof be made on the bonds and interest due June 1, 1938.

20. Appointments and Other Staff Changes.

President McVey present^{ed} staff appointments and other changes requested by deans and heads of departments, and, on his recommendation, by motion and second, the following were approved and record ordered made in the minutes:

Appointments

Thomas Hankins of Shelbyville, Kentucky, appointed as teacher trainer in Industrial Education, under rank of instructor, in the Vocational Education Department, College of Education. He is to receive a salary of \$200.00 a month for eleven months, beginning August 1, 1938, payable from Vocational Education funds.

James S. Shropshire, Director of Student Union Building.

Miss Calla Van Syckle, to teach home management and housing the first term of the summer session; and consumer problems and home management, the second term; payment for services for the two terms to be \$550. Miss Van Syckle received the bachelor of science degree in home economics from Oregon State College, and her master's degree from Iowa State College. In addition, she has had a year of graduate work at the University of California. She is at present acting as head of the home economics department of the State Normal School at Plattsburgh, New York.

Edward B. Doll, whose employment was noted in Minutes of April 7, 1938, is also employed for the months June, July and August, 1938, at salary of \$400.00 for the period, to arrange and install electrical laboratory equipment in the new laboratories.

James F. Allen, Instructor in Chemistry, salary \$1500.00 a year, provided for in the budget.

Flavius W. Wyman, Eleanor A. Mitts and Ernest K. Bean, graduate assistants in Chemistry, at salary of \$500.00 each, provided for in the budget.

Changes

Dr. D. W. Bruner, Assistant Animal Pathologist, Experiment Station, salary changed to \$2700.00. Budget of contingent funds is to be adjusted to take care of the change.

Resignations

Mrs. Garnett Chase, clerk in the Department of Horticulture, resignation effective June 14, 1938.

George F. Insko, County Agent, Madison County, resignation effective with the close of business April 15, 1938.

Agricultural Extension

David Colville, Assistant County Agent, Anderson and Mercer Counties, effective April 16, 1938 to June 30, 1938, salary \$100 a month, payable from Federal Bankhead Funds. Change is made in travel arrangement, not to exceed \$25.00 a month.

Marshall C. Griffin, changed from Assistant County Agent to County Agent, McCreary County, effective March 1, 1938 to June 30, 1938, salary \$125.00 a month, payable from Federal Bankhead Funds; travel allowance \$50.00 a month.

Robert H. Ford, County Agent, Anderson County, effective April 16, 1938 to June 30, 1938, salary \$200.00 a month, payable from Bankhead and Offset to Federal Funds; net increase \$300.00; travel allowance, \$50.00 a month.

Howard W. Burdine, changed from Assistant to County Agent, Martin County, effective March 1, 1938 to June 30, 1938, salary \$116.66 $\frac{2}{3}$ a month, payable from Federal Bankhead Funds; travel allowance \$50.00 a month.

James F. Moore, County Agent, Knox County, effective April 1, 1938 to March 31, 1939, salary \$150.00 a month, payable from Bankhead-Jones Funds; deduction \$100.00 A.C. funds; travel allowance \$50.00 a month.

Carl B. Day, County Agent, Lawrence County, effective January 1, 1938 to June 30, 1938, salary \$143.33 $\frac{1}{3}$ a month, payable from Bankhead and Offset to Federal Funds; \$100.00 increase on County funds; travel allowance \$50.00 a month.

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On motion, duly seconded, the Committee adjourned.

D. H. Peak
Secretary, Board of Trustees.