

Minutes of the Regular Meeting of the Board of Trustees of the University of Kentucky, Tuesday, December 8, 1936.

The Board of Trustees of the University of Kentucky met in President McVey's office at the University December 8, 1936, at 10:30 a.m., this being the regular December meeting. The members of the Board present were Governor A. B. Chandler, Judge Richard C. Stoll, James Park, Louis Hillenmeyer, J. B. Andrews, John Cooper, G. C. Wells, R. G. Gordon, H. S. Cleveland, Dr. George Wilson and J. C. Newcomb. President F. L. McVey and Secretary D. H. Peak were present.

1. Minutes Approved.

The minutes of the following meetings were approved as published: Regular Meeting of the Board of Trustees, September 23, 1936; Executive Committee Meeting, October 14, 1936; Executive Committee Meeting, November 7, 1936.

2. President's Report.

The President made his regular quarterly report which was ordered to be recorded in the Minutes. The report is in words and figures as follows:

QUARTERLY REPORT OF THE PRESIDENT TO THE BOARD OF TRUSTEES  
December 8, 1936

I. POLICY OF THE UNIVERSITY

From time to time questions have arisen relative to the policy of the University -- has it, in fact, any policy at all? Necessarily, a going concern, though it may not have an immediate goal, must be directed by a policy, if it be nothing more than meeting the problems that arise from day to day. The University of Kentucky, however, has had rather definite purposes that may be spoken of as a policy.

The first of these purposes has been to maintain colleges and a university organization on a high educational level. The goal of the colleges has been to give instruction thru effective teaching and the use of modern methods, seen in collateral reading and satisfactory laboratory procedure. The University has attempted to maintain professional schools and graduate work on a high level. In order to bring this about departments have been strengthened by additions to staff, the purchase of books and the acquirement of equipment. Without doubt, this purpose has been limited by income available for expenditure, but the history of some years indicates clearly the definite purpose of strengthening departments to emphasize graduate work.

Today it may be said that one of the things that should be

done is to coordinate some of the departments, bringing them together so that the lines of demarcation may not limit the purpose and work of a department. On this point it may be said that a good deal of thought has been given to the matter but no specific step taken, other than a better understanding between departments as to the work which they are doing.

The second purpose in the policy of the University has been to encourage scholarship and research. This is indicated in the grant of leaves of absence from time to time, and in giving time for study and research to those who have indicated their desire to carry on some scholarly piece of investigation. The University has made grants for stenographic help, has provided additional equipment with which research may be carried on, and in a number of instances it has paid the expense of publication. It is true that the amount of money available for grants and equipment has not been large, but the purpose has been there and the policy quite definitely defined.

It has been felt that the University of Kentucky ought not to enter all the different fields of work, particularly in the case of graduate instruction. More courses are open to students who are pursuing the Master of Arts degree than in the case of those who wish to do work in the fields offering the degree of Doctor of Philosophy. At the present time, eight departments have indicated their purpose to offer courses leading to this degree. These departments are Chemistry, Education, Mathematics, Physics, History, Political Science, Economics and Psychology.

A further policy of the University has been to provide housing facilities for the departments and to equip them with the necessary materials, supplies and instruments. The present building program does not definitely move in that direction, and it is to be doubted whether the University will ever be able to meet all the demands in this direction, since it is growing rapidly both in numbers and the demands made upon the University for instruction.

For many years the University suffered for lack of library facilities. Finally, out of savings made under the inheritance tax law it was possible to erect a library building. In twenty years' time the number of volumes in the library has grown from 22,000 to 192,000. This is a satisfactory growth, as measured by numbers, but the University has been unable to purchase current books, back numbers of periodicals, and foundation books to the degree that it should. The hope is that a much larger sum may be spent annually for the purchase of books. The Board of Trustees has distinctly in mind that this part of the University equipment must be expanded.

Another policy of the University has been to enlarge and strengthen the State services, as represented in the Agricultural Experiment Station, the Division of Agricultural Extension, the research bureaus, and the Department of University Extension. Much success has been attained in these fields. The demands that come grow with the reputation and standing of the University, and

it may be said that the University may look for an increase in requests for work to be done by these services.

Some years ago by order of the Board of Trustees, a series of monographs was set up for the purpose of publishing papers on the research and investigation carried on by members of the University staff. The earlier series, that of the social sciences, published four numbers. The later series in the field of anthropology and archaeology has brought out a number of important findings in the State and given a good deal of reputation to the Department for the work done. The first series was interrupted by a lack of funds to carry it on, and the second series had an unsatisfactory printing of plates. There was also a periodical called LETTERS, published by the University in addition to other publications. This periodical ran successfully for four years, but was discontinued due to a reduction in income. The value of these publications has been fully recognized by the Board of Trustees, and no doubt when funds are available the publication of both monographs and periodicals will be continued. Fortunately, the publications of the Experiment Station and Division of Agricultural Extension provided for by federal funds have been published without interruption due to the general income situation.

Along with the policies so far set forth has gone a definite idea about courses of study and student performance in them. The study of these courses has not been carried along in a specific organization, but studies have been made in different colleges, and particularly in the office of the Registrar. Just now two experiments are being tried: One in the College of Arts and Sciences, where a supervisor has been provided to aid and assist students who have fallen behind in their work. The direction provided has been helpful, but perhaps has not been extensive enough. In the College of Engineering freshman students who are not keeping up with their work have been placed under tutors selected from the senior class. The results of this plan have been very heartening.

Finally, it may be said that the University has set up a method of government recognized in the direction of business and financial matters by the Board of Trustees, and the conduct of educational affairs by the Senate and administrative officers. Whatever may be said of administrative direction at the University of Kentucky, there are facilities by which members of the staff may express themselves about University policy, and it is my impression after many years of service, that this is the feeling of the Board of Trustees about the government of the University.

## II. BUILDING PROGRAM

As you are aware, the University has entered upon a considerable building program made possible through a federal grant and the issuance of bonds. This program has now started, and the heating plant and Engineering buildings are well under way. In describing the situation I think I can do no better than to include in this part of my report a letter from Dean Graham addressed

to me under date of December 8.

