

Minutes of the regular quarterly meeting of the Board of Trustees, University of Kentucky, Wednesday, April 19, 1933.

The Board of Trustees of the University of Kentucky met in regular quarterly session in the President's office at the University on Wednesday, April 19, 1933, at 10:30 a.m. The following members were present: Governor Ruby Laffoon, Judge Richard C. Stoll, Eugene T. Flowers, Commissioner of Agriculture, Dr. W. W. Wash, Louis E. Hillenmeyer, Judge Robert G. Gordon, J. B. Andrews, J. R. Rash, C. O. Graves, Miller Holland, G. O. Wells, E. O. Robinson and Dr. George Wilson. Meeting with the Board were Frank L. McVey, President of the University, and D. H. Peak, Secretary of the Board.

1. Minutes Approved.

The minutes of the meeting of the Board of Trustees of June 4, 1932 (No meetings were held September 20, 1932, and December 13, 1932, quorum not being present, but Executive Committee meetings were held) and the minutes of the following meetings of the Executive Committee, June 23, 1932; July 13, 1932; September 20, 1932; October 27, 1932; November 29, 1932; December 13, 1932; January 18, 1933; February 21, 1933 and March 20, 1933, were approved as published.

2. President's Report.

The President's report was read and ordered to be recorded in the minutes. Referring to that part of the report relative to the Alumni Association, the President was authorized to work out the plan desired and refer it to the Executive Committee for approval. Report is in words and figures as follows:

This meeting of the Board of Trustees is the regular meeting of the spring quarter. As in previous meetings at this time of the year, there are a number of important matters to come before the Board, of which the budget is the outstanding one for consideration. The other questions are in part routine matters. The affairs of the University are in as good condition as could be expected at a time like the present. There are no debts against buildings, except the amortization charges contracted for the erection in 1927 of two dormitories for men and the purchase on an annual payment basis of the warehouse on Limestone facing the main campus. As these obligations are financed by annual payments they are not counted as a debt obligation.

In 1930-1931 the income of the University from State taxes reached a high point. The amount was \$1,137,000. The following year this sum fell to \$894,000, or a drop of 21.4%. This year, 1932-33, it is estimated that the amount coming from State taxes will fall to \$675,000, or a decline of 40% since 1930-31. To meet this great decline three things have been done: (1) Reduction of salaries 10%, (2) The increase of fees 50%, and (3) The cutting of expenditures for maintenance, repairs and equipment.

The budget of this coming year 1933-34, must be made on a still further drop in income, both from State taxes and student fees. From the best figures available State taxes will go down to \$605,000 and student fees to \$195,000, possibly lower. To keep the University abreast of its obligations and responsibilities is a difficult problem. I see no way of doing it other than to withhold 5% of salary payments until the end of the year. If the University income exceeds expectation, the amount withheld can be paid to the members of the University staff. I make such a recommendation reluctantly, in view of the failure to pay salaries in part in 1932-33 and the cut of ten per cent now in effect.

It will be recalled by those on the Board last year that it was necessary to withhold payment of salaries for two months and to pay but \$100 on each salary per month for an additional two months. This left the University for that year \$195,000 in arrears and owing to its staff that sum. For the information of those who were not on the Board at that time, and for the purpose of refreshing the memories of those who were on the Board, let me recall the facts. The amount expected from the State as budgeted in the year 1931-32 was \$930,000. The actual amount received was \$894,000, a difference of \$36,000. In addition to this there was a general fund overdraft on July 1, 1931-32, of \$58,485.09, and there was also a note due the bank for \$100,000, a loss in the sale of college warrants of \$4,000, making a total of \$202,485.09. In previous years the bank has been carrying an overdraft running several years back. At this time conditions were such that this could no longer be done in the matter of the note and in the matter of the overdraft. Consequently, it was necessary to make payment of these specific items, resulting in the failure to pay salaries described in the previous paragraph. Conditions due to two things forced the bank to call for payment. One of these things was the change in the law governing University income, and the other the general financial situation in the country. It became apparent by February, 1932, that the University could not continue to pay salaries as provided in the budget, so action was taken to cut salaries 10%. This action was followed by \$100 on each salary for March and April and no salary

in May and June. There is a solemn obligation to pay these back salaries.

