

Minutes of the Meeting of the Executive Committee of the Board of Trustees of the University of Kentucky, November 17, 1950.

The Executive Committee of the University of Kentucky met in the President's Office at 10:30 a.m., Friday, November 17, 1950. The following members were present: Guy A. Huguelet, Chairman; H. D. Palmore, J. C. Everett and R. P. Hobson. Absent: Harper Gatton. President H. L. Donovan and Secretary Frank D. Peterson met with the Committee.

A. Minutes Approved.

Upon motion duly made, seconded and carried, the minutes of the Executive Committee of October 25, 1950, were approved as published.

B. Report of the Comptroller.

The Comptroller made the usual monthly report, with balance sheet of University funds as of October 1, 1950, together with operating statements of fund and budget operations for the period of three months ended on that date.

The report was examined, and upon motion duly made, seconded and carried, ordered received and filed.

C. Budget Changes.

President Donovan submitted a list of budget changes, aggregating a net increase of \$45,142.81. He explained that most of these changes represented debits and credits of funds, that \$45,000 of the net increase represented an appropriation from the State Agricultural and Industrial Development Board, and, for budgetary purposes, the authorization of the Committee is necessary.

He also stated that the Libraries had been called upon to do photographic work for other libraries, for which the University had received \$186.17, and that he recommended that this amount be reappropriated to the Libraries.

The members heard the recommendation of the President, and upon motion duly made, seconded and carried, approved the budget changes as recommended, and directed that the supporting data be filed.

D. Fiscal Agent Employed.

Comptroller Peterson reported that, with the approval of the Board

of Trustees, an irrevocable offer to purchase small dormitory and lot at 476 Rose Street had been issued to Beta Psi House Corporation, of Alpha Delta Pi Sorority. The house is completed, and the Beta Psi House Corporation has accepted the offer to purchase and has requested payment. They desire the transaction closed as soon as possible.

The House Corporation was supposed to have given the University a 45 to 60-day notice before they desired transfer of the house. They failed to give such notice. The first date upon which the University could authorize a bond issue would appear to be December 12, that being the regular quarterly meeting date of the Board of Trustees.

The Comptroller stated that he was in receipt of a proposition from The Bankers Bond Company, of Louisville, and Security and Bond Company, of Lexington, for the preparation and issue of the revenue bonds. He read the following communication:

THE BANKERS BOND CO.

Louisville, Ky.

To the Board of Trustees or
Its Executive Committee
University of Kentucky
Lexington, Kentucky

Att: Mr. F. D. Peterson, Comptroller

Gentlemen:

We understand that the University has agreed to purchase for \$76,000 a building suitable for dormitory purposes and known and identified as No. 476 Rose Street, Lexington, Kentucky. This building is to be conveyed to the University at that price by Beta Psi House Corporation of Alpha Delta Pi Sorority and will be leased back by the University to the same party for the housing of members of the Sorority but with unqualified ownership remaining in the University, and with provision in the lease for the housing of students who are not members of the Sorority in the event the Sorority should fail to make the required rental payments. This purchase you desire to finance through the issuance of \$76,000 of Dormitory Revenue Bonds of the University under the provisions of Chapter 58 of the Kentucky Revised Statutes and in a manner identical with the proceedings incident to the issuance of \$74,500 of "University of Kentucky Dormitory Revenue Bonds (456 Rose Street)" which we recently handled for you.

We are advised that you desire that the bonds be dated December 1, 1950, that they be in the denomination of \$1,000

each, and that they mature serially \$2,000 on December 1 in each of the years 1951 through 1964 and \$3,000 on December 1 in each of the years 1965 through 1980. We are further advised that the bonds should be callable for redemption at 103 on and after December 1, 1953; at 102 on and after December 1, 1958; at 101 on and after December 1, 1962; and at par on and after December 1, 1966, any redemption to be on an interest payment date (June 1 or December 1) and in inverse numerical order after 30 days notice to be given by publication in a newspaper of general circulation throughout Kentucky.

In order to assist you in this financing we offer you the following proposals which we understand will be submitted to your Executive Committee on November 17 for acceptance or rejection:

1. We will employ Messrs. Wyatt, Grafton & Grafton, Municipal Bond Attorneys of Louisville, Kentucky, and will cause them to prepare, subject to the approval of the Attorney General of Kentucky as your official legal advisor, all such bond resolutions, notices of sale, resolutions of acceptance, and other instruments and documents as are necessary or desirable in order to authorize \$76,000 of "University of Kentucky Dormitory Revenue Bonds (476 Rose Street)" conforming to the above specifications. We will pay the expense of publishing the "Notice of Sale" in THE BOND BUYER, New York City, and in the COURIER-JOURNAL, Louisville, Kentucky, and will cause such notice to be published in time to permit competitive bids for these bonds to be considered and acted upon by the full Board of Trustees at its meeting scheduled for 10 A.M. CST on December 12, 1950. We understand that officials of the University will submit all necessary details to the State Property and Buildings Commission and procure its approval of the bond issue, as required by law.