December 8, 1936

President Frank L. McVey  
University of Kentucky

My dear President McVey:

You will recall that last January when the loan funds were assured in the sum of \$600,000, we set aside \$201,000 of these funds to match the grant funds of P. W. A. in the sum of \$165,000, thereby establishing Docket No. KY-1013-R for a total of \$366,000, thus leaving \$400,000 free and clear for future developments. Also that we proposed to endeavor to design and to construct within this docket of \$366,000 the Central Heating Plant complete, including the steam distribution system, the South Engineering Building and the East Engineering Building. With 90% of this program now under contract and with the remaining carefully listed and priced, we estimate that the total final cost of this program will be within a margin of one per cent of the sum of the docket for \$366,000.

The present state of the construction under this Docket No. KY.-1013-R is as follows:

1. The construction of the Steam Distribution System (Meyer contract) of the Central Heating Plant is complete. We are holding 5% of the contract price pending the making of a few adjustments. Parts of this system are now in use in the distribution of steam.

2. The concrete foundations for boilers and boiler-house and the structural steel for same are now in place, the boilers and stokers have been received and are in process of erection, -- and the forms for the concrete roofing are in place for pouring the roof of the pump-house.

3. The South Engineering Building is now 90% complete and we believe it will be ready for use during the Christmas holidays.

4. The brick work on the East Engineering Building lacks eight working days of being finished. If the weather permits this brick work to be done within the next three weeks, then the building can be ready for service by the beginning of the next semester.

Under the new Docket No. KY-1013-2-D, the plans and specifications for the Law Building, together with contract documents, have been approved by the State Director P.W.A.

and the building has been advertised for contract bids to be received and opened in the office of the President on December 21 -- the building plans and specifications for the Student Union Building are practically complete, and we hope to have the approval of the State Director upon these before the end of December. The planning of the remaining buildings is progressing satisfactorily.

(Signed) James H. Graham

### III. DISTRIBUTION OF SPACE

With the construction of new buildings and the moving of departments into them, space will be available for other departments. The University up to now has used every available room for instruction and other purposes. Thus the basements of all buildings are in use at the present time. Even with that, departments are crowded, and some of them are in very unsatisfactory situations. Perhaps the ones that are the most inconvenienced are the Departments of Art, Music and Bacteriology. As said above, the construction of buildings means the readjustment of space. A great many applications have been received, and a great many suggestions made concerning space that will be available. It will be the purpose of the deans and the President to use this space to the best advantage of all concerned. Whatever is done will require repairs and some reconstruction to buildings. Additional expenditures will be necessary, and these needs will raise the question of appropriations to cover them. At this time I have no specific amounts in mind.

### IV. RECREATION FACILITIES

The University now has 3,500 students in residence. Recreation facilities for this large group are by no means as extensive as they should be. The grading and preparation of the grounds around the College of Education will provide land for the activities of the Associated Schools, but the Department of Physical Education is shut out of the general athletic fields and has been compelled to rely upon the area in front of the Administration Building and on the field east of the present gymnasium. This last space will probably be lost to the Department when the Student Union Building is erected. Rather soon the University will have to move over to Rose Street for additional recreational facilities. This matter has been discussed with Dean Cooper, and though no particular difficulty stands in the way of extending University facilities in that direction, there must be a definite understanding about it. I hope to have some suggestion to make during the year.

## V. ATHLETIC SITUATION

The University of Kentucky in the matter of intercollegiate athletics belongs to what is called the Southeastern Conference. This conference is composed of a number of the larger institutions of the South. In it are excellent football and other athletic teams that attract national attention. The University of Kentucky, on the periphery of the Conference with a much colder climate than other members, has considerable difficulty in keeping up its status and its place. This conference has adopted a rather frank policy for the subsidizing of athletes. It maintains that athletes may receive scholarships, provided that they are administered by the institution. In this competition the University of Kentucky has given support in the form of board, room, tuition and books to some members of the team, but it has not made payments of cash, and I am of the opinion that no institution should do that. The expense of maintaining the situation has reached a considerable sum. While the Council on Athletics has been able to carry on with much difficulty, the situation has improved this year. How far the competition for athletes will go in the securing of players remains to be seen, and if it does go to the limits of competition, I raise the question as to how the University can meet it, and whether in the long run it is advisable to try to keep up the competition.

3. Financial Reports

Financial Reports for October and November were submitted by the Business Agent. The reports were examined and the Report for November (the reports being cumulative) was ordered inserted in the Minutes.

Statement of Income and Expenditures  
Month of November 1936

|                                      | <u>Previously<br/>Reported</u> | <u>Current<br/>Month</u> | <u>Fiscal<br/>Year<br/>to Date</u> |
|--------------------------------------|--------------------------------|--------------------------|------------------------------------|
| General Fund Income                  |                                |                          |                                    |
| Federal Appro.-Morrill-<br>Nelson    | 4,750.00                       | 4,750.00                 | 9,500.00                           |
| Vocational Ed. Board                 | 4,699.46                       | 2,043.80                 | 6,743.26                           |
| State Appro.-Sum. School.            | 8,000.00                       |                          | 8,000.00                           |
| Special Agr. Appro.                  | 6,472.43                       | 2,472.43                 | 8,944.86                           |
| State Appro.-General                 | 196,788.21                     | 73,665.75                | 270,453.96                         |
| Int. on Peabody Endow.               | 1,000.00                       |                          | 1,000.00                           |
| Int. on Endowment Bonds              | 11,720.89                      | 1,131.48                 | 12,852.37                          |
| State Appro.-Repairs to<br>Buildings | 3,508.56                       | 93.59                    | 3,602.15                           |
| Federal Appro.-Bankhead-<br>Jones    | 2,981.64                       | 2,981.64                 | 5,963.28                           |
| Student Fees                         | 100,421.82                     | 6,940.03                 | 107,361.85                         |