### Changes in the Board

There are five new members on the Board of Trustees appointed by Governor Laffoon. They are: R. Miller Holland, of Owensboro, to succeed H. M. Frohman, of Lexington, for a term ending in 1938; E. O. Robinson, of Fort Thomas, to succeed James C. Utterback, deceased, for a term ending in 1934; G. C. Wells, of Paintsville, to succeed James W. Turner, for a term ending in 1938; G. O. Graves, of Georgetown, to succeed J. M. Finch, for a term ending in 1938; Dr. George H. Wilson, of Lexington, to succeed E. B. Webb, for a term ending in 1938.

### Personnel

From time to time inquiries are made as to the number of employees at the University and the salaries paid to them. There are at the University, 1 president, 8 deans, 3 general officers, 97 professors, 21 associate professors, 57 assistant professors, 88 instructors, and 203 other employees, including assistants, clerks and laborers. The president has received a salary of \$12,000 until 1931-32. The amount now paid him is \$10,000. There are three deans who receive between six and seven thousand dollars (\$6,000 and \$7,000); four who receive between \$5,000 and \$6,000, and one who receives \$3,000. The professors' salaries range from \$3,000 to \$4,250; associate professors from \$2,500 to \$3,500; assistant professors from \$2,000 to \$3,000; instructors from \$1,400 to \$2,200. There is one professor on a twelve months basis who receives \$5,000. These men and women are payers of taxes. Fifty-five per cent of them own their homes. All of them contribute to community chests and respond to the different calls for money to finance charitable and church efforts. They are high type, hard-working, effective citizens. In age this group ranges from 20 to 69 years, with the median between 35 and 39 years. One retires at the end of the year, Dean C. R. Melcher, and two more reach the retiring age the following year.

### Federal Relations

Rumors have been coming to me for the past week that the federal appropriations for the support of experiment work, the vocational education and agricultural extension, would be struck out of the federal budget. This is alarming and disconcerting news to those who regard these activities of high value to the State. I asked

Governor Laffoon to write to the President. I also asked Mr. Richmond to do the same and I wired the United States senators from Kentucky to use their good offices to secure reconsideration of these matters. It is inconceivable to me how an administration seeking to do things for the people under farm relief bills could destroy the very agencies that are needed to carry on the work. For fifty years the government and the states have been working to develop the experiment stations and for twenty years agricultural extension has been conducted in the United States with very great benefit to agriculture. I have no plans to suggest as to the future. We do not know what action will be taken, but the mere suggestion is sufficient to raise great anxiety about work that has had so much money, intelligence and planning put into it.

### Repairs

The budget of the coming year is a limited budget. Little or no provision is made in it for repairs to buildings. Many of the buildings have not been painted for seven years. In view of such a situation, is it possible to make contacts with the R. F. C. for money to employ men to do painting? The interior of many of the buildings should be painted. The walls of McVey Hall, the Chemistry building, the School of Education and Memorial Hall should be painted. The cost of such work would amount to about \$6,000. The exterior painting which ought to be done on about twelve buildings would amount to about \$4,000 more. We need a place for the band and the radio station. The space for these activities exists in the warehouse, but the University has no money with which to finance the work. I am told it would require \$9,000 to provide room for the band and the radio. Is there any way to get the money from the Reconstruction Finance Corporation? I hope the experience and knowledge of members of the Board can give an answer to this question.

### Trips to Eastern and Western Kentucky

I completed on Saturday the second of two trips I have made into the State. In the first trip to eastern Kentucky I made twelve speeches in eight towns and spoke to 3,000 people. In the western part of the State I visited ten towns, made sixteen speeches to about 3,000

people. The purpose of these expeditions was to carry a message to the people urging them not to injure the public schools by cutting the expenditures to such a point that the schools would be hurt. In carrying out this purpose I came in contact with many alumni who are finding the University a growing force in the State. In the fifty-eight years of the University history 7,000 men and women have graduated from the University. Of this number 800 graduated during Doctor Patterson's administration, a similar number under President Barker and the remainder, 5,400, received their degrees since 1917. This statement is very interesting, since it means that three-fourths of the graduates are 22 to 37 years of age and just beginning to come into important places in their communities.

I found great interest in the University wherever I went, but the organization we now have does not function effectively. The Alumni Association is not strong enough to carry the work and I am quite sure the best way to deal with the questions arising out of alumni relationship is for the University to carry on the work of making contacts and leaving the matter of class reunions, the organization of clubs to an association. The University would look to the association for advice and suggestion, but the responsibility of publicity contacts and leadership would rest with the University. Here is a problem that should be carefully considered and provision made to deal with it in the near future.

