4-10-1941 10:00 AM

1941-04-10

Board of Regents, Murray State Normal School

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MINUTES OF BOARD OF REGENTS
MURRAY STATE TEACHERS COLLEGE
April 10, 1941

The Board of Regents of Murray State Teachers College met in the office of the President at 10:00 A.M. Thursday, April 10, 1941, as per adjournment, with Dr. C. E. Crume, Mr. Claude Winslow, Mr. George Hart and Judge Charles Ferguson present. In the absence of Chairman J. W. Brooker, Vice Chairman Charles Ferguson presided.

Report of the President

Dr. James H. Richmond presented and read his report as President, as follows:

REPORT OF THE PRESIDENT
April 10, 1941

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 March 26, 1941

II. Report of Committee on Entrance, Credits, Certification and Graduation

III. Resignation of Mr. Ray York, Fireman

Mr. Ray York has resigned as Fireman at the heating plant, effective April 1, 1941, and I have accepted his resignation.

Mr. Rudy Lee McDougall Employed Fireman

When Mr. Ray York’s resignation became effective, it was necessary to secure another person to take his place, and Mr. Rudy Lee McDougall has been employed as Fireman at a salary of $50.00 per calendar month beginning April 1, 1941. I recommend that his employment be approved.

IV. Carlisle Cutchin Field Named in Honor of Coach Carlisle Cutchin

As you well remember, Coach Carlisle Cutchin led his basketball team, the Murray Thoroughbreds, through another splendid season this year, winning the Kentucky Intercollegiate championship and winning second place in both the S. I. A. A. Tournament and the National Intercollegiate Basketball Tournament, at Kansas City, Missouri, thus bringing to a fitting close many years of
faithful and successful coaching at Murray State College. As you also know, friends and admirers of Mr. Cutchin gave a testimonial dinner at Wells Hall on March 29, 1941 to honor him as one of our oldest (in point of service) and most beloved faculty members. At this banquet, Dr. J. W. Carr read the following letter announcing still another tribute to Mr. Cutchin:

"March 28, 1941

Dr. J. W. Carr, President Emeritus
Murray State Teachers College
Murray, Kentucky

Dear Dr. Carr:

A few days ago, in a conference with me, you made a happy suggestion: to name our stadium in honor of Carlisle Cutchin. The idea appealed to me, and I lost no time in taking up the matter with the various members of our Board of Regents. I am happy to report to you that they have given most enthusiastic approval to your recommendation. It affords me a great deal of pleasure, therefore, to notify you that, upon my recommendation, the Board of Regents has given our stadium a name, the Carlisle Cutchin Field. Since you originated the idea and since you were President of Murray State at the time the stadium was constructed, I am requesting you, on the occasion of the testimonial dinner given in honor of Mr. Cutchin, to make this announcement.

Sincerely yours,

James H. Richmond
President"

V. Dedication of Warren S. Swann Memorial Dormitory

It was found desirable to change the date for the dedication of Warren S. Swann Memorial Dormitory from May 2, as tentatively planned, to May 1, 1941, and arrangements for this dedication program have been made. Dr. Aubrey Williams, National Youth Administrator, Washington, D. C., has agreed to deliver the dedicatory address. Governor Keen Johnson is planning to be present on this occasion and, also, many other friends of Mr. Swann who appreciate this opportunity to pay tribute to the memory of a former member of the Board of Regents of Murray State Teachers College, a true gentleman and a faithful friend.

VI. Calloway County Library Service through Cooperation of Tennessee Valley Authority, Kentucky Library Association and Murray State Teachers College

Several months ago, a contract was signed with the Calloway County Board of Education
providing for library service to the one and two-
teacher schools of the county, said service to
be furnished through the cooperation of the
Tennessee Valley Authority, the Extension Divi-
sion of the Kentucky Library Association and
the Murray State Teachers College. Now, an
agreement has been made with the Calloway County
Library Board by which book deposit stations
will be established in strategic communities
in Calloway County, which request them, thereby
providing regional library service to the general
public as well as to the employees of the TVA.
One provision of the aforementioned agreement
is that the Calloway County Library Board agrees
to cooperate in the development of such book
deposit stations and to undertake a campaign
to obtain $500.00 from the Calloway County
Fiscal Court for use in developing the Calloway
County section of the regional program. Another
provision is that this service will continue
through June 30, 1941 and thereafter as renewed
annually. The agreement referred to has been
worked out and approved by the college librarian
and is now presented to the Board for final
approval.

VII. College Post Office

VIII. Bonds Authorized Sold for Construction of Fine Arts
Building

IX. Bids for Sale of Bonds for Construction of Fine
Arts Building

Respectfully submitted,

James H. Richmond
President

Approval of the Minutes

Motion was made by Mr. Winslow that the Minutes of
the Board of Regents for the meeting held on March 26, 1941
be approved, copies of which having been mailed to the
individual members of the Board. This motion was seconded
by Mr. Hart and carried unanimously.

Report of Committee on Entrance, Credits, Certification
and Graduation

Dr. Richmond presented and read the report of the
Committee on Entrance, Credits, Certification and
Graduation and recommended that it be approved and the
certificate be renewed as recommended, as follows:

April 10, 1941

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 life, as she has taught successfully for three years since her certificate was issued and has fulfilled all other requirements as set forth in the law.