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|  |                   |                  |                   |
|--|-------------------|------------------|-------------------|
| Student Fees -El.Tr.Sch.   | 3,960.00          | 100.00           | 4,255.00          |
| Student Fees - Sum.Sch.  | 55,683.59         |                  | 55,683.59         |
| Student Fees - UHS   | 3,930.00          | 285.00           | 4,215.00          |
| Student Fees - U.Exten.  | 6,218.61          | 2,017.00         | 8,235.61          |
| Miscellaneous Receipts   | 2,061.13          | 330.62           | 2,391.75          |
| Rentals  | 605.00            | 455.00           | 1,060.00          |
| Men's Dormitories  | 9,164.73          | 753.60           | 9,918.33          |
| Total  | <u>421,966.07</u> | <u>98,019.94</u> | <u>519,986.01</u> |
| <br>Expenditures   |                   |                  |                   |
| Instruction  | 240,890.68        | 72,446.53        | 313,337.21        |
| Adm., Exp. & Maintenance   | 77,918.78         | 20,451.95        | 98,370.73         |
| Additions & Betterments  | 4,113.73          | 2,146.99         | 6,260.72          |
| Total  | <u>322,923.19</u> | <u>95,045.47</u> | <u>417,968.66</u> |
| Excess of Income over Expenditures   | <u>99,042.88</u>  | <u>2,974.47</u>  | <u>102,017.35</u> |
| <br>Patterson Hall Income  |                   |                  |                   |
| Board  | 14,378.40         | 12,548.80        | 26,927.20         |
| Misc. Receipts   | 182.25            |                  | 182.25            |
| Room Rent - Sum. Sch.  | 3,098.10          |                  | 3,098.10          |
| Total  | <u>17,658.75</u>  | <u>12,548.80</u> | <u>30,207.55</u>  |
| <br>Expenditures   |                   |                  |                   |
| Expense  | 8,403.92          | 2,162.49         | 10,566.41         |
| Additions & Betterments  |                   | 81.12            | 81.12             |
| Total  | <u>8,403.92</u>   | <u>2,243.61</u>  | <u>10,647.53</u>  |
| Excess of Income over Expenditures   | <u>9,254.83</u>   | <u>10,305.19</u> | <u>19,560.02</u>  |
| <br>General Fund Income  |                   |                  |                   |
| General Fund Income  | 439,624.82        | 110,568.74       | 550,193.56        |
| General Fund Expend.   | 331,327.11        | 97,289.08        | 428,616.19        |
| Excess of General Fund Income over Expend.                                 | 108,297.71        | 13,279.66        | 121,577.37        |
| Excess of Receipts over Expend. for General Ledger accounts                | (68,148.71)       | (8,049.84)       | (76,198.55)       |
| Excess of Receipts over Expend. for the fiscal year to date - General Fund | <u>40,149.00</u>  | <u>5,229.82</u>  | <u>45,378.82</u>  |
| Excess of Receipts over Expend. for the fiscal year to date - General Fund |                   |                  | 45,378.82         |
| Cash in Bank July 1, 1936 - General Fund                                   |                   |                  | <u>52,785.93</u>  |
| Cash in Bank November 30, 1936 - General Fund                              |                   |                  | <u>98,164.75</u>  |

|   |                   |                  |                   |
|---|-------------------|------------------|-------------------|
| Experiment Station Income   |                   |                  |                   |
| Hatch - Federal Appro.  | 3,750.00          | 3,750.00         | 7,500.00          |
| Milk and Butter - Cash Rec.   | 3,198.01          | 1,173.62         | 4,371.63          |
| Beef Cattle Sales   | 229.83            |                  | 229.83            |
| Dairy Cattle Sales  | 120.66            | 144.67           | 265.33            |
| Sheep Sales   | 307.44            |                  | 307.44            |
| Swine Sales   | 572.80            | 820.60           | 1,393.40          |
| Poultry Sales   | 1,369.50          | 200.93           | 1,570.43          |
| Farm Produce Sales  | 436.28            |                  | 436.28            |
| Horticultural Sales   | 76.40             | 6.15             | 82.55             |
| Seed Test   | 231.30            | 142.45           | 373.75            |
| Seed Inspection   | 7,538.20          | 319.78           | 7,857.98          |
| Rentals   | 589.68            | 2,119.67         | 2,709.35          |
| Miscellaneous   | 2,047.46          | 14.48            | 2,061.94          |
| Fertilizer - Fees   | 9,018.25          | 731.25           | 9,749.50          |
| Public Service - St.Ap.   | 6,949.48          | 1,599.98         | 8,549.46          |
| Public Service - Misc.  | 75.00             | 40.00            | 115.00            |
| Feeding Stuffs - Fees   | 24,133.47         | 5,090.35         | 29,223.82         |
| Adams - Fed. Ap.  | 3,750.00          | 3,750.00         | 7,500.00          |
| Serum - Sales   | 616.38            | 214.57           | 830.95            |
| Serum - Virus Sales   | 32.30             | 10.80            | 43.10             |
| Serum - Live Stock Sales  | 31.57             |                  | 31.57             |
| Serum - Supply Sales  | 35.14             | 10.00            | 45.14             |
| State Appro.  | 15,289.42         | 4,142.33         | 19,431.75         |
| Creamery - License Fees   | 7,993.50          | 115.04           | 8,108.54          |
| Creamery - Testers Lic.   | 2,718.50          | 132.00           | 2,850.50          |
| Creamery - Glassware Test.  | 393.32            | 13.22            | 406.54            |
| Robinson - State Appro.   | 4,365.78          | 1,766.84         | 6,132.62          |
| Robinson - Misc. Rec.   | 1,145.52          | 269.08           | 1,414.60          |
| West Ky. - State Appro.   | 4,554.04          | 1,193.41         | 5,747.45          |
| West Ky., Misc. Receipts  | 6,466.40          | 1,128.19         | 7,594.59          |
| Purnell - Fed. Appro.   | 15,000.00         | 15,000.00        | 30,000.00         |
| Bankhead-Jones - Fed. Appro.  | 9,867.25          | 9,867.25         | 19,734.50         |
| Nursery Inspection - St. Appro.   | 666.66            | 166.66           | 833.32            |
| Nursery Inspection - Fees   | 1,090.00          | 190.00           | 1,280.00          |
| Total   | <u>134,659.54</u> | <u>54,123.32</u> | <u>188,782.86</u> |
| Expenditures  |                   |                  |                   |
| Expense   | 111,078.89        | 42,245.89        | 153,324.78        |
| Additions & Better.   | 2,894.86          | 495.52           | 3,390.37          |
| Total   | <u>113,973.74</u> | <u>42,741.41</u> | <u>156,715.15</u> |
| Excess of Income over Expenditures  | 20,685.80         | 11,381.91        | 32,067.71         |
| Excess of Receipts over Expend. for General Ledger accounts               | (847.48)          | 8,235.12         | 7,387.64          |
| Excess of Receipts over Expend.   | <u>19,838.32</u>  | <u>19,617.03</u> | <u>39,455.35</u>  |
| Excess of Receipts over Expend. for the fiscal year to date - Exper. Sta. |                   |                  | 39,455.35         |
| Cash in Bank July 1, 1936 - Exp. Sta.                                     |                   |                  | (7,585.30)        |
| Cash in Bank Nov. 30, 1936 - Exp. Sta.                                    |                   |                  | <u>31,870.05</u>  |