### 3. The Financial Report.

The Financial Report for March was received and ordered to be recorded in the minutes:

#### EXHIBIT "B"

#### Statement of Income and Expenditures Month of March 1933

	<u>Previously Reported</u>	<u>Current Month</u>	<u>Fiscal Year To Date</u>
General Fund Income			
Federal Appropriation	42,750.00		42,750.00
Spec. Agr. Appro.	17,846.87		17,846.87
Vocational Ed. Board	14,800.55	960.14	15,760.69
Bur. of Mineral and Top. Survey - Misc. Rec.	696.41	125.03	821.44

Bur. of Mineral and Top. Survey - State Appro.	3,279.52	130.00	3,409.52
State Tax	459,794.33	40,433.19	500,227.52
Int. on Endowment Bonds	8,644.50		8,644.50
Int. on Liberty Loan Bonds	850.00		850.00
Student Fees	175,940.04	3,434.14	179,374.18
Student Fees - Sum. Sch.	14,415.54		14,415.54
Student Fees - U.H.S.	7,275.80	510.00	7,785.80
Student Fees - El. Tr. Sch.	7,181.25	115.00	7,296.25
Student Fees - Un. Ext.	18,598.34	2,268.35	20,866.69
Misc. Receipts	15,415.88	2,151.21	17,567.09
Rentals	1,695.26	231.10	1,926.36
Men's Dormitories	10,219.69	139.00	10,358.69
Total	<u>799,403.98</u>	<u>50,497.16</u>	<u>849,901.14</u>

Expenditures			
Instruction	541,241.49	70,034.02	611,275.51
Adm. Exp. and Maint.	174,910.50	16,679.28	191,589.78
Add. and Betterments	7,715.16	699.76	8,414.92
Total	<u>723,867.15</u>	<u>87,413.06</u>	<u>811,280.21</u>
Excess of Income over Expenditures	<u>75,536.83</u>	<u>(36,915.90)</u>	<u>38,620.93</u>

Patterson Hall Income			
Board	28,520.26	905.00	29,425.26
Misc. Receipts	172.64		172.64
Room Rent - Sum. Sch.	1,261.50		1,261.50
Total	<u>29,954.40</u>	<u>905.00</u>	<u>30,859.40</u>

Expenditures			
Expense	20,472.44	2,753.54	23,225.98
Add. & Betterments	2,080.12		2,080.12
Total	<u>22,552.56</u>	<u>2,753.54</u>	<u>25,306.10</u>
Excess of Income over Expenditures	<u>7,401.84</u>	<u>(1,848.54)</u>	<u>5,553.30</u>

General Fund Income	829,358.38	51,402.16	880,760.54
General Fund Expend.	<u>746,419.71</u>	<u>90,166.60</u>	<u>836,586.31</u>
Excess of General Fund Income over Expend.	82,938.67	(38,764.44)	44,174.23
Accounts Payable liqui.	(3,999.09)		(3,999.09)
Excess of Exp. over Rec. for General Ledger Ac.	6,193.24	(25,990.08)	(19,796.84)
Excess of Rec. over Exp. for the fiscal year to date - General Fund	<u>85,132.82</u>	<u>(64,754.52)</u>	<u>20,378.30</u>
Excess of Receipts over Exp. for the fiscal year to date - General Fund			20,378.30
Cash in Bank July 1, 1932 -- General Fund			<u>(12,274.36)</u>
Cash in Bank March 31, 1933 -- General Fund			<u>8,103.94</u>

