

Minutes of the Meeting of the Board of Trustees, University of Kentucky, for its regular quarterly meeting, Tuesday, April 4, 1922.

The Board of Trustees of the University of Kentucky met in regular quarterly session in the office of the President at the University on Tuesday, April 4, 1922, at the hour of 11:30 a. m. The following were present: Mr. Colvin, Mr. Hanna, Mr. Hornsby, Senator Froman, Mr. Rash, Mr. Gordon, Judge Stoll, Mr. Wells, Mr. McKee, Mr. Lyle, and Mr. Johnston. President McVey and Wellington Patrick, Secretary of the Board were also present. The meeting was called to order by Judge Stoll who presided.

(1) Approval of Minutes. The minutes of the meeting of the Board of Trustees for December 13, 1921, were read and adopted. The minutes of the Executive Committee for all meetings held since December 13, were approved as published.

(2) Report of the Business Agent. The report of the Business Agent was read and ordered incorporated in the minutes. The report was as follows:

University of Kentucky

Statement of Receipts and Disbursements from July 1, 1921 to March 31, 1922 and Estimated Receipts and Disbursements from April 1, 1922 to June 30, 1922.

General Fund

Receipts

July 1, 1921 to March 31, 1922	\$629,543.75	
Estimated April 1, 1922 to June 30, 1922		
State Tax	35,000.00	
Vocational Education Board	14,000.00	
General Education Board	900.00	
Special Agricultural Appropriation	3,900.00	
Interest on Liberty Bonds	850.00	
Social Hygiene Board	4,310.86	
Government Student Fees	10,000.00	
Miscellaneous	<u>1,000.00</u>	699,504.61

Expenditures

July 1, 1921 to March 31, 1922	540,637.08	
Estimated April 1, 1922 to June 30, 1922		
Salaries	110,000.00	
Expense	<u>30,000.00</u>	<u>680,637.08</u>

Estimated Excess of Receipts over Expenditures for 1921 - 1922 18,867.53

University of Kentucky

Statement of Income and Expenditures
as at March 31, 1922

General Fund

Income to February 28, 1922	\$587,995.71	
Income for March 1922	<u>41,548.04</u>	629,543.75
Expenditures to February 28, 1922	461,647.50	
Expenditures for March 1922	<u>78,989.58</u>	<u>540,637.08</u>
Excess of Receipts over Expenditures for fiscal year to date - General Fund		88,906.67
Excess of Receipts over Expenditures for General Ledger Accounts		4,218.35
1920-1921 Accounts Payable liquidated during Current Year		<u>(46,818.84)</u>
Excess of Receipts over Expenditures for fiscal year to date - General Fund		46,306.18
Cash in Bank July 1, 1921 - General Fund		<u>(82,528.20)</u>
Cash in Bank March 31, 1922 - General Fund		<u><u>(36,222.02)</u></u>

Trust Fund

Receipts to February 28, 1922	4,901.67	
Receipts for March 1922	<u>1,013.45</u>	5,915.12
Expenditures to February 28, 1922	3,290.71	
Expenditures for March 1922	<u>1,979.10</u>	<u>5,269.81</u>
Excess of Receipts over Expenditures for fiscal year to date - General Fund		645.31
Cash in Bank July 1, 1921 - Trust Fund		<u>197.85</u>
Cash in Bank March 31, 1922 - Trust Fund		<u><u>843.16</u></u>

Experiment Station

Income to February 28, 1922	121,604.90	
Income for March 1922	<u>26,286.50</u>	147,891.40
Expenditures to February 28, 1922	151,932.28	
Expenditures for March 1922	<u>17,363.01</u>	<u>169,295.29</u>
Excess of Expenditures over Income		(21,403.89)
1920-1921 Bills Receivable Collected (State Warrants) ..		<u>8,384.37</u>
Excess of Expenditures over Receipts		<u>(13,019.52)</u>
Cash in Bank July 1, 1921 - Experiment Station		<u>29,942.03</u>
Cash in Bank March 31, 1922 - Experiment Station		<u><u>16,922.51</u></u>

Extension Division

Income to February 28, 1922	\$239,513.44	
Income for March 1922	<u>29,427.81</u>	268,941.25
Expenditures to February 28, 1922	204,496.82	
Expenditures for March 1922	<u>25,765.03</u>	<u>230,261.85</u>
Excess of Income over Expenditures		38,679.40
1920-1921 Bills Receivable Collected (State Warrants) ...		<u>28,651.99</u>
Excess of Receipts over Expenditures		67,331.39
Cash in Bank July 1, 1922 - Extension Division		<u>(28,635.36)</u>
Cash in Bank March 31, 1922 - Extension Division		<u><u>38,696.03</u></u>