|   |                   |                    |                     |
|---|-------------------|--------------------|---------------------|
| Extension Division Income   |                   |                    |                     |
| Federal Bankhead-Jones  | 164,145.15        |                    | 164,145.15          |
| Federal Smith-Lever   | 74,154.38         |                    | 74,154.38           |
| Federal Add. Co-op.   | 6,250.00          |                    | 6,250.00            |
| Federal Supplementary   | 19,909.14         |                    | 19,909.14           |
| Federal Capper-Ketcham  | 18,400.49         |                    | 18,400.49           |
| State Smith-Lever   | 37,862.81         | 9,278.09           | 47,140.90           |
| County and Other  | 6,536.42          | 2,732.04           | 9,268.46            |
| Total   | <u>327,258.39</u> | <u>12,010.13</u>   | <u>339,268.52</u>   |
| Expenditures  |                   |                    |                     |
| Expense   | <u>215,620.51</u> | <u>58,866.89</u>   | <u>274,487.40</u>   |
| Excess of Income over Expenditures  | <u>111,637.88</u> | <u>(46,856.76)</u> | <u>64,781.12</u>    |
| Excess of Income over Expenditures for the fiscal year to date - Extension Division |                   |                    |                     |
| Cash in Bank July 1, 1936 - Extension Division                                      |                   |                    | <u>64,781.12</u>    |
| Cash in Bank November 30, 1936 - Extension Division                                 |                   |                    | <u>48,500.09</u>    |
|   |                   |                    | <u>113,281.21</u>   |
| Trust Fund Income   |                   |                    |                     |
| Student Loan Fund   | 1,496.30          | 299.18             | 1,795.48            |
| Student Notes Paid  | 1,486.68          | 431.62             | 1,918.30            |
| Total Receipts  | <u>2,982.98</u>   | <u>730.80</u>      | <u>3,713.78</u>     |
| Expenditures  |                   |                    |                     |
| Expense   | 9.00              | 9.00               | 18.00               |
| Student Notes   | 72.75             | 50.00              | 122.75              |
| General Ledger accounts   | 8,000.00          |                    | 8,000.00            |
| Total Expenditures  | <u>8,081.75</u>   | <u>59.00</u>       | <u>8,140.75</u>     |
| Excess of Expenditures over Receipts  | <u>(5,098.77)</u> | <u>671.80</u>      | <u>(4,426.97)</u>   |
| Excess of Expend. over Receipts for the fiscal year to date                         |                   |                    |                     |
| -- Trust Fund   |                   |                    | <u>(4,426.97)</u>   |
| Cash in Bank July 1, 1936 - Trust Fund  |                   |                    | <u>7,472.75</u>     |
| Cash in Bank Nov. 30, 1936 - Trust Fund   |                   |                    | <u>3,045.78</u>     |
| Summary   |                   |                    |                     |
| General Fund Income   | 439,624.82        | 110,568.74         | 550,193.56          |
| Exp. Station Income   | 134,659.54        | 54,123.32          | 188,782.86          |
| Exten. Div. Income  | 327,258.39        | 12,010.13          | 339,268.52          |
| Trust Fund Income   | 1,496.30          | 299.18             | 1,795.48            |
| Total   | <u>903,039.05</u> | <u>177,001.37</u>  | <u>1,080,040.42</u> |
| General Fund Expend.  | 331,327.11        | 97,289.08          | 428,616.19          |

|  |                   |                    |                   |
|--|-------------------|--------------------|-------------------|
| Exper. Sta. Expend.  | 113,973.74        | 42,741.41          | 156,715.15        |
| Exten. Div. Expend.  | 215,620.51        | 58,866.89          | 274,487.40        |
| Trust Fund Expend.   | 9.00              | 9.00               | 18.00             |
| Total  | <u>660,930.36</u> | <u>198,906.38</u>  | <u>859,836.74</u> |
| Excess of Income over Expenditures   | 242,108.69        | (21,905.01)        | 220,203.68        |
| Excess of Expend. over Receipts for General Ledger accounts                      | (76,996.19)       | 185.28             | (76,810.91)       |
| Student Loan Fund Notes  | <u>1,413.93</u>   | <u>381.62</u>      | <u>1,795.55</u>   |
| Excess of Receipts over Expend. for the fiscal year to date - Combined Fund      | <u>166,526.43</u> | <u>(21,338.11)</u> | <u>145,188.32</u> |
| Excess of Receipts over Expenditures for the fiscal year to date - Combined Fund |                   |                    | 145,188.32        |
| Cash in Bank and on hand July 1, 1936 - Combined Fund                            |                   |                    | <u>103,373.47</u> |
| Cash in Bank and on hand November 30, 1936 - Combined Fund                       |                   |                    | <u>248,561.79</u> |

