

Minutes of the regular quarterly meeting of the Board of Trustees, University of Kentucky, for Friday, April 13, 1923.

The Board of Trustees of the University of Kentucky met in regular quarterly session in the President's office at the University, on Friday, April 13, 1923, at 11:30 a. m. The following persons were present: Frank McKee, H. M. Froman, J. I. Lyle, W. C. Hanna, J. R. Rash, R. C. Stoll and Rainey T. Wells. Frank L. McVey, President of the University, and Wellington Patrick, Secretary of the Board, were also present.

The minutes of the previous meeting were approved as published.

(1) Purchase of Coal. On motion, duly seconded, and unanimously adopted, a committee for the purchase of coal for the coming year was authorized. The chair announced that the committee for the previous year would be asked to serve again. This committee consisted of President McVey, Mr. Whipple and Mr. Peak.

(2) Scoville Park. President McVey stated to the Board that the filling in of the tract called Scoville Park was about completed by the City of Lexington; that at one time the City had offered to give the park to the University under certain conditions; that in order to make sure that the park would be carefully looked after and used for proper purposes, some steps in that direction should be taken. He suggested to the Board that it might be well to organize among the citizens in the community a Scoville Park Association. The members present were of the opinion that some such steps should be taken.

(3) Honorary Degrees. President McVey stated to the Board that the University Senate had made a recommendation for the honorary degree of LL. D. to be conferred on the following persons:

George Colvin, State Superintendent of Schools.  
Ellen Churchill Semple, of Louisville, Kentucky.

On motion, duly seconded, and unanimously adopted, the degrees recommended were authorized to be conferred.

A motion was made by Mr. Lyle, duly seconded, and unanimously adopted, authorizing the Executive Committee to pass on any other honorary degrees recommended by the Senate during the year.

(4) E. O. Robinson Mountain Fund. (See minutes of the Executive Committee for March, 1923.) There appeared before the Board, the Board of Trustees of the E. O. Robinson Mountain Fund, consisting of the following persons: Mr. E. O. Robinson, C. N. Manning, Judge E. C. O'Rear, F. W. Mcbray and Leland Banning.

These gentlemen appeared for the purpose of discussing the matter outlined in the minutes of the Executive Committee for March, 1923. President McVey read to the Board the following committee report on the plans as drawn:

Report of the Committee on E. O. Robinson Mountain Fund

This memorandum of agreement between the E. O. Robinson Mountain Fund, incorporated under the laws of Kentucky, hereinafter called The Mountain Fund, of the one part, and the State University of Kentucky, hereinafter called The University, of the other part, is to witness:

The Mountain Fund is the owner of the certain lands in the counties of Breathitt, Perry and Knott, State of Kentucky, comprising some fifteen thousand acres (but be the same more or less) which are specifically described hereinafter; The Mountain Fund also has or will have available from time to time certain funds and income which it is proposed to devote to educational and experimental work, farm extension and reforestation, to the end primarily of disseminating knowledge and training among the peoples of the mountain section, to the betterment of the condition and property values of said region; and whereas, The University is equipped and contemplates extending its equipment for teaching and for demonstrating such work, the parties hereto hereby agree as follows:

(1) The Mountain Fund does hereby lease, let, demise and set over unto The University, on the terms, to the purposes and upon the conditions hereinafter named, all the lands aforesaid and hereinafter described, tracts and thereof to be utilized for purposes of reforestation and the practical demonstrating and teaching thereof; tracts and for the purpose of farm experimental work and teaching, together with the full, unrestricted possession, use, control and management of said several tracts in as full manner and as completely as if the fee simple title thereto were hereby conveyed. It is not intended hereby that The University shall be limited or restricted strictly to the manner of use of either or any of said tracts of land, but observing the purposes herein expressed in the main, such deviation from or alteration of plans and uses of said tracts or any of them as may be deemed expedient by The University is allowed.

The term of said lease is seventy-five years with privilege of renewal by The University upon such terms as may be recommended by the joint executive board hereinafter named. Provided, however, either party may, upon three years' notice

to the other in writing, terminate this lease if it shall be found that the purposes of this conveyance are not being executed in their spirit.