Estimated Receipts and Expenditures from
April 1, 1922 to June 30, 1922

Receipts

Experiment Station	80,000.00	
Extension Division	44,478.85	
General Fund		
State Tax	6,700.00	
General Education Board	900.00	
Special Agriculture Appropriation ...	3,900.00	
Interest on Liberty Bonds	850.00	
Social Hygiene Board	3,310.86	
Government Student Fees	10,000.00	
Miscellaneous	<u>1,000.00</u>	151,139.71

Expenditures

Experiment Station	70,000.00	
Extension Division	83,174.88	
General Fund	<u>140,000.00</u>	<u>293,174.88</u>
Excess of Expenditures over Receipts		(142,035.17)
Balance in Bank March 31, 1922		<u>20,239.68</u>
Estimated overdraft June 30, 1922		<u><u>(121,795.49)</u></u>

Receipts in July applicable to 1922 year and de- ductable from University debt	<u>40,000.00</u>
Leaving net debt estimated July 1, 1922	81,795.49

Figures in () are written in red.

(3) Report of the President. President McVey then made his quarterly report, presented orally, and which was as follows:

"Gentlemen of the Board of Trustees: I shall make my report orally so as to permit discussion of a number of points. My report will be given under eleven separate headings.

I. The Legislative Situation.

"The University was interested in a number of bills in the recent session of the General Assembly. These bills were as follows:

"(a) The Eminent Domain Bill. This bill provided that the right of eminent domain be given to the University and Normal Schools in order to permit them to acquire property as needed. This bill was passed without opposition and signed by the Governor.

"(b) The Pure Seed Bill. The pure seed bill was prepared along the lines worked out in other states. It carried an appropriation of \$8,000 for the carrying out of the work and was designed to protect farmers against impure seed. The bill was opposed by some of the seed interests. It was passed, however, but not signed by the Governor.

"(c) The Food and Drug Bill. The bill as introduced provided for the return of the food and drug laboratories to the Experiment Station. It passed the Senate and was defeated in the House.

"(d) The Inheritance Tax Bill. This bill was introduced at the instance of the University and provided for a modification of the inheritance tax law. The bill would have brought the revenue from that source to four or five hundred thousand dollars annually. The University would have received from it about \$105,000 annually, and the Normal Schools each about \$40,000 annually. The bill was passed by the Senate and did not get out of Committee in the House.

"(e) The Automobile Tax Bill. This bill was introduced by some member, but not at the instance or suggestion of the University. It required that a fee be charged for the registration of automobiles, and would have brought an income to the University of about \$20,000 the first year and after that an income of about \$5,000 for each succeeding year. The bill was passed and vetoed by the Governor.

"(f) The Evolution Bill. There was a great deal of interest in the Evolution Bill, which was introduced in several forms. The Senate debated the bill for a day and a half. Finally it was indefinitely postponed. The Ellis Bill was reported out in the House from the Committee six days before the session closed. The

University was notified and addresses were made in the House by Doctor Powell of Louisville, Noel Gaines of Frankfort, and myself, in addition to numerous comments from the floor. On final vote in the House the bill was defeated by a vote of 42 to 41.

"(g) The Budget Bill. The University's items in the budget bill provided for the usual $1\frac{3}{4}$ cent tax, and in addition \$30,000 for agricultural teaching, which we have been receiving for the past two years, \$25,000 for repairs and maintenance, \$18,000 for the Public Service Laboratories, which we have been receiving from the State Board of Health, \$142,000 for agricultural extension work to match federal funds, and the usual \$50,000 appropriation for the work of the Experiment Station. An amendment was offered increasing the \$25,000 annually to \$100,000 annually for buildings, and adding \$45,000 annually for two years to pay the University debt. The amendments were passed, and vetoed by the Governor, resulting not only in the loss of the items, but the additional \$25,000 a year allowed originally by the Budget Commission for repairs and maintenance. In view of the decline in State tax returns this reduces the University to practically the income of three years ago.

