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MINUTES OF BOARD OF REGENTS
MURRAY STATE TEACHERS COLLEGE

June 29, 1940

The Board of Regents of Murray State Teachers College met in the office of the President at 10:00 A. M. on Saturday, June 29, 1940, as per the call of the Chairman. Judge Charles Ferguson, Mr. Claude Winslow and Mr. George Hart were present. In the absence of Chairman J. W. Brooker, Vice Chairman Charles Ferguson presided.

Report of the President

Dr. Richmond submitted his report as President, copies of which were furnished the members of the Board, as follows:

PRESIDENT'S REPORT

June 29, 1940

Honorable Board of Regents
Murray State Teachers College
Murray, Kentucky

Gentlemen:

I am submitting the following items for your information and consideration:

- I. Approval of the Minutes of the Board of Regents for the meeting held on June 13, 1940
- II. Report of the Committee on Entrance, Credits, Certification and Graduation
- III. Completion of Necessary Plans for Construction of Low-Cost Dormitory
- IV. Name of Dormitory

Last Tuesday, the attorney for Stein Bros. & Boyce called me over the telephone and asked that I select, at once, a suitable name for the proposed dormitory to be used in drawing up the necessary papers for the contract and for the issuance of bonds for the construction of the building. After conferring with each member of the Board, the name, Warren S. Swann Memorial Dormitory, was given to him. I am asking that this name be approved.

- V. Employment of Architect

At the last meeting, Mr. Hart and I were authorized to employ an architect for the construction of the dormitory. At this time, I wish to report that Mr. G. Tandy Smith, Jr., Paducah, Kentucky, has been employed as architect for the construction of the dormitory with the fee of \$1,200.00.

- VI. Report of Business Manager

VII. Employment of Additional Faculty

- a. Authority was given me at the meeting of May 28, 1940 to employ two additional music teachers. After a conference with Mr. Doyle, I have employed Miss Marian Beers of Cincinnati, Ohio, to teach in the Department of Fine Arts (Music), beginning September 23, 1940, and continuing through June 6, 1941, at a salary of \$1500.00 for this period of time, and contract has been mailed to her. Miss Beers has her B. M. and M. M. degrees from the Cincinnati Conservatory of Music and has had successful experience in teaching and comes highly recommended. At this time, the other music teacher has not been selected.
- b. I am recommending that Mrs. Dorothy Rowlett be employed to teach Art in the Training School, beginning September 23, 1940, and continuing through June 6, 1941, at a salary of \$900.00 for this period of time. This amount was set aside in the budget.
- c. I am also recommending that Mrs. Daisy Hinkle Garton be employed for the remainder of the summer session, beginning July 1, 1940, and continuing through August 3, 1940, at a salary of \$100.00 for this period of time.
- d. I am recommending that Mrs. Verna Goode Broach also be employed for the remainder of the summer session, beginning July 1, 1940, and continuing through August 3, 1940, at a salary of \$100.00 for this period of time.
- e. When Mrs. McKee Thomson was employed for the summer session to teach Library Science (due to Mr. Gibson's leave of absence for study), I promised her that I would pay her \$25.00 in addition to her specified salary, if our budget would allow it. I would like, at this time, to have the authority to pay her this additional amount, provided the budget will allow it.
- f. I am recommending that Mr. Alfred W. Rawlinson be employed as a member of the faculty, library staff, at a salary of \$2,750.00 per annum, to be paid in accordance with the terms of the TVA contract, which has been signed but not yet returned to the office. Under the terms of this contract, Mr. Rawlinson's salary will be paid out of funds received by the Murray State Teachers College from the TVA. Mr. Rawlinson has been employed as Librarian at Gilbertsville by the TVA and will continue to work with that organization and the college, beginning July 1, 1940, and continuing through June 30, 1941. He holds the degrees of Bachelor of Science in Library Science and Master of Arts.

VIII. Milk from College Farm

I am asking that the motion passed at the meeting of May 7, 1940, waiving the requirement of using Pasteurized milk for our dormitory during the summer,

be rescinded as a case of undulant fever here in Murray was reported to me on July 25. Immediately upon hearing this report, I asked Mr. Howton, member of the Department of Agriculture, to have the milk used at the dormitory Pasteurized and to notify the proper authorities at the farm and at the milk plant concerning this change. I am asking for approval of my action in this matter.

IX. Status of Miss Emma J. Helm Concerning Teacher Retirement

X. Physical Education Requirement Waived for Guy Ashmore

Mr. Guy Ashmore expects to complete his work for graduation this summer and lacks one-half semester hour of Physical Education. I am recommending that this requirement be waived and that he be allowed to graduate without it.

XI. College News

XII. Regional Library Service in Cooperation with the TVA

In view of the fact that the Murray State Teachers College is planning a regional library service in this area in cooperation with the Tennessee Valley Authority and the Kentucky Library Extension Division, it is desirable that the college include the public schools.

A contract has been signed, subject to your approval, between this college and the Board of Education of Marshall County for library service to the one and two teacher schools of Marshall County, said Board of Education agreeing to pay to this college \$500.00 annually, with payments to be made on July 1, 1940, and September 1, 1940 of \$250.00 each. The period of the contract extends from July 1, 1940, through June 30, 1941.

A similar contract is being proposed to the Calloway County Board of Education for the Calloway County Schools and will be presented to the Board for your approval.