Experiment Station Income			
Hatch - Federal Appro.	11,250.00		11,250.00
Milk and Butter - Cash Rec.	6,268.33	684.12	6,952.45
Dairy Cattle Sales	284.27	14.73	299.00
Beef Cattle Sales		831.42	831.42
Sheep Sales	397.17		397.17
Swine Sales	274.05	10.00	284.05
Poultry Sales	1,578.38	(345.46)	1,232.92
Farm Produce Sales	1,480.87	69.08	1,549.95
Horticultural Sales	299.32	5.00	304.32
Seed Test	404.14	111.50	515.64
Seed Inspection	10,292.75	5,320.97	15,613.72
Rentals	3,132.36	144.67	3,277.03
Miscellaneous	583.67	10.00	593.67
Fertilizer - Fees	6,313.50	3,765.00	10,078.50
Public Service - State Ap.	12,076.02		12,076.02
Public Service - Misc. Rec.	13.14		13.14
Feeding Stuffs - Fees	21,009.56	3,064.00	24,073.56
Adams - Federal Appro.	11,250.00		11,250.00
Serum - Sales	1,034.27	56.40	1,090.67
Serum - Virus Sales	62.82	4.20	67.02
Serum - Supply Sales	104.55	3.00	107.55
Serum - Misc. Receipts.	60.00		60.00
State Appropriation	34,037.36		34,037.36
Creamery - License Fees	4,490.00	23.00	4,513.00
Creamery - Testers' Lic.	1,362.00	50.00	1,412.00
Creamery - Glassware Tested	253.99	21.33	275.32
Robinson - State Appro.	7,917.00		7,917.00
Robinson - Misc. Receipts	3,444.54	69.60	3,514.14
West Ky. - State Appro.	7,862.01		7,862.01
West Ky. - Misc. Receipts	3,553.88	305.20	3,859.08
Purnell - Federal Appro.	45,000.00		45,000.00
Nursery Inspection - Fees	1,270.30	95.00	1,365.30
Blood Test	728.25	108.50	836.75
Total	<u>198,088.50</u>	<u>14,421.26</u>	<u>212,509.76</u>

Expenditures			
Expense	180,075.55	22,684.41	202,759.96
Additions and Betterments	<u>836.02</u>	<u>586.50</u>	<u>1,422.52</u>
Total	<u>180,911.57</u>	<u>23,270.91</u>	<u>204,182.48</u>
Excess of Income over Expenditures	17,176.93	(8,849.65)	8,327.28
Excess of Expenditures over Receipts for General Ledger accounts	<u>1,676.75</u>	<u>(3,085.16)</u>	<u>(1,408.41)</u>
Excess of Receipts over Expenditures	<u>18,853.68</u>	<u>(11,934.81)</u>	<u>6,918.87</u>
Excess of Receipts over Expenditures for the fiscal year to date - Experiment Station			6,918.87
Cash in Bank July 1, 1932 - Experiment Station			<u>(5,383.43)</u>
Cash in Bank March 31, 1933 - Experiment Station			<u>1,535.44</u>

Extension Division Income			
Federal Smith-Lever	148,308.76		148,308.76
Federal Add. Co-op.	31,000.00		31,000.00
Federal Supplementary	53,091.04		53,091.04
Federal Capper-Ketcham	36,800.98		36,800.98
State Smith-Lever	80,366.18		80,366.18
County and Other	1,881.56	117.66	1,999.22
Total	<u>351,448.52</u>	<u>117.66</u>	<u>351,566.18</u>
Expenditures			
Expense	<u>245,716.21</u>	<u>32,317.55</u>	<u>278,033.76</u>
Excess of Income over Ex-			
penditures	<u>105,732.31</u>	<u>(32,199.89)</u>	<u>73,532.42</u>
Excess of Income over Ex-			
pend. for the fiscal year			73,532.42
to date - Extension Div.			
Cash in Bank July 1, 1932 -			
Extension Division			<u>7,737.68</u>
Cash in Bank March 31, 1933 -			
Extension Division			<u>81,270.10</u>
Trust Fund Income			
Student Loan Fund	620.82	95.61	716.43
Student Notes Paid	1,733.38	157.85	1,891.23
Total Receipts	<u>2,354.20</u>	<u>253.46</u>	<u>2,607.66</u>
Expenditures			
Expense	343.30	41.00	384.30
Student Notes	1,982.75	278.00	2,260.75
Total	<u>2,326.05</u>	<u>319.00</u>	<u>2,645.05</u>
Excess of Expenditures			
over Receipts	<u>28.15</u>	<u>(65.54)</u>	<u>(37.39)</u>
Excess of Expenditures over			
Receipts for the fiscal year			(37.39)
to date - Trust Fund			
Cash in Bank July 1, 1932 -			
Trust Fund			<u>1,308.58</u>
Cash in Bank March 31, 1933			
- Trust Fund			<u>1,271.19</u>
Summary			
General Fund Income	829,358.38	51,402.16	880,760.54
Experiment Station Inc.	198,088.50	14,421.26	212,509.76
Extension Div. Income	351,448.52	117.66	351,566.18
Trust Fund Income	620.82	95.61	716.43
Total	<u>1,379,516.22</u>	<u>66,036.69</u>	<u>1,445,552.91</u>
General Fund Expend.	746,419.71	90,166.60	836,586.31
Experiment Sta. Expend.	180,911.57	23,270.91	204,182.48