Abstract of item shown on Statement of Income and Expenditures as "Excess of Expenditures over Receipts for General Ledger account \$76,810.91."

|                           | <u>Debit</u>     | <u>Credit</u> |
|---------------------------|------------------|---------------|
| Accounts Receivable       | 82,056.48        |               |
| Sundry accounts           |                  | 5,259.07      |
| Insurance Paid in Advance | <u>13.50</u>     |               |
|                           | 82,069.98        | 5,259.07      |
|                           | <u>5,259.07</u>  |               |
|                           | <u>76,810.91</u> |               |

#### 4. Requisition Committee Report.

a. The Requisition Committee filed written report of its action each week from November 4, 1936, to December 2, 1936, inclusive. The report shows that orders had been 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. 2333 to No. 2981. The report was examined, and on motion and second the orders and budget additions named therein were ratified and approved and payments on said orders were authorized and approved.

#### b. Budget Additions.

Neville Hall Repairs, \$242.00; Civil and Physics Building, \$600.00; Department of Music, \$245.00.

Other budget additions allowed at this meeting: Repairs to Main Building, \$101.00 (Sec. 14); purchase of land, Robinson Sub-Station, approximately \$5275.00 (Sec. 15); salary Placement Bureau, \$120.00; and salary, College of Education, stenographer, \$60.00, (Sec. 17).

#### 5. Allotments.

Statement of Business Agent:

I asked Mr. F. D. Peterson of the Division of Accounts and Control to set up additional allotments to the various University appropriations so that the total will amount to fifty per cent for the first six months. I felt it necessary to do this in your absence in order that we might be assured of funds enough in these appropriations to take care of December pay rolls and expense. I have not yet had an answer from Mr. Peterson.

#### 6. Bills Presented.

##### a. Dental Bill -- Injury to Student.

President McVey presented a letter of student, Russell Bramlage, asking that a dental bill be paid by the University. While in training in a Physical Education class, Mr. Bramlage's tooth was broken by accident. No action was taken by the Board as the University does not assume responsibility in such cases. President McVey was requested to communicate with the student.

##### b. Egalite-Wilson Trust Company Bill.

President McVey presented a letter signed "Egalite Fruit Company, Leo A. Egalite", regarding balance of \$492.24 claimed to be owing to the Egalite Wilson Fruit Company in purchase purported to have been made by Dean F. Paul Anderson, presumably to be paid for from the Johnston Solar Laboratory Fund. For action on this claim reference is made to the Minutes of May, July,

September and October, 1934. Mr. Peak stated that the accounts of this firm are in the hands of a receiver, assignment for benefit of creditors having been made.

No further action was taken, but President McVey was authorized to write Mr. Egalite, stating action of Board heretofore taken relative to this claim.

c. Bill Approved.

The following bill for dues, Association of Land-Grant Colleges and Universities, was approved and ordered put in line for payment:

Lexington, Ky.  
December 5, 1936

University of Kentucky  
Lexington, Ky.

To Association of Land-Grant Colleges and Universities, Dr. To dues for year 1937, as per vote of Houston Convention, November 1936 -----\$150.00

Make checks payable to  
Thomas Cooper, Treas.  
Lexington, Ky.

7. State Warrants Called.

Report by Custodians of Securities:

The State Treasurer has called the following warrants held by the University:

Warrant F-7619, \$1897.26, called for payment November 18, 1936, Patterson Student Loan Fund.

Warrant E-4819, \$969.90, called for payment November 18, 1936, Patterson Student Loan Fund.

8. Hoflick Case -- Result of Trial.

Report of Business Agent:

The case of Hoflick against the University of Kentucky was called for trial on the 19th of November and Assistant Attorney General J. W. Jones called me in your absence and asked me to sit in court with him during the trial of the case. This I did. After the plaintiff's witnesses had been examined, counsel for the University asked for preemptory instructions and Judge Swope being advised, instructed the jury to find for the defendant the University not being liable for tort. The jury returned the following verdict:

"We, the jury, find for the defendant  
Signed, D. B. Midkiff, foreman."

The court then dismissed the case and gave judgment to the defendant for costs.

Mr. James Parks then stated that a motion for new trial made later was over-ruled.

#### 9. Boiler Insurance.

The Business Agent presented a policy for insurance on University boilers written as of October 1, 1936 (at which date the policy held by the University in the same company was cancelled) in Hartford Steam Boiler Inspection and Insurance Company. The policy was accompanied by a bill of the Agency, Woodall & Melton, Paducah, Ky., that wrote the policy, premium \$1513.35 for period of three years, less \$270.87, credit on policy cancelled. The premium on policy cancelled, for three years, was \$965.72, making an increase in premium of \$547.63. The premium increase appears to be due to hot water heaters and hot water storage tanks not included in the cancelled policy, and not heretofore thought necessary to be insured. The Business Agent stated that he had discussed the policy with Mr. M. C. Howard, State Director of Purchases, and that the latter said that it was not his intention to have the new policy cover more than the old one covered, at increased cost.

The President, the Superintendent of Buildings and Grounds, and the Business Agent were directed to take up the matter with the State Director of Purchases and endeavor to have adjusted or cancelled the unnecessary and unsatisfactory coverage in the new policy.

#### 10. Audit of Business Office Accounts.

President McVey stated that at the October 14, 1936, meeting of the Executive Committee, an order was entered (Sec. 7) accepting the bid of Peat, Marwick, Mitchell and Company, accountants, of Chicago, Illinois, to make the annual audit of the accounts of the Business Office, the Business Agent being directed to certify to the State Department of Finance the action of the Board of Trustees for approval of the charge of \$600,00, the contract price for making the audit. He further stated that the Business Agent had followed the direction of the order of the Board of Trustees, but that he had received no direct information of action by the Division of Purchases, to which Division the Business Agent had been instructed by State officials to certify the action of the Board of Trustees. The President stated that, on account of certain financial statements necessary to be made to organizations in which the University holds membership, an immediate audit is necessary.