(2) The University will institute and maintain upon said lands such model farm or farms, orchards and such experimental research in agriculture as may be within its judgment, to the end that practical demonstration, study and work in operating farms in the mountain region so as to conserve the soil fertility, add to it, utilize the resources of the region most profitably and practically.

(3) The University may institute and maintain in cooperation with local school authority State Vocational Educational Education Board upon or in the vicinity of said lands, one or more model schools of the grade at least of common schools of the Kentucky public school system. This provision may be satisfied by utilizing existing or other of the common graded high or consolidated schools of the counties wherein said land or some part of it is located, supplemented as may be deemed expedient by The University, and under such arrangement with the local boards of education or any successor thereof as The University may be able to arrange for.

(4) The Mountain Fund will appropriate to The University not exceeding ten thousand dollars (\$10,000) the first year and such sums as it may deem expedient thereafter, to carry out the purposes of this agreement and as aid in its extension educational and experimental work aforesaid in said region, upon condition that The University provides or applies at least ten thousand dollars (\$10,000) a year for such work.

(5) The administration of the work herein provided shall be exclusively under the control of The University, which may cooperate with such agencies or aids as it may see fit to employ. Provided, a joint board shall be formed consisting of six members, is hereby provided three of whom shall be named annually by and from the Board of Trustees of The University and three named annually by and from the Board of Trustees of The Mountain Fund. The President of The University shall be Chairman ex officio of said board, without vote. The joint Board shall recommend to The University the course of development and execution of the general as well as specific plans of the work herein contemplated. No general plan or annual budget for said work shall be adopted without the concurrence of at least four of said joint board.

(6) Income obtained from the operation and development of the properties under the direction of The University shall

be used by The University to promote experimental and demonstration work in agriculture and forestry and to meet the expenses of the operation of this project.

(7) This agreement shall become effective from this date, upon ratification by the Boards of Trustees of the parties hereto.

(8) The lands herein leased are particularly described as follows: (Here insert.) The Mountain Fund does not warrant the title to the property hereby conveyed or any of it, and conveys same subject to such reservations respecting the title to said lands as may be contained in the deeds to The Mountain Fund therefor, and subject to such conveyances as it may have made of record.

For The University  
Frank L. McVey  
Thomas P. Cooper

(Signed)

For E. O. Robinson Mountain Fund  
E. C. O'Rear  
C. N. Manning

After discussion, a motion was made by Mr. McKee, seconded by Senator Froman, and unanimously adopted, authorizing the chairman of the Executive Committee to appoint a committee to execute a contract, drawn in accordance with the report of the committee as outlined above, for and on behalf of the University.

In accordance with the provision of the agreement between the Mountain Fund and the University for the creation of a board to carry on the work as provided in the agreement, Messrs Stoll, Gordon and Froman were elected to act as members of the Board on behalf of the University.

Whereupon a meeting of the Board of the E. O. Robinson Mountain Fund was held, and a motion was made, seconded and carried, authorizing the President and Secretary of the E. O. Robinson Mountain Fund to execute an agreement for and on behalf of that organization.

(5) Patterson Residence. President McVey stated that Mr. C. N. Manning, President of the Security Trust Company, and executor of the estate of the late James K. Patterson, had called on him and stated that Walter K. Patterson desired to request a reconsideration by the Board of the use of the Patterson residence, and some means be found by which he may continue to occupy a part of the house. It was the opinion of the members present that the house is badly needed by the University and that it would not be in the best interests of the Institution to permit it to continue to be occupied by Mr. Patterson.

(6) Alumni Election. President McVey reported to the Board that under the statutes it is necessary that an Alumni election be

held during the coming summer to nominate and elect a member who shall take the place of Mr. J. I. Lyle, whose term of office expires in January, 1924. He stated that the Executive Committee at its previous meeting had authorized the Secretary to prepare the forms and issue the call for the election.