Extension Div. Expend.	245,716.21	32,317.55	278,033.76
Trust Fund Expend.	343.30	41.00	384.30
Total	<u>1,173,390.79</u>	<u>145,796.06</u>	<u>1,319,186.85</u>
Excess of Income over Expenditures	206,125.43	(79,759.37)	126,366.06
Accounts Payable liquidated	(3,999.09)		(3,999.09)
Excess of Expend. over Receipts for General Ledger accounts	7,869.99	(29,075.24)	(21,205.25)
Student Loan Fund - Notes	(249.37)	(120.15)	(369.52)
Excess of Receipts over Expend. for the fiscal year to date - Combined Fund	<u>209,746.96</u>	<u>(108,954.76)</u>	<u>100,792.20</u>
Excess of Receipts over Expenditures for the fiscal year to date - Combined Fund			100,792.20
Cash in Bank and on hand July 1, 1932 - Combined Fund			<u>(6,611.53)</u>
Cash in Bank and on hand March 31, 1933 - Combined Fund			<u>94,180.67</u>

Abstract of item shown on statement of Income and Expenditures as "Excess of Expenditures over Receipts for General Ledger accounts \$21,205.25."

	<u>Debit</u>	<u>Credit</u>
Accounts Receivable	30,768.18	
Insurance Paid in Advance	383.01	
Sundry Accounts		14,358.94
Surplus	<u>4,413.00</u>	
	<u>35,564.19</u>	
	<u>14,358.94</u>	
	<u>21,205.25</u>	<u>14,358.94</u>

4. Sale of State Warrants.

The sale of state warrants reported below was approved:

		Warrants Sold		April 4, 1933			
<u>Face Value</u>	<u>No.</u>	<u>Per Cent</u>	<u>Rate</u>	<u>Date</u>	<u>Interest</u>	<u>Total</u>	
\$1291.33	F7893	\$1178.35	3/2/33	\$5.74	\$1184.09	Rob. Substa.	
1325.31	F7894	1209.35	3/2/33	5.89	1215.24	W. Ky. "	
14143.06	7821	12095.53	2/28/33	66.78	12972.31	Exten. "	
3241.21	F7823	2957.61	2/28/33	15.30	2972.91	Ex. Station	
1833.33	F7824	1672.90	2/28/33	8.66	1681.56	Pub. Ser.	
						<u>\$20,26.10</u>	
		Warrants Sold		April 7, 1933			
\$4,426.92	F7822	\$4,039.56	2/28/33	22.75	\$4,062.31	Spec. Ag.	
7,650.00	F7825	6,980.63	2/28/33	39.32	<u>7,019.95</u>	Book Stack	
						<u>\$11,082.26</u>	

5. Walter K. Patterson Bequest.

At a regular meeting of the Board of Trustees of the University of Kentucky, held in the City of Lexington, Kentucky, on the 19th day of April, 1933, the following preamble and resolution were, on motion duly made, seconded and unanimously carried, adopted, namely:

Whereas, Walter K. Patterson, by Clause 16 of his last will and testament, duly probated by the Fayette County Court in the State of Kentucky and now of record in the Clerk's office of said Court, bequeathed to the Trustees of the University of Kentucky in trust, the sum of Five Thousand Dollars (\$5000.) which became due to his estate from the University of Kentucky at the time of his death; the said Clause reading as follows:

"To the Trustees of the University of Kentucky I bequeath in trust the Five Thousand Dollars (\$5000.) that will be due to my estate from the said University of Kentucky at my decease. The income from this bequest shall be administered by the Student Loan Committee of said University for the use and benefit of needy and worthy students matriculated therein. The sum herein bequeathed is for permanent endowment and shall be invested by the aforesaid Trustees through the Business Agent of the University in some good, safe, productive security, to be

approved by my Executor, and only the accrued interest or income therefrom shall be loaned. The interest or income that accrues from loans of this fund to students shall be added to and augment the endowment fund.

"Only such students as meet the following requirements shall be eligible to receive the use and benefit of this bequest:

"First: They must be members in good standing in evangelical churches.