2. We guarantee that if the sale of the bonds is held on December 12, 1950, we will appear and make you a bid of not less than 102% of the amount of the bond issue, stipulating not to exceed 2-3/4% interest for all bonds maturing on and prior to December 1, 1960, as shown in the above maturity schedule, and not to exceed 3% for all bond maturities on and after December 1, 1961. The sale of the bonds will be so advertised that bidders will have the right to name one or two interest coupon rates of their own choosing, providing each is a multiple of one-fourth of 1%, and none may exceed the respective maximum rates which we have guaranteed in this paragraph.

3. We will pay all expenses incident to the issuance, sale and delivery of the bonds, including the fees of our Municipal Bond Attorneys, the reasonable cost of obtaining a satisfactory opinion or abstract showing that the property is acquired by the University in fee simple, free of all liens and encumbrances, the cost of printing the bonds, the cost of advertising the sale, etc.

4. As compensation to us for our services and expenses and for the risk which we assume in guarantying to bid for the bonds, we are to be paid a fee equal to 2% of the face amount of the bonds sold and delivered. This sum is to be paid to us when you receive payment for the bonds and if the bonds are sold to us we are to be permitted to take credit for this compensation when we make payment.

If the Executive Committee desires to accept these proposals, we suggest that this letter be spread upon the minutes of the meeting and that the Chairman of the Executive Committee be authorized by resolution to endorse the acceptance as shown below. As soon as we have been furnished with a copy of this letter so endorsed our employment and guarantee will become binding and effective and we will immediately cause the necessary instruments to be prepared and submitted.

Yours very truly,

THE BANKERS BOND COMPANY
SECURITY AND BOND COMPANY

(Signed)

By Wood Hannah
Authorized Representa-
tive

Accepted for the Board of Trustees of
The University of Kentucky pursuant to
a Resolution adopted by its Executive
Committee on November 17, 1950.

Chairman, Executive Committee

It was explained to the Committee that it would take time to get the revenue bond resolution prepared, approved by the Attorney General and the University Attorney, and notice of sale of bonds published at least ten days in advance of the meeting of December 12, and recommended that the proposition offered by The Bankers Bond Company of Louisville, Ky., and the Security and Bond Company of Lexington, Ky., be accepted.

After some discussion concerning changes in market conditions, upon motion duly made, seconded and carried, the proposition submitted by The Bankers Bond Company, Louisville, Ky., and Security and Bond

Company, of Lexington, Ky., was accepted, and the Chairman of the Executive Committee was authorized to execute the necessary contract.

E. Resolution of Intent to Issue Revenue Bonds and Authorization of Notice Soliciting Competitive Bids for Sale of Revenue Bonds.

Comptroller Peterson outlined to members of the Executive Committee the terms and conditions under which the bonds might be issued, and upon motion duly made, seconded and carried, the following resolution was adopted:

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY DETERMINING THAT CERTAIN REVENUE BONDS SHALL BE ISSUED FOR THE ACQUISITION OF A BUILDING SUITABLE FOR DORMITORY PURPOSES AND AUTHORIZING THE PUBLICATION OF NOTICES SOLICITING COMPETITIVE BIDS FOR SAID BONDS, THE SAME TO BE ACTED UPON BY THE BOARD OF TRUSTEES AT ITS MEETING ON DECEMBER 12, 1950.

WHEREAS, the University of Kentucky, acting through its Board of Trustees or the Executive Committee thereof, has heretofore agreed to purchase from Beta Psi House Corporation of Alpha Delta Pi Sorority a new building presently about to be completed, situated at 476 Rose Street in Lexington, Kentucky, at a price of \$76,000; and

WHEREAS, it is desirable that the Board of Trustees finance said purchase transaction through the issuance of \$76,000 of "University of Kentucky Dormitory Revenue Bonds (476 Rose Street)";

NOW, THEREFORE, THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES RESOLVES AND ORDERS AS FOLLOWS:

1. It is hereby determined that there shall be issued \$76,000 principal amount of bonds as indicated in the preamble of this resolution, with details as follows:

Date of Bonds:

December 1, 1950

Statutory authority pursuant to which issued:

Chapter 58, Kentucky Revised Statutes

Denominations:

\$1,000 each

Maturities of principal:

Two bonds on December 1 in each of the years 1951 to 1964, inclusive; three bonds on December 1 in each of the years 1965 to 1980, inclusive

Place of payment of principal and interest:

Security Trust Company, Lexington, Kentucky

Redemption provisions:

Callable at 103 on December 1, 1953 or any June 1 or December 1 thereafter to and including June 1, 1958;

Callable at 102 on December 1, 1958 or on any June 1 or December 1 thereafter to and including June 1, 1962;

Callable at 101 on December 1, 1962 or on any June 1 or December 1 thereafter to and including June 1, 1966;

Callable at par on any interest payment date on or after December 1, 1966.

Redemption to be as a whole or from time to time in part in inverse numerical order upon thirty days prior published notice to be given by publication in a newspaper of general circulation throughout Kentucky

Security:

A pledge of and a lien upon a sufficient portion of the rentals obtained by the University from the renting or leasing of the dormitory facilities provided by the property to be purchased

Terms of Sale:

All bids to be for cash and to be for the entire bond issue

Minimum bid:

102% of principal plus accrued interest to date of delivery, bidders to name one or two interest coupon rates of their own choosing, each a multiple of one-fourth of 1% and not to exceed 2-3/4% per annum for bonds maturing on and prior to December 1, 1960, and not to exceed 3% per annum for bonds maturing thereafter, each bid to be accompanied by a certified or bank cashier's check payable to the University in the sum of \$1,500.00

Legal opinion:

Wyatt, Grafton & Grafton, Louisville, Kentucky; to be furnished to purchaser without expense to purchaser

Publication of notice:

At the earliest possible date by one insertion in the BOND BUYER, New York City, and one insertion in the COURIER-JOURNAL, Louisville, Kentucky

Receiving of bids:

To be received in the office of the Comptroller of the University until 10 A.M. Central Standard Time, December 12, 1950, and at that time referred to the Board of Trustees for consideration

Approvals to be obtained:

Written approval of the Attorney General of Kentucky as to the bond authorizing resolution which will be prepared by the above named municipal bond attorneys;
Written approval of the State Property and Buildings Commission, as required by law

2. This Resolution shall be in full force and effect from and after its adoption.

Adopted by the Executive Committee of the Board of Trustees of the University of Kentucky at a meeting held on November 17, 1950.

Chairman

F. Report on the Estate of Annie Dillard.

The Comptroller reported that he was in receipt of communication from the Executor of the estate of Miss Annie Dillard. He stated that there had been no changes in the appraised value of the estate, other than a communication from E. S. Graham, of the Graham Land Office, Graham, Texas, giving his opinion of the value of 316.5 acres of land in Young County, Texas, which is a part of the estate of Miss Dillard.

The letter from Mr. Graham was read to the Committee, and after some discussion, on motion duly made, seconded and carried, was ordered received and filed.

G. Dawson Springs State Park.

President Donovan recalled enactment of H.R. 3480 by Congress, which authorized the use of Dawson Springs Park for University of Kentucky purposes.

He advised the Committee that he had a copy of an opinion from Assistant Attorney General Squire N. Williams, Jr., to Hon. Henry Ward, Commissioner of Conservation, Frankfort, Ky., in which the Attorney General's Office held that the title to the property is and has been in the Commonwealth of Kentucky since the original deed issued in 1935, and that the only purpose of H.R. 3480 was to extend the use of the property from State Park purposes to include University of Kentucky purposes. The opinion further cited that a copy of H.R. 3480 had been filed in the Hopkins County Court Clerk's Office at Madisonville, Ky., and that a notation on the margin of the page of the Deed Book where the deed is recorded was made, referring to H.R. 3480 and to the fact that such bill is filed in the office of the Hopkins County Court Clerk.

The Attorney General's Office advised that it would prepare an order transferring the use of Dawson Springs State Park from the Department of Conservation, Division of Parks, to the University of Kentucky, which order would be acted upon by the State Property and Building Commission on November 15, 1950.

The members of the Committee received the additional information concerning transfer of the Dawson Springs State Park to the University of Kentucky, and without formal action, decided to hold the matter in abeyance for further study by the full Board which meets on December 12.

H. Report on James K. Patterson Trust Fund.

President Donovan stated that he was in receipt of a statement of accounts from the Security Trust Company, executor of the James K. Patterson will. He read to members of the Committee the report listing receipts and disbursements, and list of investments.