II. Attendance

"During the first semester 1,459 students were registered. During the second semester 101 students were added, making a total in regular session for the year of 1,560. There were registered last year 494 summer session students, 87 in the Model High School, 14 short course students in agriculture, 64 in Practical Mining, and 11 in the course for nurses, a total enrollment for the year of 2,561 students, and an increase of 372 in regular session over the enrollment for last year.

III. Attendance Next Year

"At the present rate of increase, we shall have some 1,800 or 2,000 students in regular session next year -- more than we can care for with present facilities. I am of the opinion that we should limit the attendance next year to about 1,500 students. The addition of 100 students in the freshman class requires the addition of about $3\frac{1}{2}$ instructors. We attempt to hold our language sections down to 30, but many of our language sections have now reached 40. There is, too, the question of size of recitation rooms, which are limited in the number they will hold. We are faced with the double difficulty of lack of funds to increase the staff and lack of adequate space in which to conduct classes.

IV. Budget for Next Year.

"Financially, our outlook is gloomy for the next two years. We are facing the possibility of decreased income for next year. The State Tax Commission estimates a falling off of about \$100,000,000 in the assessed valuation of the State for next year, and this will

mean a decrease in our income of \$17,500 to \$20,000. Next year, we shall lose an income of \$8,000 which the Interdepartmental Social Hygiene Board has been giving us for the conduct of the Department of Hygiene and Public Health. In addition we shall have an added burden of \$3,000 for the cost of operating the Men's Dormitory, with practically no income, since under the law we are required to furnish free room rent to ex-service men. Our total general fund income will be in the neighborhood of \$565,000 for next year.

"As a result of all this, we shall have to follow a policy of retrenchment and rigid economy. Salaries of members of the staff must be held down to the basis of this year; departments will have to hold their expenditures to the same or less than given this year; we shall have to cut the library budget, and the budget for maintenance and repairs. No repairs of any consequence can be made, no increases in salaries can be granted, no additional allowance can be made for the conduct of laboratories. We shall be fortunate if we hold our expenditures down to the basis of three years ago.

"Our repairs will suffer greatly. We have been hoping for the past three years to find funds to repair roofs on a number of buildings. These roofs will have to wait at least for two years longer, bad as they need repairs.

"In addition, the Hartford Fire Insurance Company tells us that we have three boilers which will not pass inspection and that they will have to be replaced next year. These will cost in the neighborhood of \$10,000. I do not know the source from which the money is going to come with which to purchase these boilers.

"Gentlemen, I want you to understand thoroughly the problem that confronts us. We want to hold what we have gained so far. We do not want to go back, but I am afraid that we shall be compelled to do so. It will be difficult for us to hold what has been gained in the past four years. The situation is very serious. The failure to secure the items in the budget bill forces upon the general fund the burden of repairs and maintenance of buildings. We have buildings that need rewiring, buildings that need new roofs, and numbers of other repairs to be made in order to prevent further deterioration of the plant.

"The budget for next year is not ready, because it has been necessary to await the action of the Legislature before it was possible to know what the income would be. The budget is now being made up by the various departments and I have indicated to them what the general tendency will be. We shall have the budget ready for presentation to the Executive Committee next month, and for the Board at its June meeting.

V. Controversies

"(a) With the State Board of Health. We have been having a controversy with the State Board of Health over the payment to the University of money for the conduct of the Public Service Laboratories. We hope to get this matter settled in the near future.

"(b) With the Interdepartmental Social Hygiene Board. A small controversy has arisen with the Interdepartmental Social Hygiene Board of Washington, D. C., over funds for the conduct of hygiene work.

"(c) With the State Printing Commission over Tags. A controversy has arisen with the State Printing Commission over the furnishing of paper on which tags for the feed and fertilizer departments have been printed. The Commission maintains that the University shall pay for the paper on which the tags are printed, and recently they directed the auditor to charge against the Experiment Station \$10,351 for a bill in favor of the Louisville Paper Company. We have found on investigation that we can purchase in the open market the tags already printed for less than the Louisville Paper Company charges for the paper alone. Some years ago when the printing press was taken away from the University the statement was made to us that we would be furnished paper. It is our understanding that rulings of previous attorney generals have always sustained the point that the State shall furnish paper from the general budget for that purpose. The charging to us of unexpected items disturbs our budget and cuts down our available funds. (Mr. Wells here stated to the Board that the Attorney General had told him that he would rule, if called upon to make a written statement, that the State was required under the law to furnish paper for these tags.)