"Second: They must be matriculated in and pursuing courses of study that lead to degrees either in the College of Agriculture or the College of Arts and Sciences or the College of Engineering.

"Third: They must maintain in all their classes at least the graduation standard required by the University.

"This bequest shall be forever known as 'The Janet Kennedy Patterson Memorial Student Loan Fund, founded and endowed by Walter Kennedy Patterson in remembrance of his mother.'"

And Whereas, the Executor of his will requires as a condition precedent to the payment of said legacy, the acceptance thereof by the Trustees and their agreement to hold the same in trust and to administer the said fund and the income therefrom as directed in said will:

Be It Resolved, by the Trustees of the University of Kentucky that they do now and hereby accept the said legacy under the terms and conditions specified in the will of Walter Kennedy Patterson and agree that the income shall be administered by the Student Loan Committee of said University for the use and benefit of needy and worthy students matriculated therein and that the principal sum shall be held for permanent endowment and shall be invested by the Trustees through the Business Agent of the University of Kentucky in some good, safe, productive security to be approved by the Executor and that only the accrued interest or income therefrom shall be loaned. The interest or income that accrues from loans of this fund to students shall be added to and augment the endowment fund.

Be It Further Resolved, that only such students as meet the requirements specified in the above quoted Clause of the will of Walter Kennedy Patterson shall be eligible to receive the use and the benefit of this bequest.

Be It Further Resolved, that this bequest shall be forever known as the "Janet Kennedy Patterson Memorial Student Loan Fund, founded and endowed by Walter Kennedy Patterson in remembrance of his mother."

The Secretary of this Board is directed to certify a copy of the foregoing preamble and resolutions under the seal of the University and to deliver the same to the Security Trust Company of Lexington, Kentucky, as Executor of Walter Kennedy Patterson in evidence of the acceptance by this Board of the aforesaid legacy and its agreement to administer the same as above set forth.

6. Unpaid Salaries 1931-1932 -- Attorney General's Opinion.

The following opinion of the Attorney General in regard to unpaid salaries, 1931-1932, was ordered incorporated in the minutes:

April 17, 1933

The Honorable J. Dan Talbott,  
Auditor of Public Accounts,  
Frankfort, Kentucky.

Dear Mr. Talbott:-

I refer to your letter of March 27th, 1933, enclosing a letter from Superintendent James H. Richmond calling attention to the fact that the unpaid salary account of the University of Kentucky amounts to \$195,230.51, this deficit having occurred prior to July 1st, 1932, the actual deficit on that date being, as I understand, \$197,545.22, which was reduced by adjustments made after July 1st, 1932, to the sum of \$195,230.51, as noted. It is further stated in the letter that no funds for the operation of the University for the year 1932-1933 have been applied to the payment of the 1931-32 unpaid salaries.

Your letter of the 27th reads:

"The report of the University of Kentucky shows that it is carrying quite a balance in unpaid salaries. Enclosed is a copy of a letter written to Jim Richmond that gives me quite a bit of concern.

"The administration is undertaking to live within its income and from bills presented we show that we are about doing it. But, if the different departments are allowed to present indebtedness

created above their appropriations as a legal claim, it seems that everything that we might have done has been set aside.

"I called Jim Richmond this morning and I learned that he will not be in town until Thursday. I feel that he, you and I should meet and discuss this matter as soon as possible."

We discussed this matter and it was my opinion verbally expressed to you that the University could not expend a greater amount than it received in any one year; in other words, it could not exceed the appropriation made to it by the Legislature.

I now have your letter of the 14th of April which reads as follows:

"Mr. D. H. Peak, Business Manager of the University of Kentucky, was in to see me yesterday and requested that I furnish him with your opinion pertaining to the balance that the University of Kentucky is carrying as an obligation against the state.

"I informed Mr. Peak that I would request that you send me a written opinion regarding this matter so that I could send it to him."

It is provided in Section 4019 of the Kentucky Statutes, 1930 Edition, that a certain percent of the taxes derived from real estate, franchises, personal property, etc., and fifty percent of inheritance taxes be appropriated for the use and benefit of the University of Kentucky.

The University can expend only the amount derived by it from the sources mentioned. The exact amount of income to which the University is entitled can not, of course, be determined accurately until the close of the fiscal year. If the University has any surplus left at the end of the present fiscal year, it may apply that surplus towards reducing the indebtedness created by it during the last fiscal year, inasmuch as it is not operating upon a budget appropriation and in view of the fact that it is appropriated a certain percentage of taxes derived from real estate, personal property, etc., which it does not have to turn back into the Treasury and which it may expend before the close of the fiscal year.

