

Minutes of the regular quarterly meeting of the Board of Trustees of the University of Kentucky for Tuesday, April 13, 1926.

The Board of Trustees of the University of Kentucky met in regular quarterly session in the President's office of the University at 11:30 a. m., Tuesday, April 13, 1926. The following members were present: Governor Fields, Mr. E. B. Webb, Senator H. M. Froman, Superintendent McHenry Rhoads, Mr. Frank McKee, Judge R. C. Stoll, Mr. Lewis M. Lebus, Mr. Louis Hillenmeyer, Mr. J. W. Webb and Mr. R. J. Bassett. President Frank L. McVey met with the Board.

The minutes of the Board of Trustees for December 8, 1925 and the minutes of the Executive Committee since that time were approved as published.

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

EXHIBIT "B"

Statement of Income and Expenditures
Month of March 1926

	Previously Reported	Current Month	Fiscal Year To Date
General Fund Income			
Federal Appropriation	42,750.00		42,750.00
Vocational Education Board	9,572.78		9,572.78
Special Agricul. Appro.	17,089.96		17,089.96
State Tax	532,203.01	48,618.48	580,821.49
Int. on Endowment Bonds	8,644.50		8,644.50
Int. on Liberty Bonds	850.00		850.00
Chemistry Bldg. Fund (Bingham Tax Int. Cers.)	99,575.08		99,575.08
Chemistry Bldg. Fund (Bingham Tax Int.)	2,405.53		2,405.53
Student Fees	85,849.52	133.86	85,983.38
" " - Vet. Bureau	189.20		189.20
" " - Summer School	24,468.31	12.00	24,480.21
" " - Univ. High	3,490.00	250.00	3,740.00
" " - Univ. Ext.	17,899.52	5,878.88	23,778.40
Miscellaneous	7,146.47	1,019.93	8,166.40
Rentals	6,138.00	60.50	6,198.50
Total	<u>858,271.78</u>	<u>55,973.65</u>	<u>914,245.43</u>

Expenditures			
Instruction	368,700.08	51,754.08	420,454.16
Administration Expense	124,810.50	17,002.50	141,813.00
Additions & Betterments	75,202.05	9,037.29	84,239.34
Total	<u>568,712.63</u>	<u>77,793.87</u>	<u>646,506.50</u>
Excess of Income over Exp.	<u>289,559.15</u>	<u>(21,810.22)</u>	<u>267,748.93</u>
Girls' Halls Income			
Board	37,711.09	3,840.88	41,551.97
Room Rent - Summer School	2,222.25		2,222.25
Total	<u>39,933.34</u>	<u>3,840.88</u>	<u>43,774.22</u>
Expenditures			
Expense	46,835.55	5,659.15	52,494.70
Additions & Betterments	2,006.60		2,006.60
Total	<u>48,842.15</u>	<u>5,659.15</u>	<u>54,501.30</u>
Excess of Exp. over Inc.	<u>(8,908.81)</u>	<u>(1,819.27)</u>	<u>(10,727.09)</u>
General Fund Income	898,205.12	59,814.53	958,019.65
General Fund Expenditures	<u>617,554.78</u>	<u>83,443.02</u>	<u>700,997.80</u>
Excess of General Fund Income over Expenditures	280,650.34	(23,628.49)	(257,021.85)
Excess of Receipts over Exp. for General Ledger Accts.	8,152.35	(2,080.37)	6,071.98
1924-1925 Accts. Payable liquidated during Cur. Yr.	<u>(67,718.45)</u>	<u>(3,973.55)</u>	<u>(71,692.00)</u>
Excess of Receipts over Exp. for fiscal yr. to date - General Fund	<u>221,084.24</u>	<u>(29,682.41)</u>	<u>191,401.83</u>
Excess of Receipts over Exp. for fiscal yr. to date - General Fund			191,401.83
Cash in Bank July 1, 1925 - General Fund			<u>(65,295.72)</u>
Cash in Bank March 31, 1926 - General Fund			<u>126,106.11</u>
Trust Fund Income			
Student Loan Fund	1,580.75	167.77	1,748.52
Student Notes Paid	<u>4,369.74</u>	<u>1,574.78</u>	<u>5,944.52</u>
Total Receipts	<u>5,950.49</u>	<u>1,742.55</u>	<u>7,693.04</u>
Expenditures			
Expense	301.75	50.00	351.75
Student Notes	<u>5,430.00</u>	<u>1,520.00</u>	<u>6,950.00</u>
Total	<u>5,731.75</u>	<u>1,570.00</u>	<u>7,301.75</u>
Excess of Rec. over Exp.	<u>218.74</u>	<u>172.55</u>	<u>391.29</u>
Excess of Receipts over Exp. for fiscal yr. to date - Trust Fund			391.29
Cash in Bank July 1, 1925 - Trust Fund			<u>568.26</u>
Cash in Bank March 31, 1926 - Trust Fund			<u>959.55</u>