Whereupon a motion was made, seconded, and adopted that a committee, consisting of Mr. Stoll, Mr. Gordon, and Mr. Wells, be appointed for the purpose of taking the matter up and settling it.

VI. Student Attitude

"It is worthy of note to call the attention of the Board to the very splendid attitude of the student body in our recent fight for legislation and in connection with the evolution discussion. The esprit de corps of the student body is splendid and the student body is splendid and the students have been very helpful. Whereupon the following resolution was offered, seconded, and adopted: The Board of Trustees of the University of Kentucky desires to commend the student body of the University for its splendid and helpful attitude in support of the Institution in its program for additional funds and for the support given in defending the Institution against attack in the recent discussion on the subject of evolution.

VII. Maxwell Hall

"The Dean of Women recommends that Maxwell Hall not be used longer as a dormitory for girls. We are paying an annual rental of \$1,650. If possible to find another building, it is recommended that Maxwell Hall be not leased and that other quarters be rented.

VIII. The Department of Education.

"The Survey Committee which made a survey of the University some years ago recommended that the Department of Education be made into a College of Education. The report of the recent Survey Commission for Kentucky made a similar recommendation. The failure to secure additional funds has made it impossible for the University to undertake this expansion of the Department by the addition of new members to the staff. If it is possible to find funds, I shall make a recommendation regarding the Department at the next meeting of the Board.

IX. Student Fees.

"I have before me a petition from some five or six hundred students asking that fifty cents a semester be added to the student fees for the purpose of providing a revolving fund for musical organizations. This leads me to ask if the basis of student fees should be changed. After discussion, it was moved, seconded, and carried, that fifty cents a semester be added to student activity fees, leaving to the discretion of the President the method by which it may be distributed to student musical organizations.

It was also moved, seconded, and carried that students living outside the State of Kentucky should be required to pay fees as follows, exclusive of student activity fees:

In the College of Arts and Sciences, \$25 a semester.

In the College of Engineering above freshman year, \$35 a semester.

In the College of Engineering below sophomore year, \$25 a semester.

In the College of Law, \$40 a semester.

In the College of Agriculture, \$25 a semester.

X. Purchase of Negro Church

"The trustees of the Negro church on Winslow Street have offered to sell it to the University for \$8,000, which is considered too high." (President McVey here reviewed the discussion, as brought out in previous meetings, and lead up to the passage of the eminent domain law by the recent legislature. See minutes of Executive Committee for January 11, 1922.) After discussion a motion was made, seconded, and carried authorizing the President to purchase the property if it can be obtained at a reasonable price, and if not to institute condemnation proceedings.

XI. Insurance

President McVey here reviewed the discussion regarding insurance of buildings, stating what had been done in investigation of the question as to whether or not the basis of insurance should be changed. He indicated to the Board that he would go into the matter and make a definite recommendation to the Board at its June meeting. See minutes of the Executive Committee for March 8, 1922.

"This constitutes my very brief report on the situation at the University at the present time."

(4) Leave of Absence. On recommendation of President McVey leave of absence was granted to Mr. R. C. Miller of the Experiment Station for sixty days without pay for purpose of travel and study in Europe. Sabbatical leave of absence was granted to Dr. Glanville Terrell, Head of the Department of Philosophy for the year of 1922 and 1923 on half pay. The leave of absence of Dr. W. H. Simmons granted some time ago to accept a position with the Live Stock Sanitary Board was terminated, it being presented to the Trustees that Doctor Simmons expects to continue with that Board, and that the period of leave granted expired on March 18, 1922.

(5) American Council on Education Membership. On motion duly seconded the membership of the University of Kentucky in the American Council of Education was continued for one year and the Business Agent was authorized to send a check for \$200 for the annual dues.

(6) Application of Sigma Chi Fraternity for Building Site. The following application from the Sigma Chi Fraternity for a building site was presented and ordered incorporated into the minutes.

April 4, 1922

Board of Trustees
University of Kentucky
Lexington, Kentucky

Gentlemen:

Pursuant to the directions of the Trustees of the Building Fund, Lambda Lambda Chapter of Sigma Chi Fraternity, I am transmitting this application for a site for a fraternity house.

Subscriptions have been received to a total of \$7,000. It is intended to build a house costing approximately \$25,000. With a definite site in view an architect can be selected and instructed to proceed with the preparation of plans. The remainder of the building fund will be raised in the meantime.