(7) Insurance on Buildings. President McVey stated to the Board that an investigation had been made by members of a committee appointed for the purpose of considering the advisability of changing the insurance on buildings. He summarized the situation as follows: (a) On April 16, insurance rates in Lexington will be increased 3%. (b) One insurance company doing business in Kentucky makes the statement that the rerating shortly to be made in Lexington will make an increase of from 15% to 40% in insurance rates. (c) Under the coinsurance plan a revaluation would have to be made and the raise necessitated would be \$159,000, in order to raise the valuation of buildings from an 80% to a 90% basis. (d) The premium under a coinsurance plan would be \$5,200 less than under the present rating, over a period of five years. (e) The University has a credit of two years on the present premium paid two years ago. (f) The actual cost of coinsurance for five years would be \$26,800. Deducting the credit given for the premium already paid, the actual cost necessary to extend insurance over a five year period would be between \$14,000 and \$17,000. (g) If any change in the plan of insurance is going to be made, it is necessary to do it at once before any changes are made in the rates. (h) At the present time the University carries insurance in the amount of \$857,800. The new valuation necessary would place the amount of insurance at approximately \$1,016,800. By changing the insurance now, we should have a net saving of about \$5,200 over a period of five years.

The matter was discussed at length. A motion was made by Mr. Lyle, duly seconded, and adopted authorizing the President to place insurance on buildings on a 90% coinsurance basis, for a period of five years.

(8) Revaluation of Buildings. The Board then discussed the matter of revaluation of buildings. The point was made that in order to get coinsurance it is necessary to get a valuation made by some concern whose valuation would be accepted by the insurance companies. A motion was made, seconded, and adopted, authorizing that a revaluation be made by Combs Lumber Company of Lexington, Kentucky.

(9) The Budget for 1923-1924. President McVey presented to the Board the University budget for 1923-1924, and stated that the budget amounted to approximately the same as for the fiscal year just closing. The budget was examined by the Board. After slight adjustments, a motion was made, seconded, and adopted, approving the budget as presented. (The budget is published as a

supplement to these minutes. Copies are furnished to members of the Board. Deans and heads of departments are furnished with such portions thereof as pertain to their respective colleges or departments.)

(10) Application of Phi Delta Theta Fraternity for Building Site. Mr. Harvey S. Hincks, Instructor in English, appeared before the Board to present an application of the Phi Delta Theta Fraternity for a building site on Winslow Street. On motion, duly seconded, the matter of a site and the form of lease, was referred to the President with power to act. (The lease, when executed, will be reported to the Board and incorporated in the minutes.)

(11) Report of the Business Agent. The report of the Business Agent was presented and ordered incorporated in the minutes. The report was as follows;

April 13, 1923

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

Dear Doctor McVey:

I submit herewith financial report in part - "Statement of Income and Expenditures to date."