Very truly yours,

(Signed) Bailey Wootton  
Attorney General

President McVey was authorized to act in payment of such salaries in his discretion, special conditions and circumstances warranting such action.

7. Audit.

President McVey presented a letter from the State Inspector and Examiner in regard to the audit of University books and accounts. The question was referred to the Executive Committee.

8. Gross Sales Tax -- Campus Book Store.

At the meeting of the Executive Committee, March 20, 1933, the Business Agent was directed to take up with the State Tax Commission the question of gross sales tax in Campus Book Store. This was done at once and Commissioner Seldon R. Glenn referred it to the Attorney General. The opinion is as follows:

April 4, 1933

Hon. S. R. Glenn, Member  
State Tax Commission  
Frankfort, Kentucky

Dear Senator:

Enclosed find letter which I have received from Mr. Peak, Business Agent, University of Kentucky.

From the information contained in Mr. Peak's letter, I am of the opinion that Mr. Morris, the manager of the Campus Book Store, should pay sales tax to the State.

Yours truly,

S. H. BROWN  
Assistant Attorney General

The manager of the book store had previously made report and sent check for amount of tax, so after the opinion was rendered, the matter was closed.

9. Fire Damage to Dwelling on Graham Avenue.

There was a small fire in rented house at 132 Graham Avenue, loss amounting to \$50.11. The loss was entirely covered by insurance. The insurance company has repaired the damage.

10. Investment of Waddy Funds.

It was ordered that the funds now on deposit in the First National Bank and Trust Company to account of Treasurer of University of Kentucky, Robert D. Waddy Fund, amounting to \$2161.76, be invested in state warrants. The statement appearing in the minutes of the Executive Committee of March 20, 1933, is in error. The total on deposit was inserted as amount of second deposit; the checks received are as follows, \$270.45, deposited December 3, 1932; \$1891.31, deposited March 14, 1933 -- total \$2161.76.

11. Budget for 1933-1934.

President McVey offered a budget for the year 1933-1934. It was adopted tentatively, subject to such revision as may be necessary due to possible changes in amount of anticipated revenues, especially the Federal appropriations. The Executive Committee was authorized to make final approval of the budget.

12. Bureau of Mineral and Topographic Survey Expense Statements Approved.

Statement of salaries for the month of February, 1933, of employees in the Bureau of Mineral and Topographic Survey, and statement of expense in same Bureau were approved. Statements are as follows:

Salaries, Payable from Appropriation

Louise Barton . . . . .	\$30.00
D. M. Young . . . . .	100.00

(Signed)

A. C. McFarlan  
Head of Bureau

Expense, Payable from Cash Collections

Diem and Wing Paper Company . . . . .	\$ 13.23
Tablet and Ticket Company . . . . .	2.70
Freight . . . . .	1.35
Labor . . . . .	3.95

13. Appointments and Other Staff Changes.

a. Leaves of Absence

Edward Fisk, assistant professor in Art, granted sabbatical leave for the year 1933-34 on one-half pay.

E. L. Rees, professor in Mathematics, granted leave of absence for second semester of the year 1933-34, without pay.

b. Appointments

John Cochran, assistant county agent, Fayette County, from March 23, 1933, to May 31, 1934, salary \$125.00.

c. Continuations

W. E. Weideburg, county agent of Christian County, January 1, 1933, to June 30, 1933, salary \$208.33  $\frac{1}{3}$  per month, increase in salary of \$400.00 per year, due to county cooperation.

Earl Mayhew, county agent, Knox County, April 1, 1933 to June 30, 1933, salary \$154.16  $\frac{2}{3}$  per month, decrease in salary of \$400.00 per year, due to county not cooperating.

R. M. Heath, county agent, Franklin County, May 1, 1933, to April 30, 1934, salary \$216.66  $\frac{2}{3}$  per month, decrease in salary of \$240.00 per year, due to decrease in county appropriation.

C. V. Bryan, county agent, Taylor County, January 1, 1933, to December 31, 1933, salary \$191.66  $\frac{2}{3}$  per month, decrease in salary of \$100.00 per year, due to decrease in county appropriation.

On motion, the meeting adjourned.

D. H. Peak  
Secretary, Board of Trustees