Experiment Station Income			
Hatch - Federal Appro.	11,250.00		11,250.00
Milk & Butter - Cash Rec.	9,258.01	1,250.72	10,498.73
Beef Cattle Sales	1,700.18		1,700.18
Dairy Cattle Sales	586.23	142.32	728.60
Sheep Sales	948.67		948.67
Swine Sales	3,180.39	117.00	3,297.39
Poultry Sales	2,093.76	209.59	2,303.35
Farm Produce Sales	3,261.81	183.13	3,444.94
Horticultural Sales	1,224.65	27.85	1,252.70
Seed Test	68.00	6.00	74.00
Rentals	1,140.42	89.78	1,230.20
Miscellaneous	13,810.00	720.51	14,530.51
Fertilizer - Fees	17,277.75	5,228.75	22,506.50
Public Service - St. Appro.	9,000.00		9,000.00
Public Service - Misc.	87.96	24.35	112.31
Feeding Stuffs - Fees	32,187.86	4,218.33	36,406.19
Adams Federal Appro.	11,250.00		11,250.00
Serum - Sales	3,236.59	384.21	4,220.80
" - Virus Sales	190.55	19.05	209.60
" - Live Stock Sales	134.30	485.09	619.39
" - Supply Sales	100.45	6.95	107.40
" - Miscellaneous	13.18	14.38	27.56
State Appropriation	32,980.04		32,980.04
Creamery - License Fees	1,734.50	34.50	1,769.00
" - Testers Licenses	1,022.00	58.00	1,080.00
" - Glassware Tested	399.27	47.80	447.07
" - Miscellaneous	1.29		1.29
Robinson - St. Appro.	9,425.93		9,425.93
W. Ky. - St. Appro.	11,507.20		11,507.20
Purnell - Federal Appro.	15,000.00		15,000.00
Total	<u>194,651.24</u>	<u>13,278.31</u>	<u>207,929.55</u>
Expenditures			
Expense	192,027.86	25,533.22	217,561.08
Additions & Betterments	14,921.77	157.04	15,078.81
Total	<u>206,949.63</u>	<u>25,690.26</u>	<u>232,639.89</u>
Excess of Exp. over Inc.	(12,298.39)	(12,411.95)	(24,710.34)
Petty Cash Returned	300.00		300.00
Excess of Exp. over Recp.	<u>(11,998.39)</u>	<u>(12,411.95)</u>	<u>(24,410.34)</u>
Excess of Exp. over Recp. for fiscal yr. to date - Experiment Station			(24,410.34)
Cash in Bank July 1, 1925 - Experiment Station			<u>26,607.34</u>
Cash in Bank March 31, 1926 - Experiment Station			<u>2,197.00</u>
Extension Division Income			
Federal Smith-Lever	152,241.30		152,241.30
Federal Supplementary	45,100.93		45,100.93
State Smith-Lever	61,248.90		61,248.90
County and Other	2,488.91	65.00	2,553.91
Total	<u>261,080.04</u>	<u>65.00</u>	<u>261,145.04</u>

Expenditures			
Expense	<u>219,009.81</u>	<u>26,285.99</u>	<u>245,385.80</u>
Excess of Income over Expenditures	<u>41,980.23</u>	<u>(26,220.99)</u>	<u>15,759.24</u>
Excess of Income over Exp. for fiscal yr. to date - Extension Division			15,759.24
Cash in Bank July 1, 1925 - Extension Division			<u>1,321.99</u>
Cash in Bank March 31, 1926 - Extension Division			<u>17,081.23</u>

Summary

General Fund Income	898,205.12	59,814.53	958,019.65
Trust Fund Income	1,580.75	167.77	1,748.52
Experiment St. Income	194,651.24	13,278.31	207,929.55
Extension Div. Income	261,080.04	65.00	261,145.04
Total	<u>1,355,517.15</u>	<u>73,325.61</u>	<u>1,428,842.76</u>