Respectfully submitted

James H. Richmond
President

AK

Approval of Minutes

Motion was made by Mr. Hart that the Minutes of the Board of Regents for the meeting held on June 13, 1940, copies of which had been mailed to the members of the Board, be approved and signed. This motion was seconded by Mr. Winslow and was carried unanimously.

Extension of the NYA Projects

Dr. Richmond called attention to the fact that the present contracts between Murray State Teachers College and the National Youth Administration would expire on

June 30, 1940, and, at his request, Mr. R. E. Broach, Business Manager, explained that the present set-up could be continued for a maximum period of two months until a permanent program can be prepared. Dr. Richmond recommended this procedure.

Motion was made by Mr. Winslow that the present contracts for NYA projects be extended for two months, as recommended by the President, and that the President be authorized to sign the necessary forms for such continuation. This motion was seconded by Mr. Hart and was carried unanimously.

Report of Committee on Entrance, Credits, Certification and Graduation

At this time the report of the Committee on Entrance, Credits, Certification and Graduation was submitted, as follows:

June 29, 1940

To the Board of Regents
Murray State Teachers College

Gentlemen:

As per the duties assigned to the Committee on Entrance, Credits, Certification, and Graduation we report as follows:

We recommend that the STANDARD CERTIFICATE of the person named below be renewed for three years, as provided by law, upon the completion of sixteen additional semester hours of standard college work.

Spiceland, Mrs. Estelle Lovins

Very truly yours,

Cleo Gillis Hester
J. W. Carr
A. M. Wolfson
G. T. Hicks
W. E. Derryberry
Floy Robbins

Motion was made by Mr. Hart that the report of the Committee on Entrance, Credits, Certification and Graduation be approved and the certificate be renewed as recommended therein. This motion was seconded by Mr. Winslow and the roll was called on its adoption with the following result: Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Warren S. Swann Memorial Dormitory Named

Motion was made by Mr. Hart that the name of Warren S. Swann Memorial Dormitory be approved for the new dormitory to be constructed on the campus of Murray State Teachers College. This motion was seconded by Mr. Winslow and was carried unanimously.

Employment of G. Tandy Smith, Jr., as Architect Approved

Motion was made by Mr. Winslow that the Board of Regents approve the action of the Committee in the employment of Mr. G. Tandy Smith, Jr., as architect for the construction of the Warren S. Swann Memorial Dormitory at a fee of \$1,200.

This motion was seconded by Mr. Hart, and the roll was called on its adoption with the following result: Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Employment of Additional Faculty, Including TVA-College Librarian

Motion was made by Mr. Hart that the Board of Regents approve the employment of additional faculty as reported and recommended by the President in Section VII of his Report. This motion was seconded by Mr. Winslow, and the roll was called on its adoption with the following result: Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Bonds for Construction of Warren S. Swann Memorial Dormitory Authorized Issued

At this point Mr. John G. Ryan, Attorney, Murray, Kentucky, was called before the Board and was asked to give his opinion with reference to the proposed resolutions providing for the issuance of bonds for the construction of the Warren S. Swann Memorial Dormitory and for the operation of this dormitory. Mr. Ryan read and commented on certain parts of these proposed resolutions and in discussing them he submitted his written opinion concerning some phases of the provisions of same, which opinion was filed.

After considerable discussion of the proposed set-up for the construction of Warren S. Swann Memorial Dormitory, motion was made by Mr. Hart that the Board of Regents adopt the resolution as presented, A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF DORMITORY REVENUE BONDS OF MURRAY STATE TEACHERS COLLEGE IN ACCORDANCE WITH CHAPTER 72 OF THE ACTS OF THE GENERAL ASSEMBLY OF KENTUCKY, 1934, TO PAY FOR THE COST OF CONSTRUCTING A NEW DORMITORY". This motion was seconded by Mr. Winslow, and the roll was called on its adoption with the following result: Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye. This motion was carried unanimously, and the resolution follows:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF DORMITORY REVENUE BONDS OF MURRAY STATE TEACHERS COLLEGE IN ACCORDANCE WITH CHAPTER 72 OF THE ACTS OF THE GENERAL ASSEMBLY OF KENTUCKY, 1934, TO PAY FOR THE COST OF CONSTRUCTING A NEW DORMITORY

WHEREAS Murray State Teachers College is not now being provided with adequate dormitory facilities, and in order to provide said college and its students with more adequate dormitory facilities, it is necessary to construct a new dormitory building complete with recreation room, kitchen, dining hall, office space and other facilities, such new building to be located in the northwest corner of the campus of the college and to be known and designated as "Warren S. Swann Memorial Dormitory", and

WHEREAS plans and specifications and cost estimates for such new building have heretofore been submitted to the Board of Regents and have been considered and approved, and

WHEREAS under the provisions of Chapter 72 of the 1934 Acts of the General Assembly of Kentucky the Board of Regents of Murray State Teachers College is authorized to issue bonds

as therein provided, for the purpose of financing the construction of said improvements, and assistance is also being obtained from certain governmental agencies,

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF REGENTS OF MURRAY STATE TEACHERS COLLEGE AS FOLLOWS:

Section 1. That in order to provide funds for the payment of the cost of constructing a new dormitory building to be known and designated as "Warren S. Swann Memorial Dormitory" (hereinafter referred to as Swann Dormitory or the project), to be located near the northwest corner of the campus of said college in Murray, Kentucky, there shall be issued by the Board of Regents of Murray State Teachers College, in its corporate capacity and by and through its corporate name "Murray State Teachers College" and as a State educational institution and agency, building revenue bonds to be designated as "Dormitory Revenue Bonds" in the aggregate principal amount of Fifty Thousand Dollars (\$50,000.00), dated as of June 1, 1940, being fifty (50) bonds of the denomination of One Thousand Dollars (\$1,000.00) each, to be numbered consecutively from one (1) to fifty (50), both inclusive, with coupons attached for the payment of interest thereon at the rate of four per centum (4%) per annum, payable on December 1, 1940, and semi-annually thereafter on the first days of June and December of each year, which said bonds shall mature serially as follows:

<u>Bonds Numbered</u>	<u>Number of Bonds</u>	<u>Total Principal</u>	<u>Date of Maturity</u>
1 & 2	2	\$2,000.00	June 1, 1941
3 & 4	2	\$2,000.00	June 1, 1942
5 & 6	2	\$2,000.00	June 1, 1943
7 to 9	3	\$3,000.00	June 1, 1944
10 to 12	3	\$3,000.00	June 1, 1945
13 to 15	3	\$3,000.00	June 1, 1946
16 to 18	3	\$3,000.00	June 1, 1947
19 to 22	4	\$4,000.00	June 1, 1948
23 to 26	4	\$4,000.00	June 1, 1949
27 to 30	4	\$4,000.00	June 1, 1950
31 to 35	5	\$5,000.00	June 1, 1951
36 to 40	5	\$5,000.00	June 1, 1952
41 to 45	5	\$5,000.00	June 1, 1953
46 to 50	5	\$5,000.00	June 1, 1954
	<u>50</u>	<u>\$50,000.00</u>	

Said bonds shall be signed for and on behalf of Murray State Teachers College by the ~~Vice~~ Chairman of its Board of Regents and shall be sealed with the corporate seal of Murray State Teachers College, attested by the Secretary of its Board of Regents, and the interest coupons attached to said bonds shall be executed with the facsimile signatures of said ~~Vice~~ Chairman and Secretary, and said bonds together with the interest thereon shall be payable only out of the "Warren S. Swann Memorial Dormitory Revenue Bond and Interest Redemption Fund", hereinafter created, and shall be a valid claim of the holders thereof only against said fund and against the gross income and revenues of the project, pledged to such fund.

Section 2. The aforesaid bonds and coupons shall be in substantially the following form:

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY

MURRAY STATE TEACHERS COLLEGE
4% DORMITORY REVENUE BOND

No. _____

\$1,000.00

Murray State Teachers College, as a State educational institution and agency, for value received, hereby promises to pay to the bearer the principal sum of One Thousand Dollars (\$1,000.00) on the 1st day of June, 19__ , with interest thereon from the date hereof until paid at the rate of four per centum (4%) per annum payable on December 1, 1940, and semi-annually thereafter on June 1st and December 1st of each year upon presentation and surrender of the annexed interest coupons as they severally mature, both principal and interest being payable in lawful money of the United States of America at Bank of Murray, Calloway County, Kentucky.

This bond is one of a series of bonds aggregating the principal sum of Fifty Thousand Dollars (\$50,000.00) issued for the purpose of providing funds for the construction of a new dormitory to be known as "Warren S. Swann Memorial Dormitory" on the campus of Murray State Teachers College, under and in full compliance with the constitution and statutes of Kentucky, including, among others, Chapter 72 of the 1934 Acts of the General Assembly of Kentucky, being sections 4535m-1 to 4535m-14 inclusive, Carroll's Kentucky Statutes, 1936 edition.

This bond is payable only from a fixed amount of the gross income and revenues to be derived from the operation of said dormitory building which will be set aside as a special fund and pledged for that purpose and identified as the "Warren S. Swann Memorial Dormitory Revenue Bond and Interest Redemption Fund" and this bond does not constitute an indebtedness of the Murray State Teachers College or of the Commonwealth of Kentucky within the meaning of any constitutional provisions or limitations.

A statutory mortgage lien, which is hereby recognized as valid and binding on said dormitory building, is created and granted to and in favor of the holder or holders of this bond and of the issue of which it forms a part, and in favor of the holder or holders of the coupons attached thereto, and said improvements shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this bond and the issue of which it forms a part.

This bond and coupon or coupons attached hereto shall pass by delivery.

This bond is subject to call for payment prior to its stated maturity at any interest payment date, providing that unless all outstanding bonds are to be called, the bonds shall be called in their inverse numerical order, and that notice of the calling hereof shall be published in a daily newspaper of general circulation in Calloway County, Kentucky, at least thirty (30) days prior to the date of payment specified in said notice, and providing further that upon call for payment, said Murray State Teachers College shall pay to the owner and holder hereof the face value hereof together with interest accrued hereon to the date of payment specified in such notice, and together with a call premium which shall be equal to one-fourth of one percent of the face amount hereof for each year or fraction of a year by which the said call date precedes the stated maturity hereof. In the event this bond shall be so called and in the event that Murray State Teachers College shall, on the call date, cause to be deposited or set aside in Bank of Murray, Murray, Kentucky,

the face amount hereof, together with interest and the call premium as above set forth, then this bond shall be deemed to have been paid and no interest shall accrue hereon after such call date and this bond will cease to be entitled to the security provided by law and by the resolution authorizing the issue hereof.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond, do exist, have happened, and have been performed in due time, form and manner as required by law, and the amount of this bond, together with all other obligations of said Murray State Teachers College, does not exceed any limit prescribed by the constitution or statutes of the State of Kentucky; that said improvements will be continuously operated by said Murray State Teachers College and that a sufficient portion of the gross income and revenue of said dormitory building has been pledged to and will be set aside into a special account in the treasury of said Murray State Teachers College for the payment of the principal of and interest on this bond and the issue of which it is one, as the same respectively become due.