There was some discussion concerning the market value of investments and as to whether or not the accounts had ever been audited, after which a motion was made, seconded and carried that the statement submitted by the Executor be received and filed.

I. Remodeling of Agricultural Engineering Building.

President Donovan stated that he was in receipt of a recommendation from Dean Cooper for remodeling the Agricultural Engineering Building, and that, since the work would involve an expenditure of \$80,000 to \$90,000, he had requested further information from the Comptroller's Office. He stated that it appeared necessary to issue invitations for competitive bidding for the remodeling work involved, and upon suggestion of the Comptroller that an architect be employed to prepare the necessary plans and specifications suitable for State advertising, recommended that the firm of Frankel and Curtis be employed to do this work, since this firm prepared the original plans and specifications for the Agricultural Engineering building.

After some discussion, upon motion duly made, seconded and carried, Dean Thomas Cooper and Mr. Peterson were authorized to employ the firm of Frankel and Curtis to prepare plans and specifications necessary.

J. Investment of Simon N. Jones Fund.

President Donovan reported that, at the time the University of Kentucky took over the Louisville College of Pharmacy, it received, among the assets, the Simon N. Jones Fund. It was established by the National Association of Retail Druggists, with headquarters in Chicago, and the income from the investment of the principal is to be used as a scholarship fund.

The President reported that there is a sum of \$3,000.00 now uninvested and recommended that this money be authorized invested. Upon motion duly made, seconded and carried, the Comptroller was authorized to purchase Government Bonds and deposit same in the University lock box.

K. Investment of the Harry E. Bullock, Jr., Memorial Fund.

President Donovan stated that, under the terms of the will of Harry E. Bullock, deceased, a sum of money was authorized paid to the University of Kentucky as a memorial to his son, Harry E. Bullock, Jr. The provision of Mr. Bullock's will, referring to this memorial fund, is as follows:

"To establish a memorial award for the highest scholastic standing in the College of Engineering, Division of Aeronautics, University of Kentucky, when and if such a division is established. This award is to be in memory of my son, Harry E. Bullock, Jr. who gave his life in the service of his country on March 5, 1942. Such award in amount I leave in the hands of my executor and trustees, but should not be less than the sum of \$50.00 per annum."

The Fayette Circuit Court has directed that the sum of \$1,500.00 be paid to the University, which sum has been received. This sum is supposed to be invested in such a manner as to produce approximately \$50.00 annually.

Upon motion duly made, seconded and carried, the Comptroller was authorized to invest the funds in some building and loan association.

L. Gift.

From Mr. R. T. Taylor, Bagdad, Ky. -- Collection of Books.

President Donovan reported he had been informed by Doctor Thompson, Director of Libraries, that, through the good offices of Dean Stahr, the University had been offered a handsome collection of 169 books by Mr. R. T. Taylor of Bagdad, Ky. He recommended acceptance of the gift, and upon motion duly made, seconded and carried, the gift was ordered accepted, and the President was requested to thank Mr. R. T. Taylor of Bagdad, Ky., for this valuable addition to the University Libraries.

M. Appointments and Other Staff Changes.

President Donovan submitted staff appointments, reappointments, salary adjustments, leaves of absence, resignations, promotions and other staff changes requested by deans and heads of departments.

College of Arts and SciencesAppointments

Preston McGrain, Assistant State Geologist, Kentucky Geological Survey, Department of Geology, effective December 1, 1950 through June, 1951.

Joseph B. Cathey, Jr., Assistant Geologist in the Department of Geology - Kentucky Geological Survey, for the period December 4, 1950, through June, 1951.

Leneth Derral Brown, Engineer-Draftsman in the Department of Geology, Kentucky Geological Survey, for five months, effective February 1, 1951.

Bernard D. Kern, Assistant Professor of Physics, effective for eight months, beginning November 1, 1950.

Joyce Hukill, Instructor in Physical Education, effective November 1, 1950 through June, 1951.

Mrs. Maud Jay Martin, Secretary, Department of Physical Education, effective November 1, 1950 through June, 1951.

Leave of Absence

W. C. Eaton, Professor of History, granted leave of absence for the months of July and August, 1951, in order that he may teach at Columbia University.

Resignations

William G. Smith, Draftsman-Geologist, effective October 31, 1950. Mr. Smith has been employed by the Kentucky Geological Survey.

Marjorie Geary, Secretary, Department of Physical Education, effective October 31, 1950.

Mrs. Revel E. Shaw, Assistant Professor, Department of Physical Education, effective October 31, 1950.

Robert E. Puryear, Assistant Geologist, Kentucky Geological Survey, effective October 31, 1950.