General Fund Expenditures	617,554.78	83,443.02	700,997.80
Trust Fund Expenditures	301.75	50.00	351.75
Experiment St. Exp.	206,949.63	25,690.26	232,639.89
Extension Div. Exp.	219,099.81	26,285.99	245,385.80
Total	<u>1,043,905.97</u>	<u>135,469.27</u>	<u>1,179,375.24</u>

Excess of Inc. over Exp.	311,611.18	(62,143.66)	249,467.52
Excess of Recp. over Exp. for General Ledger Accts.	8,152.35	(2,080.37)	6,071.98
Student Loan Fund - Notes 1924-1925 Accts. Payable liquidated during Current Year	(1,060.26)	54.78	(1,005.48)
	<u>(67,718.45)</u>	<u>(3,973.55)</u>	<u>(71,692.00)</u>
Excess of Recp. over Exp. for fiscal yr. to date - Combined Fund	<u>250,984.82</u>	<u>(68,142.80)</u>	<u>182,842.02</u>
Excess of Recp. over Exp. for fiscal yr. to date - Combined Fund			182,842.02
Cash in Bank and on hand July 1, 1925 - Comb. Fund			<u>(34,498.13)</u>
Cash in Bank and on hand March 31, 1926 - Comb. Fund			<u>148,343.89</u>

Abstract of item shown on Statement of Income and Expenditures as "Excess of Receipts over Expenditures for General Ledger Accounts \$6,071.98."

	<u>Debit</u>	<u>Credit</u>
Accounts Receivable		7,421.10
Insurance Paid in Advance	8,663.19	
Sundry Accounts		7,413.91
Surplus	99.84	
	<u>8,763.03</u>	<u>14,835.01</u>
		<u>8,763.03</u>
		6,071.98

2. Quarterly Report of the President. The President made an informal report covering the general situation at the University of Kentucky at the present time. His report in substance was as follows:

(a) Attendance. The attendance for the present year is as follows:

Residence Students	2321
Summer Session Students	1331
Students in Extension Courses for College Credit, includi ing Correspondence Courses	1098

This is an enrollment in all departments of a little over four thousand. The probable increase for next year in residence students will be about two hundred, making a total of some twenty-five hundred students. The problem which arises in handling the new students is one of space and room.

(b) Finances. The finances of the institution are in the best condition that they have been in during the past seven or eight years. The indebtedness at the present time is less than it has been. It is estimated that we shall have a surplus for building of approximately \$100,000. It is hoped that a surplus of something like the same amount may be available next year. If this is true it will be possible for the University to do some building out of its own income.

(c) University Plant. The University plant is in fair condition. Most of our buildings are old and need constant repair. The heating system is in excellent condition. We have nine heating plants and in addition, two heating plants on the Patterson Hall campus. This means smoke and extra labor.

(d) Legislation Affecting the University. At the last session of the Legislature a number of measures were passed which affected the University.

1. In the Budget Bill the University received an appropriation of \$150,000 distributed over a period of two years for the payment of the women's dormitory; \$20,000 will be available over a period of two years for the conduct of the summer school; \$35,375 was appropriated over a period of two years for the purchase of land; the usual appropriation of \$20,000 for the Experiment Station at Princeton and \$25,000 for the Experiment Station at Quicksand were placed in the budget.

2. The State Budget Bill introduced by Senator Stephenson has been modified so as to make it workable for the educational institutions of the State.

3. A Purchasing Bill was passed providing for a Purchasing Commission and placing all purchases for all institutions in the hands of the commission. The commission is now in process of organization and will be ready for the conduct of business by July 1.

The Inheritance Tax Law was modified. It did not change the 1924 Inheritance Tax Law except in the matter of redistributing the income received under that law. The new arrangement gives the University 50%; Western Teachers College 25%; Eastern Teachers College $12\frac{1}{2}\%$; Morehead and Murray State Normal each $6\frac{1}{4}\%$. The income of the University may be increased in the neighborhood of \$100,000 by reason of the change.

A new Certification Bill was passed which is in the main a recodification of the old certification measure under which the University of Kentucky has been issuing certificates for a number of years.

The Legislature passed the resolution accepting the Purnell Act of Congress. This act provides for an appropriation of \$20,000 for research in Rural Economics, Sociology and Home Economics. The Act of Congress provides that no state will be required to appropriate money, but must pass an act accepting the provisions of the law. The last Legislature adopted the measure and the University of Kentucky will now receive funds under the Purnell Act.