The President further stated, however, that he had been unofficially notified by Mr. W. A. Hifner, Jr., that the State Division of Purchases had informed Mr. Hifner that the contract for making the audit had been let to him, but that Mr. Hifner should first consult the Governor in regard thereto. Governor Chandler then stated that the Director of the Division of Purchases considered that under the Acts of 1934, the authority and duty to let the contract was placed in his department, and that everything being equal, he had deemed it advisable and proper to let the contract to a Kentucky auditing concern; consequently the contract had been awarded to Mr. W. A. Hifner, Jr., whose bid for the work was the same as that of Peat, Marwick, Mitchell and Company, the Governor stated that Mr. Hifner had consulted him and stated to him that an audit made in the manner of previous audits made by Peat, Marwick, Mitchell and Company was valueless, inasmuch as it is not a detailed audit, stating that he, Hifner, preferred not to make such an audit.

The question was then open for discussion, and the Governor's statement that he did not wish to spend money for a valueless audit, and his further statement that he believed a detailed audit should be made in all events was approved by other members of the Board. In the course of the discussion it was stated that two questions are involved: viz., first, the authority to employ accountant, whether by Board of Trustees or State Division of Purchases; and, second, the character and kind of audit to be made.

Therefore a motion was made by Mr. Cleveland, seconded by Mr. Hillenmyer, that the question be referred to the Executive Committee for action and report to the Board of Trustees. Mr. Gordon then stated that he thought the question one to be acted on at a Board meeting, rather than at an Executive Committee meeting.

Judge Stoll then suggested that at the close of this meeting, it be adjourned to meet at 10:30 a. m., December 23, 1936, and that President McVey and members of the Board get information relative to the questions arising on the audit for presentation to the Board at that meeting; wherefore, the motion of Mr. Cleveland was withdrawn and the following resolution was unanimously passed:

A meeting of the Board of Trustees of the University of Kentucky will be held Wednesday, December 23, at 10:30 a. m. in President McVey's office, and your presence is earnestly requested. The object of the meeting is stated in the following:

It appearing that bids for construction and purchases on P. W. A. contracts as follows: Feed water heater; mineral wool insulation for south and east units of Engineering Building; lighting fixtures on contracts numbered from 181 to 185 are to be received on December 11; and that other bids are to be received on December 21 on P. W. A. contracts as follows: general contract and electrical contract for Law Building; electrical work in Central Heating Plant and contract for breeching in Central Heating Plant., The Committee heretofore appointed to open the bids consisting of President Frank L. McVey, Dean James H. Graham, D. H. Peak and M. J. Crutcher, was authorized to meet with the bidders on the dates named above and open the bids and prepare

the bids to be submitted to the Executive Committee or Board of Trustees for approval.

On motion and second, it was ordered that at the close of this meeting of the Board of Trustees it be adjourned to meet Wednesday, December 23, 1936, at 10:30 a. m. in President McVey's office, University of Kentucky. The business to be considered at this meeting is as follows:

First: Consideration of the P. W. A. bids referred to above.

Second: Discussion of the audit of University accounts and making of such orders as may be necessary in regard thereto.

Third: Transaction of such other general University business as may at that time be presented to the Board.

11. Report, Student Loan Fund.

President McVey submitted a report of Student Loan Fund as follows:

December 7, 1936

President Frank L. McVey  
University of Kentucky

Dear President McVey:

The following is a brief report for the Student Loan Fund.

|   |             |
|---|-------------|
| Cash on hand on December 1st -----                  | \$ 3,045.78 |
| Cash deposited at interest -----                    | 13,000.00   |
| Invested in Water Bonds and<br>State Warrants ----- | 12,559.78   |

Total-----\$28,605.56

Included in this is the Patterson Scholarship Fund of \$5000, and the Wiley Scholarship Fund of \$1,000. The remainder Miss Parry and I have collected since September 1, 1933.

We have now skimmed off the cream it seems. With redoubled efforts we can not maintain our former rate of collections. There are a number of debts ranging from \$50 to \$500 each which seem impossible of collection without a suit or a strong threat of one.

There was originally some \$32,000 in this fund, I believe. To date we have collected considerably more than half of the sum which in September 1933 we thought was impossible.

Very sincerely,

(Signed) T. T. Jones  
Dean of Men

## 12. Investments.

The question of investment of Student Loan Funds and other funds was discussed, it appearing that State Warrants are rapidly being called and that the effort of the City of Lexington to secure Federal grant for water works may affect the value of Lexington Water Company bonds.

By common consent it was decided that the situation is not such as to warrant disposal of the Lexington Water Company bonds at this time. On motion of Mr. Hillenmeyer, seconded by Mr. Gordon, it was ordered that cash on hand in trust fund held for investment and cash received by call of State Warrants or other investments, be invested in State Warrants bearing three per cent per annum interest, if they may be purchased at par.



13. Kentucky State Industrial College -- Request to Hold  
Judging Contest on Experiment Station Farm.

President McVey submitted the following:

a. Request of Industrial College.

December 2, 1936

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

Dear Dr. McVey:

I have conferred with Mr. Cooper concerning the meeting of the Inter-collegiate Judging Association to be held at Kentucky State Industrial College, May, 1937. It is our desire to bring the contestants in this Association to the farm of the University of Kentucky for the purpose of judging animals. Mr. Cooper has advised me that it will be necessary to confer with you and the Board of Trustees before this permission can be granted.

By way of explanation, I wish to state that according to the rules of the Association, the host college is not permitted to participate in judging animals belonging to the said college and for this reason, and because we know that the desired types of animals may be found on the University of Kentucky farm that we are asking this permission. The plan is to have the judges, composed of the University of Kentucky Agricultural faculty, to fill out perfect score cards, furnished by us, and to place the said cards in some designated place. It will not be necessary for the judges to come in contact with the contestants.