IN WITNESS WHEREOF Murray State Teachers College has caused this bond to be signed by the ~~Vice~~ Chairman of its Board of Regents and has caused its corporate seal to be hereto affixed, attested by the Secretary of its Board of Regents, and has caused the coupons hereto attached to be executed with the facsimile signatures of said Chairman and Secretary, all as of the 1st day of June, 1940.

MURRAY STATE TEACHERS COLLEGE

By _____
Chairman, Board of Regents

(SEAL)

ATTEST:

Secretary, Board of Regents

(Form of Coupon)

Bond No. _____

Coupon No. _____

\$20.00

Unless the bond to which this coupon is attached is sooner called for payment

On the 1st day of _____, 19____, Murray State Teachers College will pay to the bearer \$20.00 in lawful money of the United States of America out of its "Warren S. Swann Memorial Dormitory Revenue Bond and Interest Redemption Fund", at the office of Bank of Murray, Murray, Calloway County, Kentucky, being six months interest then due on its Dormitory Revenue Bond dated June 1, 1940, above numbered.

Chairman, Board of Regents

Secretary, Board of Regents

Section 3. From and after the delivery of any of the bonds authorized by this resolution, the Swann Dormitory project of Murray State Teachers College shall be operated on a fiscal year basis commencing on June 1st of each year and ending on May 31st of the following year, and on that basis the gross income and revenues of said project shall be set aside into a separate and special fund designated as the Warren S. Swann Memorial Dormitory Revenue Fund" (hereinafter designated the "Dormitory Revenue Fund").

There shall be and there is hereby created a fund to be known as "Warren S. Swann Memorial Dormitory Revenue Bond and Interest Redemption Fund" (hereafter known as the "Bond Fund") into which there shall be set aside from the moneys held in the Dormitory Revenue Fund such amounts as will be sufficient to pay the interest on and principal of the bonds hereby authorized. It is hereby determined that the amounts necessary to be set aside into said fund shall be as follows:

For the twelve months period ending:

May 31, 1941	\$5,000.00
May 31, 1942	\$5,000.00
May 31, 1943	\$5,000.00
May 31, 1944	\$5,000.00
May 31, 1945	\$5,000.00
May 31, 1946	\$5,000.00
May 31, 1947	\$5,000.00
May 31, 1948	\$5,000.00
May 31, 1949	\$5,000.00
May 31, 1950	\$5,000.00
May 31, 1951	\$5,000.00
May 31, 1952	\$5,000.00
May 31, 1953	\$5,000.00
May 31, 1954	\$5,000.00

All funds received as accrued interest at the time of the sale of said bonds, together with a sufficient amount of the sale proceeds to make up the total sum of \$1,000.00 shall be paid into said Bond Fund on or prior to November 15, 1940, and out of said amount all interest on said bonds due and payable on December 1, 1940, shall be paid. In the event the construction of said Swann Dormitory project is not completed by December 1, 1940, there shall be placed in said bond fund from the proceeds of the sale of the bonds, an additional sum, if necessary, sufficient to pay interest on said bonds until the completion of the project. It shall be permissible for the College to set aside into the Bond Fund from the proceeds of the sale of the bonds an amount equal to the interest payable upon the entire issue for the first three years, but such action is not mandatory. In the event that the moneys held in the dormitory revenue fund in any month shall be insufficient to make the aforesaid payments in full, any such deficiency shall be added to the amount required to be paid into said bond fund in the following month.

In the event the payments to be made into the Bond Fund as above set forth should in any fiscal year exceed the aggregate amount of interest on and principal of said bonds then currently becoming due, such excess shall be held in said bond fund as a reserve for contingencies and shall be used solely in the manner herein provided; provided, however, that if at any time there shall have been accumulated in said Bond Fund a sum equal to the total amount of the principal of and accrued and future interest on all of the

bonds then outstanding, then and in that event no further payments need be made into the Bond Fund and the sums so held shall thereafter be used to pay such outstanding principal and interest as the same respectively mature. It is further provided that in the event such excess shall at any time exceed the amount of the payments required to be made into the Bond Fund for the next six months period as set forth in the foregoing schedule, the amount thereof in excess of payments required for the next six months period may be used for the purpose of calling in for payment in advance of maturity any of the bonds then outstanding in accordance with the call provision set forth in said bonds and hereafter set forth in this resolution.

If for any reason Murray State Teachers College shall fail to make any payments into said Bond Fund in any fiscal year in the manner above provided, any sums then held as a reserve for contingencies shall be used for the payment of any portion of the interest on or principal of said bonds becoming due in such fiscal year, on which bonds and coupons there would otherwise be default, but such reserve shall be reimbursed therefor from the first available payments made into the bond fund in the following year or years in excess of the required payments for the then current fiscal year.