(e) Construction of Buildings and Plans for the Grounds. The first building that should be built will be the Memorial building. The money collected for this building has been available for sometime and building should be started. The idea at the present time seems to be the construction of a Memorial Chapel. The location of such a building is a matter of some question and we ought to determine rather definitely where the building should be located.

A library and recitation hall should be built. Both are greatly needed. It is probable that the library should be built, relieving the situation in the present library and avoiding the problem of location which we have to determine before building a recitation building. We could probably build a section of a projected library of some kind at an approximate cost of \$100,000. The library would relieve congestion and provide for a stack-room for about 75,000 books. We could use the space vacated by the present

library reading room for additional recitation rooms.

If possible we should have some small addition to the Art building on Winslow Street. At the present time there is no place available for some excess equipment, packing and storing of pictures and materials.

The roads on the University campus will have to remain very much as they are until new plans can be developed. Mr. White, of the University of Illinois, who has been engaged to work on plans has made a tentative report and we are attempting to study the plans so as to make sure that the recommendations are workable.

(f) Changes in the Board. The following changes in the Board have been made: Judge Wells has resigned to become President of the Murray Normal School and his place has been filled by the appointment of W. J. Webb of Mayfield. Mr. W. H. Grady has been succeeded by Mr. E. B. Webb. Mr. Frank McKee and Mr. Turner have been reappointed, Mr. J. M. Finch, of Minerva, succeeds Mr. Lebus.

(g) Retirement Plans. The question of retirement plans is still a matter for consideration and it is mentioned at this time so that it may be brought to the attention of the Board. (At this point Governor Fields made the statement that at his request at the December meeting of the Board the question for retirement plans for the University had been postponed until after the meeting of the Legislature and he suggested that the chairman appoint a committee to take the question of retirement under consideration. A motion was made, seconded and carried that such a committee be appointed and the Governor appointed the following persons: Dr. Edward Wiest, Mr. Louis Hillenmeyer and Mr. E. B. Webb.)

3. Election of a Member of Executive Committee. The Board of Trustees proceeded to the election of a member of the Executive Committee to succeed Mr. R. T. Wells, and Mr. Frank McKee was elected.

4. Contract for Stock-Judging Building. A motion was made, seconded and carried that the contract for brick for the work on the stock judging building be let to Mr. Robert Hogan.

5. Inheritance Tax Law. A statement was made to the Board that the Inheritance Tax Law is being tested in the Court of Appeals and that the matter is to come up at once for oral argument before that court. A motion was made, seconded and carried authorizing the President to employ counsel to represent the University in this matter.

6. Organization of the Department of Political Science. On recommendation of President McVey a motion was made, seconded and carried that a department of Political Science be organized.

7. University Option on Purchase of Patterson Farm. Attention was called to the option on the C. B. Patterson farm for which the Legislature made an appropriation. A Motion was made, seconded and carried that the option of the University be closed and that the President of the University be authorized to take the necessary steps to complete the matter.

8. Fraternities Required to have House Mothers. A motion was made, seconded and carried that fraternities be required to supply house mothers not later than January 1, 1927.

9. Resignations. The resignation of Dr. W. W. Zwick effective July 24, 1926 was presented and accepted.

10. Appointments. Under recommendation of President McVey, Mr. Paul C. Taylor was appointed as Associate Professor of Accounting in the College of Commerce at a salary of \$3200 a year, effective the beginning of the next semester.

Appointment of Mrs. Mary B. Tate, stenographer, Department of Hygiene and Public Health, to take Mrs. Beheler's place. Salary \$85 a month, effective April 12, 1926.

11. Fraternity Houses on the Campus. Mr Hugh Merriweather appeared before the Board and made a statement advocating a plan for the building of fraternity houses on the University campus. The matter was discussed at length and Mr. E. B. Webb and Mr. Louis Hillenmeyer, who had previously been appointed as a committee to make a report, stated that they would like to see a plan worked out whereby the University could acquire land upon which to build fraternity houses, but that under the plan suggested by Mr. Merriweather they doubted whether the University could legally enter into an arrangement of this kind. Upon motion duly made, seconded and carried the report was received and the committee discharged.

12. Budget for 1926-1927. The budget of the University for the year 1926-1927 was presented by President McVey and considered at length by the Board. A motion was made, seconded and carried that the budget as presented be accepted as the basis for expenditures for the fiscal year 1926-1927.

13. Next Meeting of the Board to be May 29. A motion was made, seconded and carried that the Board adjourn to meet at 11:30 a. m., Saturday, May 29, 1926.

Respectfully submitted
Wellington Patrick
Secretary