I trust that you, Mr. Cooper, and the Board of Trustees will grant us this permission.

Very truly yours,

(Signed)

A. T. Wood  
Director of Agriculture

ATW:VJW

b. Letter of Dean Cooper.

November 25, 1936

President Frank L. McVey  
University of Kentucky

Dear President McVey:

I attach a request from Mr. A. T. Wood of the Kentucky State Industrial College, asking that permission be given them to use the judging pavilion for the inter-collegiate judging contest of the colored colleges. He stated that this contest must be held at a neutral institution, and that in other states it had been held at a white institution. So far as the livestock is concerned, we can arrange to furnish it, and we can re-schedule the classes at the pavilion on that day. However, there is the question of policy on which I should like advice and the further question as whether such permission, if given, would be in violation of the state act regarding negroes.

Very truly yours,

(Signed) Thomas Cooper  
Dean and Director

C:G

After due discussion by members of the Board and President McVey of the contents of the letters copied and the questions arising thereon, on motion and second the request of A. T. Wood, Director of Agriculture of Kentucky State Industrial College, was granted.

14. Repairs to Administration Building.

President McVey submitted the following communication from the Superintendent of Buildings and Grounds and the recommendations therein were approved:

My dear President:

I wish to call your attention to the dangerous condition of ceilings in first floor hall and rooms 204-205, north end of building. In the hall, there is a section just above south entrance to Business Office just about ready to fall. There are several other places in this ceiling just about as bad.

When the men start removing old loose plaster there is no stopping point until it all comes off. We can use W. P. A. celotex and labor to do the ceilings on 2nd floor but the hallway should be plastered with

University materials and labor. There are some 126 sq. yds. involved in this job and materials and labor will cost about \$101.00. What shall I do about it?

As to painting Memorial Hall during the holidays, I am afraid this is out for the reason that it will be necessary for our men to work with this W. P. A. labor on simple flat work long enough to give them some training. At present they are pretty crude workmen and in some cases splatter more paint on the floor than is brushed on the walls. When Memorial Hall is painted the entire auditorium will have to be scaffolded and taken out of service for at least three weeks.

At the present time these men are painting in Administration Building and I would like to keep them there until the building is finished if this is agreeable to you. Class rooms, offices and halls need paint very badly at this time. I would like to have suggestions as to some other places you have in mind to paint. We have a lot of paint on hand but it will only cover about 25% of walls and ceilings that are badly in need of paint.

15. Purchase of Land at Robinson Sub-Station.

Letter from Dean Cooper.

November 23, 1936

President Frank L. McVey  
University of Kentucky

Dear President McVey:

For sometime past as you know, we have had under consideration the acquirement of additional land around the present headquarters at Quicksand.

Mr. Miles Back has offered for sale certain property adjoining the Substation property. This is the same property which you and I looked over when we were at the Festival. It has been somewhat difficult to arrive at an understanding. However, Mr. Back has given us an option upon approximately 20 acres of bottom land at \$200 an acre, 5 acres of hill land at \$175 an acre, and the Troy Back house and lot at \$400.

I think it is advantageous to the future of the Robinson Substation for us to acquire this property.

I wish to request that authorization be given for this purchase at the price named, which will total approximately \$5275. Sufficient funds for this purchase are available in the Robinson Fund.

Very truly yours,

(Signed) Thomas Cooper  
Dean and Director

C:S

President McVey explained that it has long been desirable to annex this land to the Robinson tract, but that Mr. Back has not until recently consented to the transfer on reasonable terms. He recommended the purchase, the funds being now available in Robinson Substation trust funds. The Board being thus advised, on motion and second, the purchase was approved and ordered, and Dean Cooper was authorized to take the necessary steps to secure conveyance.

16. P. W. A. Construction.

a. Docket Ky. 1013 - 2 - D.

a1. Resolution confirming Resolution of Executive Committee at meeting of November 7, 1936.

President McVey submitted following letter from Dean Graham:

December 8, 1936

President Frank L. McVey  
University of Kentucky

My dear President McVey:

The Legal Department of the Public Works Administration has requested a resolution by the Board of Trustees confirming the action of the Executive Committee in accepting the offer of a grant of funds made by and through the P. W. A. in the sum of \$327,272 in the meeting of the Committee on November 7, 1936.

Yours truly,

(Signed) James H. Graham  
Dean

## RESOLUTION:

Thereupon President McVey called the especial attention of the Board to the act of the Executive Committee, in meeting on Saturday, November 7, 1936 wherein the Committee had accepted by formal resolution the "Offer of a Grant of Funds" in the sum of \$327,272., from the United States of America acting by and through the Public Works Administration and suggested that the Board of Trustees formally approve the aforesaid act of the Committee by the offer and passing of a similar resolution. Therefore, the resolution of acceptance, as passed by the Committee in meeting on November 7, 1936 was read and upon motion duly made and seconded, it was resolved:

A RESOLUTION ACCEPTING THE OFFER OF THE UNITED STATES TO THE UNIVERSITY OF KENTUCKY TO AID BY WAY OF GRANT IN FINANCING THE CONSTRUCTION OF FOUR UNIVERSITY BUILDINGS AND ADDITIONS AND ALTERATIONS TO THREE UNIVERSITY BUILDINGS, INCLUDING THE NECESSARY EQUIPMENT THEREFOR.

Be it resolved by the Executive Committee of the Board of Trustees of the University of Kentucky:

Section 1. That the offer of the United States of America to the University of Kentucky to aid by way of grant in financing the construction of four university buildings and additions and alterations to three university buildings, including the necessary equipment therefor, a copy of which offer reads as follows:

"FEDERAL EMERGENCY ADMINISTRATION  
OF PUBLIC WORKS

Washington, D. C.  
Dated: Oct. 27, 1936

The University of Kentucky  
Lexington, Fayette County, Kentucky.