All Moneys held in the bond fund or as a reserve for contingencies shall be deposited in a bank which is a member of the Federal Reserve System and of the Federal Deposit Insurance Corporation; the moneys held as a reserve for contingencies may be invested in direct obligations of the United States of America, provided, however, that the College shall make a sale of a sufficient amount of such obligations in the event that it shall prove necessary to draw upon said reserve.

The payments herein above provided, to be made into said Bond Fund, shall be made in equal monthly installments on the first day of each month, except that when the first day of any such month shall fall upon a Sunday or legal holiday, such payment shall be made on the next succeeding secular day. The balance then remaining in the Dormitory Revenue Fund shall be set aside for operation and maintenance as hereinafter fully provided.

The Bond Fund hereinabove created and described shall be used solely and only for the purpose of paying principal of and interest on the bonds authorized by this resolution, and is hereby irrevocably pledged for that purpose and shall be used for no other purpose whatsoever.

The balance of the moneys remaining in the Dormitory Revenue Fund after the aforesaid payments into the Bond Fund in each month shall be set aside as follows:

There shall be created an "Operation and Maintenance Account" to be used for the proper operation and maintenance of said Swann Dormitory project, into which account there shall be set aside from the moneys hereinbefore referred to, an amount sufficient to provide for the payment of all reasonable and necessary expenses of operating and maintaining the project.

Section 4. All moneys received from the sale of any bonds issued pursuant hereto, exclusive of accrued interest, shall be applied solely for the construction of said Swann Dormitory project as herein authorized, provided that such

proceeds, together with all sums received as accrued interest on said bonds, shall be used also to pay interest on said bonds during the period of construction of said project, and may be used to pay interest on the bonds to and including June 1, 1943.

Section 5. While the bonds and coupons authorized hereunder, or any of them, remain outstanding and unpaid, the rentals charged to said College for the general facilities of said Swann Dormitory building and to the students of the College for occupation and use of the dormitory facilities embraced in said Swann Dormitory project shall, at all times, be reasonable and just, taking into account and consideration the cost and value of said project, the cost of maintaining and operating the same, the amounts necessary for the retirement of all bonds and the accruing interest on all such bonds as may be sold and are unpaid under the provisions of this resolution, and there shall be charged to said students rentals sufficient in the aggregate to meet the requirements of this and the two preceding sections of this resolution.

Section 6. Murray State Teachers College hereby covenants and agrees with the holder or holders of the bonds and coupons hereby authorized to be issued, and each of them, that it will faithfully and punctually perform all duties with reference to said Swann Dormitory project required by the constitution and Laws of the Commonwealth of Kentucky including the charging and collecting from the College and the students of the College of reasonable and sufficient amounts for occupation and use of said project and the application of the respective funds created by this resolution.

Murray State Teachers College hereby irrevocably covenants, binds and obligates itself not to sell, lease, mortgage or in any manner dispose of said Swann Dormitory project except by the statutory mortgage provided in Section 7 hereof, until all of the bonds and coupons herein authorized to be issued shall have been paid in full.

Murray State Teachers College further covenants and agrees with the holders of said bonds and coupons and each of them to maintain in good condition and continuously to operate said project so long as the principal or interest on any of the bonds herein authorized remains outstanding and unpaid and to charge and collect from the College itself and from its students reasonable and sufficient fees and rentals for occupation and use of the project. The aforesaid rentals shall be sufficient at all times to maintain the Bond Fund and the operation and maintenance account as required by the preceding sections of this resolution and the same are hereby pledged for that purpose.

Section 7. For the further protection of the holders of the bonds and coupons herein authorized to be issued, a statutory mortgage lien upon said Swann Dormitory project and all properties connected therewith and belonging thereto is granted and created by Chapter 72 of the 1934 Acts of the General Assembly of Kentucky, which said statutory mortgage lien is hereby recognized and declared to be valid and binding upon Murray State Teachers College and all of the property constituting the project, as provided by law, and which take effect immediately upon the delivery of any bonds authorized to be issued under the provisions of this resolution. Any holder of said bonds or of any of the coupons,

may, either at law, or in equity, by suit, action, mandamus, or other proceedings, enforce and compel performance of all duties required by said Act and this resolution including the charging of, collection of and accounting for sufficient rentals and the segregation and application of the income and revenues as provided by this resolution.

If there be any default in the payment of the principal of or interest on the payment of said bonds, then upon the filing of suit by any holder of said bonds or of any of the coupons, any court having jurisdiction of the action may appoint a receiver to administer said Swann Dormitory project on behalf of Murray State Teachers College, with power to charge and collect a sum sufficient to provide for the payment of any bonds, coupons or other obligations outstanding against said project, and for the payment of proper operating and maintenance expense, and to apply the income and revenues in conformity with this resolution and the provisions of the laws of Kentucky aforesaid.

Section 8. The bonds and coupons authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority, one over the other, in the application of the revenues of said project, or with respect to the statutory mortgage lien securing their payment, regardless of the time or times of their issuance, it being the intention of Murray State Teachers College that there shall be no priority among the bonds and coupons authorized to be issued under the provisions of this resolution, even though they may actually be issued and delivered at different times.

Section 9. While any of the bonds and coupons herein authorized are outstanding Murray State Teachers College shall not issue any additional bonds payable from the revenues of said project, unless the lien and security for the payment of such bonds are made junior and subordinate in all respects to the lien of the bonds herein authorized.