Very truly yours

D. H. Peak

Business Agent

## EXHIBIT "B"

Statement of Income and Expenditures  
Month of March, 1923

	<u>Previously Reported</u>	<u>Current Month</u>	<u>Fiscal Year To Date</u>
<b>General Fund Income</b>			
Federal Appropriation	42,750.00		42,750.00
Vocational Education Board	6,890.50		6,890.50
General Education Board	2,950.00		2,950.00
Special Agricultural Appro.	18,166.19		18,166.19
State Tax	347,179.25	6,447.15	353,626.40
Interest on Liberty Bonds	850.00		850.00
Interest on Endowment Bonds	8,644.50		8,644.50
Student Fees	42,176.87	83.88	42,260.75
Student Fees - Veterans Bureau	15,445.99	3,156.76	18,602.75
Student Fees - Summer School	7,028.00	977.38	8,005.38
Student Fees - University Ex- tension	3,819.65	1,341.11	5,160.76
Student Fees - Practice School	3,570.00	5.00	3,575.00
Miscellaneous Receipts	1,246.49	228.75	1,475.24
Rentals	1,150.40	14.00	1,164.40
Total	<u>501,867.84</u>	<u>12,254.03</u>	<u>514,121.87</u>
<b>Expenditures</b>			
Instruction	262,584.00	36,645.02	299,229.02
Administration Expense	71,736.35	10,310.65	82,047.00
Additions and Betterments	11,148.57	1,110.58	12,259.15
Total	<u>345,468.92</u>	<u>48,066.25</u>	<u>393,535.17</u>
Excess of Income over Ex- penditures	<u>156,398.92</u>	<u>(35,812.22)</u>	<u>120,586.70</u>
<b>Patterson Hall Income</b>			
Board	32,364.44	268.95	32,633.39
Room Rent - Summer School	1,791.00		1,791.00
Miscellaneous Receipts		8.50	8.50
Total	<u>34,155.44</u>	<u>277.45</u>	<u>34,432.89</u>
<b>Expenditures</b>			
Expense	22,277.13	3,763.80	26,040.93
Additions and Betterments	1,385.35		1,385.35
Total	<u>23,662.48</u>	<u>3,763.80</u>	<u>27,426.28</u>
Excess of Income over Exp- penditures	<u>10,492.96</u>	<u>(3,486.35)</u>	<u>7,006.61</u>
General Fund Income	536,023.28	12,531.48	548,554.76
General Fund Expenditures	<u>369,131.40</u>	<u>51,830.05</u>	<u>420,961.45</u>

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	Previously Reported	Current Month	Fiscal Year To Date
Excess of General Fund Income over Expenditures	166,891.88	(39,298.57)	127,593.31
Excess of Expenditures over Receipts for General Ledger Accounts	<u>(27,337.94)</u>	<u>(219.84)</u>	<u>(27,557.78)</u>
Excess of Receipts over Ex- penditures for the fiscal year to date - General Fund	<u>139,553.94</u>	<u>(39,518.41)</u>	<u>100,035.53</u>
Excess of Receipts over Ex- penditures for the fiscal year to date - General Fund			100,035.53
Cash in Bank July 1, 1922 - General Fund			<u>(75,423.41)</u>
Cash in Bank March 31, 1923 - General Fund			<u>24,612.12</u>
Trust Fund Income			
Bennett Prize	40.00		40.00
Crum Prize	60.06		60.06
Student Loan Fund	2,273.95	153.41	2,527.36
Special Scholarships	1,250.00	300.00	1,550.00
Civilian Rehabilitation Fund	220.60	80.61	301.21
Total Income	3,944.61	534.02	4,478.63
Student Notes Paid	2,530.88	842.50	3,373.38
Total Receipts	<u>6,475.49</u>	<u>1,376.52</u>	<u>7,852.01</u>
Expenditures			
Expense	1,452.94	84.44	1,537.38
Student Notes	4,470.00	3,320.00	7,790.00
Total	<u>5,922.94</u>	<u>3,404.44</u>	<u>9,327.38</u>
Excess of Expenditures over Receipts	<u>552.55</u>	<u>(2,027.92)</u>	<u>(1,475.37)</u>
Excess of Expenditures over Receipts for the fiscal year to date - Trust Fund			(1,475.37)
Cash in Bank July 1, 1922 - Trust Fund			<u>1,324.78</u>
Cash in Bank March 31, 1923 - Trust Fund.			<u>(150.59)</u>
Experiment Station Income			
Hatch - Federal Appropriation	11,250.00		11,250.00
Milk and Butter - Cash Receipts	9,017.57	1,197.71	10,215.28