Subject to the Terms and Conditions (PWA Form No. 210, July 1, 1936) which are made a part hereof, the United States of America hereby offers to aid in financing the construction of four university buildings and additions and alterations to three university buildings, including the necessary equipment therefor, (herein called the "Project") by making a grant to the University of Kentucky, in the amount of 45 per cent of the cost of the Project upon completion, as determined by the Federal Emergency Administrator of Public Works, but not to exceed in any event, the sum of \$327,272.

UNITED STATES OF AMERICA

By (Sgd.) Horatio B. Hackett  
Assistant Administrator

Federal Emergency Administrator  
of Public Works"

be and the same is hereby in all respects accepted.

Section 2. That said University of Kentucky agrees to abide by all the Terms and Conditions relating to such grant a copy of which Terms and Conditions was annexed to the Government's offer and made a part thereof.

Section 3. It is hereby covenanted that work on the project described in the Offer will be commenced as early as possible but in no event later than January 11, 1937; that the work will be planned so that it will reach a substantial peak before April 11, 1937; and that the project will be completed by January 11, 1938.

Section 4. That the Chairman be and he is hereby authorized and directed forthwith to send to the Federal Emergency Administration of Public Works three certified copies of the Resolution and three certified copies of the proceedings of this Executive Committee of the Board of Trustees of the University of Kentucky in connection with the adoption of this Resolution, and such further documents of proofs in connection with the acceptance of said offer as may be requested by the Federal Emergency Administration of Public Works.

After the final reading and vote upon the Resolution wherein the "offer of grant" in the sum of \$327,272. was formally accepted on behalf of the University of Kentucky, a resolution was duly offered and passed, authorizing Judge Richard C. Stoll, Chairman of the Executive Committee, and Mr. D. H. Peak, Secretary, to sign authenticate copies of the aforesaid resolution, and to forward same to the State Director for Kentucky of the Public Works Administration.

a<sub>2</sub>. Letter to Bond Holders.

President McVey reported that he had written to the Bond Holders, the Mutual Benefit Life Insurance Company, as directed by Executive Committee at meeting of November 7, 1936 (Sec. 7, Sub-Sec. f). He read to the Board his letter and the answer from the Insurance Company.

The letters were ordered filed. In discussing new construction made possible by the additional grant, it was stated that the lien to secure payment of the bonds goes only to the extent of the obligations set out in the original resolution adopted for the purpose of execution and sale of the bonds.

b. Docket Ky. 1013-R.

Railway Switch (See Minutes of April 7, 1936).

Judge Stoll stated that he had recently heard from Mr. Maurice Galvin in regard to agreement with the Liggett and Myers Tobacco Company and the American Tobacco Company for the use of railway switch that extends from C. N. O. & T. P. Railway tracks to the Service Building of University. Such an agreement will be prepared

and when it is received by Judge Stoll he will present it to the officials of the tobacco companies for execution.

17. Report on Sick Leave.

Felix Dickerson -- Letter reported by Superintendent of Buildings and Grounds:

December 5, 1936

Mr. M. J. Crutcher  
University of Kentucky  
Lexington, Ky.

Mr. Felix Dickerson is still in bed though I think he will soon be on some exercise. Just when I think everything is going o.k., he spits up some blood along with slight congestion in his right lung. He quickly recovers from these "spells" with no definite damage to his pulmonary-tissue, as far as we can determine.

I do not think he will be able to return to work much before next September.

Yours respectfully,

(Signed) Edward J. Murray, M. D.

On motion, duly seconded and passed, payment of Mr. Dickerson's salary to June 30, 1937, was ordered and authorized. Such an order extending to January 1, 1937, was made at the September, 1936, meeting of the Board.

18. Appointments and Other Staff Changes.

Appointments.

Mrs. Edith H. Francis, house-mother, Sigma Nu fraternity, effective December 1, 1936.

Mrs. T. A. Stebbins, temporarily appointed house mother, Zeta Tau Alpha sorority, effective December 1, 1936.

Resignation.

Mrs. Edith H. Francis, house mother, Zeta Tau Alpha sorority, effective December 1, 1936.

Changes in Salary.

Katherine Hammack, secretary in Placement Bureau, salary increased to \$110.00 per month, effective January 1, 1937.

Anne Lewis Wilson, stenographer in office of Dean of the College of Education, Salary increased to \$100.00 effective January 1, 1937.

Leave of Absence.

Dr. Leo M. Chamberlain, Bureau of School Service, granted sabbatical leave of absence for second semester, 1936-37, on pay. He expects to spend the time in special study.

19. Statement by Governor Chandler.

At the close of the meeting, Governor Chandler stated that he wished to acknowledge the assistance rendered the State of Kentucky through courtesies extended by the Board of Trustees and President McVey, especially in the fact of service to the State of the time of men used in the State's program of progress. He spoke in high praise of the assistance of Dean James H. Graham in P. W. A. program; of Dr. James W. Martin, head of the Division of Taxes; of Dr. J. W. Manning, head of the Division of Personnel; and of Professor W. H. Hansen, assistant to Adjutant General. He said that he greatly appreciated the valuable service of these men and that of others not mentioned in particular, that he believes the University can and should render much service to the State and that he hopes to utilize its service whenever possible.

The members of the Board and President McVey expressed appreciation of the Governor's statements, and he was assured that the University has always endeavored to assist the State, and that service to the State as an institution and to its citizens in general, is a recognized function and duty of the University. It was further stated that such function of the University has received much recognition by this administration.

20. Lunch at Maxwell Place.

President McVey stated that the members of the Board under the guidance of Dean Graham were expected to make (at this time) an inspection of the P. W. A. Building Construction, and that, following this, the members of the Board, the officers of the Board, and Dean Graham were invited by Mrs. McVey and himself to Maxwell Place for lunch. The invitation was accepted by all, and they were delightfully served and entertained at lunch by Mrs. McVey, President McVey, and daughter, Mrs. Harry B. Tilton.

21. Adjournment.

On motion, the meeting was adjourned to meet Wednesday, December 23, 1936, 10:30 a. m., in President McVey's office, Administration Building, University of Kentucky.

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