Section 10. So long as any of said bonds and coupons are outstanding Murray State Teachers College shall:

(a) Maintain insurance for the benefit of the holders of the bonds herein authorized of a kind and in an amount which usually would be carried by private companies engaged in a similar type of business, and pay the cost of such insurance from the Operation and Maintenance Account hereinbefore described;

(b) Keep proper books of record and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to said project. Murray State Teachers College will furnish to the original purchaser of said bonds, and to any holder of any of the said bonds, at the written request of such holder, complete operating and income statements of the said project in reasonable detail covering each six months' period, and same shall be available not later than thirty days after the close of each six months' period; and

(c) Grant to the holder of any of said bonds the right at all reasonable times to inspect the said project and all records, accounts and data of the Murray State Teachers College relating thereto.

Section 11. Murray State Teachers College reserves the right to call in for payment in advance of their stated maturity, on any interest payment date, any or all of the bonds at any time outstanding providing that if less than all of the bonds then outstanding are called for payment, the bonds shall be called in their inverse numerical order, and provided further that notice of the calling of said bonds shall be published at least thirty (30) days in advance of the date of payment, in a daily newspaper of general circulation in Calloway County, Kentucky, and providing further that upon call for payment Murray State Teachers College shall pay to the owner or owners of the bonds so called for payment the face value of such bonds together with interest accrued thereon to the date of payment specified in such notice and together with a call premium which shall be equal to one-fourth of one percent (1%) of the face amount of each bond for each year or fraction of a year by which the said call date precedes the stated maturity of such bond. If any bond or bonds are called in the manner herein provided and if on the specified call date Murray State Teachers College shall cause to be deposited or set aside in Bank or Murray, Murray, Calloway County, Kentucky, the face amount of the bonds so called for payment, together with interest and the call premium as herein prescribed, then such bond or bonds shall be deemed to have been paid and interest shall cease to accrue thereon from and after such call date and thereafter such bond or bonds so called shall cease to be entitled to the securities provided by law and by this resolution.

Section 12. A minimum of Thirty Thousand Dollars (\$30,000.00) and a maximum of Fifty Thousand Dollars (\$50,000.00) principal amount of the bonds herein authorized shall be offered at a public competitive sale to be held on Monday, July 15, 1940, at 10:00 o'clock in the forenoon in the board room on the campus of the College in Murray, Kentucky. Said sale shall be advertised at least one week in advance by a notice inserted in one issue of the Ledger & Times, a weekly newspaper published in Murray, Kentucky, and in one issue of the News Democrat, a daily newspaper published in Paducah, Kentucky, and having a general circulation in Calloway County. The notice shall state that the number of bonds to be sold on that date will be determined by this Board and will be announced prior to the opening of bids. Bidders shall be required to bid a specified price per bond and shall agree to accept at such price all bonds which the Board of Regents shall elect to sell on July 15th. If less than all of the bonds are sold on said date, the bonds sold shall be those having the earliest maturities and the lowest numbers. The Board reserves the right to reject any and all bids either for inadequacy of price or for failure to comply with the terms and conditions of the sale or for any other reason deemed sufficient by the Board of Regents. The President and Secretary of the College shall prepare or approve a statement of the terms and conditions of the sale in such form and in such manner as may be usual and customary in connection with the sale of bonds, incorporating therein the terms herein specified and any other terms and conditions not inconsistent herewith which may be deemed necessary or desirable in the premises.

Section 13. If any section, paragraph, clause or provision of this resolution shall be held to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 14. All resolutions or parts thereof in conflict with the provisions of this resolution, are to the extent of such conflict, hereby repealed.

Section 15. This resolution shall take effect from and after its passage and approval. The Secretary of the Board of Regents is authorized to deliver one or more certified copies hereof to the purchaser of said bonds.

Passed and approved by the Board of Regents of Murray State Teachers College this 29th day of June, 1940.

Charles Ferguson
Vice Chairman, Board of Regents
Murray State Teachers College

Operation of Warren S. Swann Memorial Dormitory; Establishment of Annual Rental To Be Paid by College and Minimum Monthly Rental To Be Charged Students for Use and Occupancy of Dormitory and Facilities

Next, Mr. Ryan explained and commented on the proposed set-up relating to the operation of Warren S. Swann Memorial Dormitory, when it has been constructed, and the payments for interest and bond retirement.

After careful consideration of the proposed resolution covering the operation of Warren S. Swann Memorial Dormitory, motion was made by Mr. Hart that the Board of Regents adopt the resolution as submitted, "A RESOLUTION RELATING TO THE OPERATION OF THE PROPOSED NEW DORMITORY BUILDING ON THE CAMPUS OF MURRAY STATE TEACHERS COLLEGE, WHICH IS TO BE FINANCED BY THE ISSUANCE OF DORMITORY REVENUE BONDS DATED JUNE 1, 1940; ESTABLISHING AN ANNUAL CHARGE OR RENTAL TO BE PAID BY THE COLLEGE FOR THE USE OF THE GENERAL FACILITIES OF SAID BUILDING; AND ESTABLISHING MINIMUM MONTHLY RENTALS TO BE CHARGED TO STUDENTS FOR USE AND OCCUPANCY OF THE DORMITORY FACILITIES OF SAID BUILDING". This motion was seconded by Mr. Winslow, and the roll was called on its adoption with the following result: Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye. The motion was carried unanimously, and the resolution follows:

A RESOLUTION RELATING TO THE OPERATION OF THE PROPOSED NEW DORMITORY BUILDING ON THE CAMPUS OF MURRAY STATE TEACHERS COLLEGE, WHICH IS TO BE FINANCED BY THE ISSUANCE OF DORMITORY REVENUE BONDS DATED JUNE 1, 1940; ESTABLISHING AN ANNUAL CHARGE OR RENTAL TO BE PAID BY THE COLLEGE FOR THE USE OF THE GENERAL FACILITIES OF SAID BUILDING; AND ESTABLISHING MINIMUM MONTHLY RENTALS TO BE CHARGED TO STUDENTS FOR USE AND OCCUPANCY OF THE DORMITORY FACILITIES OF SAID BUILDING

WHEREAS the Board of Regents of Murray State Teachers College has approved plans, specifications and cost estimates and has determined in accordance therewith to construct a new dormitory building at or near the northwest corner of the campus of said college at Murray, Kentucky, said building to be known as "Warren S. Swann Memorial Dormitory", and

WHEREAS in order to provide funds for the erection of said building the Board of Regents has this day authorized the issuance and sale of 4% Dormitory Revenue Bonds to be dated June 1, 1940, and to mature over a period of years, all in accordance with the provisions of Chapter 72 of the Acts of the General Assembly of Kentucky for the year 1934, and

WHEREAS in compliance with said law, it is necessary for the Board of Regents to make provisions for the collection of revenue from the operation of said building and to pledge and set aside such revenues to pay the principal and interest of said bonds, together with the cost of maintaining, operating and insuring said building.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF REGENTS OF MURRAY STATE TEACHERS COLLEGE AS FOLLOWS:

Section 1. In accordance with Section 8 of Chapter 72 of the 1934 Acts of the General Assembly of Kentucky, it is hereby determined that at the present time the reasonable cost and value of the services to be rendered to Murray State Teachers College through the use, by said College, of the general facilities of said new building, is the sum of \$2500.00 for each fiscal year, commencing June 1st of year calendar year and ending on May 31st of the next calendar year. The term "general facilities" as herein used in connection with said new dormitory building includes the kitchen, the dining room, the recreation room, the Proctors' quarters, the administrative office, the storage space and other facilities designed for general use as distinguished from the sleeping rooms themselves which are designed for use and occupancy by specific students against whom specific charges or rentals will be levied as hereinafter set forth. The term "general facilities" shall also include a work shop in the event the Board of Regents shall determine to erect a work shop out of the funds derived from the sale of said bonds.

Section 2. From and after the completion of the said building which is to be known and designated as "Warren S. Swann Memorial Dormitory" (hereinafter referred to as Swann Dormitory), there shall be charged to the students occupying the dormitory facilities provided by said building a minimum charge or rental of not less than \$4.00 per student per month.

Section 3. The amounts and rates fixed in the foregoing Sections 1 and 2 of this resolution may hereafter be revised from time to time and shall be revised, as required by law, if such revision shall appear to be necessary in order to realize a sum sufficient to pay the principal and interest of the bonds hereinafter referred to and to pay, in addition thereto, the cost of maintaining, operating and insuring said building in the manner provided by the resolution this day adopted, prescribing the terms, conditions and maturities of said bonds and the conditions and securities upon which the same are to be issued. In the event the minimum rental charge for students or the fixed rental charge to be paid by Murray State Teachers College should at any time or in any year be insufficient to make the payments provided by the aforesaid resolution authorizing said bonds, then and in that event, the rentals shall immediately be increased to such amount as may be sufficient to produce the amounts required to comply with the terms of the resolution authorizing said bonds and the laws of Kentucky relating thereto.

Section 4. The rentals and charges prescribed and fixed by this resolution shall be paid into a separate and special fund designated as the "Warren S. Swann Memorial Dormitory Revenue Fund", which fund has been created and provided by the Board of Regents of Murray State Teachers College in a resolution this day adopted, entitled "A Resolution Authorizing The Issuance And Sale Of Dormitory Revenue Bonds Of Murray State Teachers College In Accordance With Chapter 72 Of The Acts Of The General Assembly Of Kentucky, 1934, To Pay For The Cost Of Constructing A New Dormitory"; or shall be paid into the "Warren S. Swann Memorial Dormitory Revenue Bond and Interest Redemption Fund" also created by said resolution. The disposition of said funds and the times and amounts of payments to be made into said funds shall be governed and controlled in every respect by the terms and provisions of said resolution above referred to.

Section 5. The foregoing rentals shall become effective as of the date of the opening of the first semester of the school year of Murray State Teachers College for the year 1940 - 1941, or upon the date that said new building is opened for use and occupancy, whichever date is the later.

Section 6. If any section, paragraph, clause or provision of this resolution shall be held to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect the validity of the remaining portions of this resolution.

Section 7. All resolutions or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed.

Section 8. This resolution shall take effect from and after its passage by the Board of Regents and approval by the Chairman thereof.

Passed and approved by the Board of Regents of Murray State Teachers College this 29th day of June, 1940.

Charles Ferguson
Vice Chairman, Board of Regents
Murray State Teachers College

Report of Business Manager

At this point Dr. Richmond requested Mr. R. E. Broach, Business Manager, to present his report to the Board. This report was received and filed.