College of Agriculture and Home Economics

Appointments

Mrs. Sarah Norris, Assistant in Home Economics, effective October 16, 1950. Mrs. Norris was formerly employed in the Public Service Laboratories on an hourly basis.

Thelma Comley, Junior Seed Analyst, effective October 6, 1950. Miss Comley has been employed previously in the same department, Entomology and Botany, on a temporary basis by the hour.

Mrs. Wilma Hess Flora, Clerk in Agricultural Extension, Campbell County, effective October 18, 1950, to June 30, 1951.

James Sizemore, Watchman and Laborer, Robinson Substation, effective November 1, 1950.

Mary Virginia Brooks, Clerk-Typist, Creamery License Section, effective November 1, 1950. Miss Brooks has been working full time on an hourly basis for two and a half months.

Dorothy Jean Brock, Clerk in Agricultural Extension, Laurel County, effective November 1, 1950 to June 30, 1951.

Chester A. Capps, tractor operator and laborer, Western Kentucky Substation, effective November 1, 1950. Mr. Capps has been employed temporarily.

Ruth Hilliard, Clerk, 4-H Club Department, Agricultural Extension, effective November 6, 1950.

Kenneth D. Ball, reappointed Field Assistant, Department of Agronomy, effective November 16, 1950.

Kathryn H. Irvin, Home Demonstration Agent, Bath County, effective November 1, 1950.

Patricia S. DeCoursey, Home Demonstration Agent, Knott County, effective November 1, 1950.

Resignations

Kenneth D. Ball, Field Assistant, Department of Agronomy, effective October 15, 1950, to enter the Merchant Marine Service.

Miss Carrie South, Assistant Home Demonstration Agent in Training, Christian County, effective October 23, 1950.

Mrs. Bertha S. McCane, Clerk in Agricultural Extension, Campbell County, effective October 14, 1950.

Paul A. Thornton, Assistant Horticulturist, Western Kentucky Substation, effective October 19, 1950. Mr. Thornton has been called to active duty with the Navy.

Roscoe Isaacs, Jr., Assistant County Agent, Monticello, Ky., effective November 29, 1950.

John R. Clifford, Assistant County Agent, Bowling Green, Ky., effective November 30, 1950.

Mrs. Jean A. Baugh, Associate Home Demonstration Agent, Lexington, Ky., effective December 15, 1950.

Mrs. Lorene Blankenship, Home Demonstration Agent, Hardin County, effective November 30, 1950.

Mae Morgan, Clerk in Agricultural Extension, Laurel County, effective October 31, 1950.

Mrs. Faye Morton Farmer, Clerk-Stenographer, Agricultural Information Office, effective November 30, 1950.

College of Education

Appointment

Mrs. Carolyn Joyce Smith, Secretary, Foundations of Education, effective October 30, 1950.

Resignations

Mrs. Mary Catherine Humphress, Secretary, Foundations of Education, effective November 7, 1950.

Mrs. Nancy Lowe Sims, Critic Teacher, University School, effective August 31, 1950.

Dean of Women's Department

Death

Mrs. Will Hughes, Housemother, Alpha Xi Delta sorority, October 9, 1950.

University Personnel Office

Appointment

Helen Jane Scott, Clerk, effective October 16, 1950.

Resignations

Mary Helen Martin, Clerk, effective October 14, 1950.

Dorothy Ann Farmer Deaner, Clerk, effective October 20, 1950.

University Press

Appointment

Maxine Anne Paxson, Secretary, effective October 16, 1950.

Resignation

Mrs. Dorothy Martin, Secretary, part-time, effective October 31, 1950. Mrs. Martin is transferring to University Extension as full-time secretary.

University Station Post Office

Appointments

Barbara Young, Clerk, effective October 23, 1950.

Wildie Curtis, Mail Carrier, effective November 6, 1950.

Resignation

Greely Bradshaw, Mail Carrier, to transfer to Central Heating Plant, effective October 31, 1950.

Maintenance and OperationsResignation

Mrs. Betty Atwell Brown, Secretary-Clerk, effective October 31, 1950.

On motion duly made, seconded and carried, on President Donovan's recommendation, the above appointments, reappointments, salary adjustments, leaves of absence, resignations, promotions and other staff changes were concurred in and record ordered made in the minutes.

N. Adjournment.

Upon motion duly made, seconded and carried, the meeting of the Executive Committee was adjourned at 12:30 p.m., and luncheon was served to the members in the President's Office.

Frank D. Peterson, Secretary
Board of Trustees and Executive
Committee