	Previously Reported	Current Month	Fiscal Year To Date
Beef Cattle Sales	1,959.30	2,703.17	4,662.47
Dairy Cattle Sales	475.00	25.00	500.00
Sheep Sales	422.09		422.09
Swine Sales	790.91		790.91
Poultry Sales	1,907.11	273.36	2,180.47
Farm Produce Sales	1,212.07	559.70	1,771.77
Horticultural Sales	993.68		993.68
Seed Test	56.00	3.00	59.00
Rentals	2,835.33	117.67	2,953.00
Miscellaneous	1,077.31	50.80	1,128.11
Fertilizer - Fees	18,561.25	5,752.50	24,313.75
Public Service - State Appro.	6,000.00		6,000.00
Feeding Stuffs - Fees	33,489.25	5,440.50	38,929.75
Adams - Federal Appro.	11,250.00		11,250.00
Serum-Sales	6,645.92	1,097.70	7,743.62
Serum - Virus Sales	247.70	45.90	293.60
Serum - Live Stock	56.00		56.00
Serum - Supply Sales	105.05	6.65	111.70
Serum - Miscellaneous	33.18		33.18
State Appropriation	29,535.19		29,535.19
Creamery - License Fees	2,146.50	3.00	2,149.50
Creamery - Testers' Licenses	712.50	26.00	738.50
Creamery - Glassware Tested	209.58	38.64	248.22
Kentucky Jockey Club	5,000.00		5,000.00
Total	<u>145,988.49</u>	<u>17,341.30</u>	<u>163,329.79</u>
Expenditures			
Expense	144,809.09	19,102.98	163,912.07
Additions and Betterments	2,215.06	57.38	2,272.44
Total	<u>147,024.15</u>	<u>19,160.36</u>	<u>166,184.51</u>
Excess of Expenditures over Income	<u>(1,035.66)</u>	<u>(1,819.06)</u>	<u>(2,854.72)</u>
Excess of Expenditures over In- come for the fiscal year to date - Experiment Station			(2,854.72)
Cash in Bank July 1, 1922 - Experiment Station			<u>39,478.62</u>
Cash in Bank March 31, 1923 - Experiment Station			<u>36,623.90</u>
Extension Division			
Federal Smith-Lever	152,241.30		152,241.30
Federal Supplementary	45,100.93		45,100.93
State Smith-Lever	57,292.24		57,292.24
County and Other	3,424.65	244.60	3,669.25
Total	<u>258,059.12</u>	<u>244.60</u>	<u>258,303.72</u>

	<u>Previously Reported</u>	<u>Current Month</u>	<u>Fiscal Year To Date</u>
Expenditures			
Expense	<u>199,334.85</u>	<u>24,884.55</u>	<u>224,219.40</u>
Excess of Income over Expenditures	<u>58,724.27</u>	<u>(24,639.95)</u>	<u>34,084.32</u>
Excess of Income over Expenditures for the fiscal year to date - Extension Division			34,084.32
Cash in Bank July 1, 1922 - Extension Division			<u>615.31</u>
Cash in Bank March 31, 1923 - Extension Division			<u>34,699.63</u>
Summary			
General Fund Income	536,023.28	12,531.48	548,554.76
Trust Fund Income	3,944.61	534.02	4,478.63
Experiment Station Income	145,988.49	17,341.30	163,329.79
Extension Division Income	<u>258,059.12</u>	<u>244.60</u>	<u>258,303.72</u>
Total	<u>944,015.50</u>	<u>30,651.40</u>	<u>974,666.90</u>
General Fund Expenditures	369,131.40	51,830.05	420,961.45
Trust Fund Expenditures	1,452.94	84.44	1,537.38
Experiment Station Expenditures	147,024.15	19,160.36	166,184.51
Extension Division Expenditures	<u>199,334.85</u>	<u>24,884.55</u>	<u>224,219.40</u>
Total	<u>716,943.34</u>	<u>95,959.40</u>	<u>812,902.74</u>
Excess of Income over Expenditures	227,072.16	(65,308.00)	161,764.16
Excess of Expenditures over Receipts for General Ledger Accounts	(24,807.06)	622.66	(24,184.40)
Student Notes	<u>(4,470.00)</u>	<u>(3,320.00)</u>	<u>(7,790.00)</u>
Excess of Receipts over Expenditures - Combined Fund	<u>197,795.10</u>	<u>(68,005.34)</u>	<u>129,789.76</u>
Excess of Receipts over Expenditures for the fiscal year to date - Combined Fund			129,789.76
Cash in Bank and on hand July 1, 1922 - Combined Fund			<u>(32,504.70)</u>
Cash in Bank and on hand March 31, 1923 - Combined Fund			<u>97,285.06</u>

Whereupon the Board adjourned.

Respectfully submitted

Missing report(s)