Letter from Mr. Leslie Pogue Re: Removal of CCC Camp Buildings

In connection with his report, Mr. Broach called attention to a letter from Mr. Leslie Pogue with reference to the removal of the CCC Camp buildings from the present location. This letter and offer called for the payment of \$250.00 by the college to cover permanent damages to the premises, the payment of \$10.00 per month rental from June 30, 1940 until such time as the removal of the buildings and appurtenances has been completed and, also, the removal of all trash, debris, scrap materials, etc. with proper care for the protection of the shrubs and trees.

Motion was made by Mr. Hart that the proposition of Mr. Leslie Pogue with reference to the removal of the CCC Camp buildings, as disclosed by his letter, be accepted. This motion was seconded by Mr. Winslow, and the roll was called on its adoption with the following result: Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Pasteurized Milk Required for Dormitory by Rescinding Recent Order Approving Grade A Raw Milk from College Farm

Motion was made by Mr. Hart that the Board of Regents rescind the recent order waiving the requirement for the use of Pasteurized milk in our dormitory during the present summer session and approving Grade A raw milk from the college farm for that period of time. This motion was seconded by Mr. Winslow and was carried unanimously.

Miss Emma J. Helm Elected Substitute Teacher in Training School

Dr. Richmond called attention to the status of Miss Emma J. Helm (who retired last year from our faculty after many years of conscientious and faithful service) with reference to the application of the Teachers' Retirement act. He stated that unless the records show that she teaches the coming year, she will not be in position to participate in this Teachers' Retirement plan, and he recommended that Miss Helm be offered a contract as Substitute Teacher in the Training School at a salary of \$200.00 payable in monthly installments, for the period beginning September 23, 1940 and continuing through June 6, 1941.

Motion was made by Mr. Winslow that the recommendation of the President be accepted and that Miss Emma J. Helm be employed as Substitute Teacher in the Training School for the coming school year, and that she be paid at the salary rate of \$200.00, payable in monthly installments, for the period beginning September 23, 1940 and continuing through June 6, 1941. This motion was seconded by Mr. Hart, and the roll was called on its adoption with the following result: Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Physical Education Requirement Waived for Guy Ashmore

In line with the President's recommendation, motion was made by Mr. Hart that the one-half hour course requirement in Physical Education be waived for Guy Ashmore and that he be allowed to graduate without completing it. This motion was seconded by Mr. Winslow and was carried unanimously.

College News

Dr. Richmond presented and read to the Board a letter which had been received from the West Kentuckian, under date of June 21, 1940, with reference to the publication of the College News. In view of the fact that the present contract with the Ledger & Times for the publication of the College News will expire at the close of the fiscal year, June 30, 1940, Dr. Richmond recommended that the publication of this paper be discontinued for the remainder of the summer session (two issues) and that thorough investigation be made of the procedure necessary for its publication on our campus by our own staff when college reopens in the fall.

Motion was made by Mr. Winslow that the recommendation of the President with reference to the publication of the College News during the remainder of the summer session be accepted. This motion was seconded by Mr. Hart and was carried unanimously.

Bids for Publication of College News Rejected

Motion was made by Mr. Winslow that the bids submitted by the two local newspapers, under date of January 23, 1940, for the publication of the College News be rejected because they are unsatisfactory and that the President be directed to so advise the representatives of these publishing companies. This motion was seconded by Mr. Hart and was carried unanimously.

Contract with Marshall County Board of Education for Regional Library Service in Cooperation with TVA Approved; President Authorized To Make Similar Contracts with Other County Boards

Dr. Richmond submitted to the Board the contract for regional library service in certain Marshall County schools in cooperation with the Tennessee Valley Authority and recommended that this contract be approved and that the President be granted authority to make similar contracts with other county boards of education for this type of service.

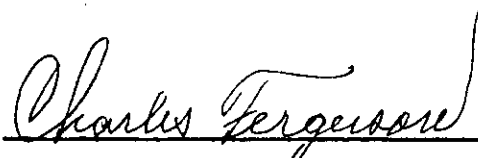
Motion was made by Mr. Hart that the Board of Regents approve the contract made with the Marshall County Board of Education for library service, as presented, and, further, that the President be authorized to make similar contracts with other county boards of education desiring such a program of regional library service. This motion was seconded by Mr. Winslow, and the roll was called on its adoption with the following result: Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

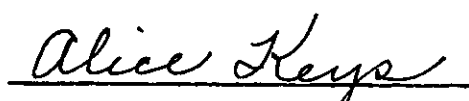
Dr. J. W. Carr Invites Members of the Board of Regents to Luncheon

At this time Dr. J. W. Carr, retiring Dean of Murray State Teachers College, came before the Board and briefly expressed his appreciation of the opportunity that has been his of serving this college, either as President or Dean, since its foundation. He called attention to the fact that he was serving his last day as Dean and that, as his first official act as President Emeritus, he should like to have the pleasure of extending an invitation to the members of the Board of Regents of Murray State Teachers College, both past and present, to be his guests at an informal luncheon on a date suitable to their convenience. Dr. Carr added that this would be no state occasion but that he simply wanted the privilege of entertaining his close personal and professional friends who had served and counseled with him so devotedly and so effectively throughout his years at Murray. Dr. Carr's gracious invitation was accepted by the members present, and July 29, 1940, the date of the next quarterly meeting of the Board of Regents, was set for the luncheon.

Adjournment

Motion was made by Mr. Winslow that the Board adjourn to meet again at 10:00 A. M. on July 15, 1940. This motion was seconded by Mr. Hart and was carried unanimously.


Vice Chairman


Secretary