The Trustees -- George B. Carey, J. Irvine Lyle and Herbert Graham -- feel that the lot on the northeast corner of Winslow Street and Lexington avenue extended is desirable and hereby request that such assignment be made.

Yours very truly

(Signed) Herbert Graham
Secretary

After discussion a motion was made, seconded and carried providing that the University will acquire the land desired by the fraternity provided that it can be obtained at a reasonable price at such time as the fraternity shall be ready to build.

(7) Appointments. On recommendation of President McVey the following appointments were confirmed by the Board:

Continuation of employment of J. L. Miller, county agent, Taylor County, Kentucky, at a salary of \$175 a month, for a period of one year, effective March 15, 1922.

Continuation of employment of J. B. Gardner, county agent, Calloway County, Kentucky, at a salary of \$175 a month, for a period of one year, effective April 1, 1922.

Continuation of employment of John R. Spencer, county agent, Crittenden County, Kentucky, at a salary of \$175 a month, for a period of one year, effective March 15, 1922.

Continuation of employment of Mrs. Lillian R. Warren, home demonstration agent, Knott County, Kentucky, at a salary of \$100 a month, for a period of one year, effective March 16, 1922.

Dr. T. P. Polk, who was employed temporarily as extension veterinarian to take the place of Dr. W. H. Simmons, a year ago, was placed on an annual basis, on termination of the year's leave of absence granted to Doctor Simmons, which expired March 18, 1922.

Appointment of Ernest E. Fish of Clarion, Pennsylvania, as field agent in club work, at a salary of \$2,200 a year, effective March 16, 1922. He is a graduate of Pennsylvania State College and has had experience in teaching in Massachusetts Agricultural College.

(8) Resignations. The following resignation, on recommendation of President McVey, was formally accepted by the Board:

Resignation of David P. Morris, county agent, Owen County, Kentucky, effective January 1, 1922.

(9) Expenses of Honorable Claude B. Terrell as a Member of the Board of Trustees. The following communication from the Business Agent with reference to the expenses of Honorable Claude B. Terrell, incurred while a member of the Board, was presented:

April 3, 1922

Judge R. C. Stoll

Lexington, Kentucky

Dear Sir:

You remember that some time ago I reported to the Executive Committee the request of Honorable Claude B. Terrell for payment of expenses that he made while in the services of the Executive Committee and Board of Trustees of the University of Kentucky.

I was instructed to ask him for a statement of account. I did so but failed to get such a statement. However on March 30 I received from him a letter in regard to it. The following is an extract from that letter:

"My last payment for expenses, as you will find by going back and looking through the records, was in the close of the fiscal year 1909. The beginning of my expense account that is owing to me was June 29 and 30, 1909. I went to Louisville to meet with the Committee on Selection of the President. And from that time on, until I was automatically relieved from the Board in June 1916, I was a member of the Executive Committee, as well as other Committees, having to go to Lexington on an average of once a month for seven years.

"If we figured these trips on an average of \$10 per trip it would be at the rate of \$120 per year, and seven years of course you can see for yourself what it would be, \$840. I figured this, that if the University would be willing to pay me about \$600, that I would be satisfied with it to cover in full all my expense account. I think, however, that I could furnish an itemized account of the trips, if they insist upon it, or if it's worth while at all to make it up."

Will you kindly take this up with the Executive Committee? I am writing Mr. Terrell suggesting that he file a more definite statement of account.

Very truly

(Signed) D. H. Peak
Business Agent

After discussion, a motion was made, seconded and carried, directing the Business Agent to refer the matter to the Attorney General, requesting him to advise the Board of Trustees of the University as to the action that should be taken in the matter. The Business Agent was also directed to inform Mr. Terrell of the action of the Board.

(10) Increases in Salary. On recommendation of President McVey the following increases in salary were approved by the Board:

Increase in salary of M. S. Garside, field agent in club work, from \$1,800 to \$2,200 a year, effective April 1, 1922.

Increase in salary of J. R. Smyth, field agent in poultry, from \$2,100 to \$2,500 a year, effective April 1, 1922.

Increase in salary of R. C. Miller, field agent in animal husbandry, from \$2,200 a year to \$2,500 a year, effective April 1, 1922.

Increase in salary of J. M. Feltner, field agent in club work, from \$2,600 to \$2,800 a year, effective April 1, 1922.

Whereupon the Board adjourned.

Respectfully submitted

Wellington Patrick
Secretary of the Board