Vinson, Zelma Estelle (Mrs. Milton Outland)

Respectfully submitted,

Cleo Gillis Hester
Wm. G. Nash
A. M. Wolfson
G. T. Hicks
F. D. Mellen

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: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Employment of Mr. Rudy Lee McDougall, Fireman, Approved

Motion was made by Mr. Winslow that the employment of Mr. Rudy Lee McDougall as Fireman at a salary of $50.00 per calendar month, beginning April 1, 1941, be approved. This motion was seconded by Mr. Hart, and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Carlisle Cutchin Field Named in Honor of Coach Carlisle Cutchin

Motion was made by Mr. Hart that the informal action of the individual Board members with reference to naming the Carlisle Cutchin Field be officially approved by the Board of Regents. This motion was seconded by Mr. Winslow and was carried unanimously.

Contract for Calloway County Library Service through Cooperation of Tennessee Valley Authority, Kentucky Library Extension Division and Murray State Teachers College Approved

Motion was made by Mr. Winslow that the Board of Regents approve the suggested contract with the Calloway County Library Board, as presented, to furnish regional library service to the people of Calloway County. This motion was seconded by Mr. Hart, and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Resolution Authorizing Issuance of $65,000.00 3% Building Revenue Bonds for Construction of Fine Arts Building

Mr. C. A. Lucas and Mr. H. L. Sullivan were present at this meeting of the Board of Regents to represent Stein Bros. & Boyce, Louisville, Kentucky, in connection with the sale of Building Revenue Bonds for the construction of the Fine Arts Building, and these gentlemen presented suggested resolutions authorizing the issuance of $65,000.00 3% Building Revenue Bonds. Mr. Lucas read a letter with reference to the proper nomenclature of the building which has always been known as the Auditorium but is referred to
in these resolutions as the Fine Arts Building, in which it was suggested that a statement be inserted in the first paragraph of the proposed resolutions to show that the building formerly known as the Auditorium Building will be "hereafter referred to in this resolution as the Fine Arts Building".

Dr. Richmond recommended that the proposed resolutions authorizing the issuance and sale of Building Revenue Bonds for the construction of the Fine Arts Building be adopted with the understanding that wherever the expression, Fine Arts Building, is used instead of the proper term, Auditorium, the resolutions will be so changed as to reflect this correction.

Motion was made by Dr. Crume that the recommendation of the President be approved and the proposed resolutions submitted by Stein Bros. & Boyce, authorizing the issuance of $65,000.00 3\% Fine Arts Building Revenue Bonds, be adopted subject to the changes or corrections recommended, and that such changes or corrections shall be made on the final draft which is actually recorded in the minutes. This motion was seconded by Mr. Winslow, and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye. The motion was carried unanimously, and the corrected resolutions follow:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF FINE ARTS BUILDING REVENUE BONDS OF MURRAY STATE TEACHERS COLLEGE IN ACCORDANCE WITH CHAPTER 72 OF THE 1934 ACTS OF THE GENERAL ASSEMBLY OF KENTUCKY, TO PAY FOR THE COST OF CONSTRUCTING A NEW ADDITION TO THE PRESENT AUDITORIUM BUILDING TO BE KNOWN AS THE FINE ARTS BUILDING.

WHEREAS Murray State Teachers College is not now being provided with adequate facilities for the Department of Fine Arts, and in order to provide said college and its students with more adequate Fine Arts facilities, it is necessary to construct a new addition to the present Auditorium Building which is hereafter referred to in this resolution as the Fine Arts Building, complete with practice rooms, studios and other facilities, such new addition to be located adjacent to and on the north side of the present Auditorium Building on the campus of the college, and

WHEREAS plans and specifications and cost estimates for such new addition 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 Fine Arts Building
(hereinafter referred to as the "Fine Arts Building" or the "project"), to be located adjacent to and on the north side of the present Auditorium Building on 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 "Fine Arts Building Revenue Bonds" in the aggregate principal amount of Sixty-Five Thousand Dollars ($65,000.00), dated as of April 1, 1941, being sixty-five (65) bonds of the denomination of One Thousand Dollars ($1,000.00) each, to be numbered consecutively from one (1) to sixty-five (65), both inclusive, with coupons attached for the payment of interest thereon at the rate of three percentum (3%) per annum, payable on October 1, 1941, and semi-annually thereafter on the first days of April and October of each year, which said bonds shall mature serially as follows:

<table>
<thead>
<tr>
<th>Bonds Numbered</th>
<th>Number of Bonds</th>
<th>Total Principal</th>
<th>Date of Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2</td>
<td>2</td>
<td>$2,000.00</td>
<td>April 1, 1943</td>
</tr>
<tr>
<td>3-5</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1944</td>
</tr>
<tr>
<td>6-8</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1945</td>
</tr>
<tr>
<td>9-11</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1946</td>
</tr>
<tr>
<td>12-14</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1947</td>
</tr>
<tr>
<td>15-17</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1948</td>
</tr>
<tr>
<td>18-20</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1949</td>
</tr>
<tr>
<td>21-23</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1950</td>
</tr>
<tr>
<td>24-26 &amp; 61</td>
<td>4</td>
<td>$4,000.00</td>
<td>April 1, 1951</td>
</tr>
<tr>
<td>27-29</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1952</td>
</tr>
<tr>
<td>30-32</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1953</td>
</tr>
<tr>
<td>33-35 &amp; 62</td>
<td>4</td>
<td>$4,000.00</td>
<td>April 1, 1954</td>
</tr>
<tr>
<td>36-38</td>
<td>3</td>
<td>$3,000.00</td>
<td>April 1, 1955</td>
</tr>
<tr>
<td>39-41 &amp; 63</td>
<td>4</td>
<td>$4,000.00</td>
<td>April 1, 1956</td>
</tr>
<tr>
<td>42-44 &amp; 64</td>
<td>4</td>
<td>$4,000.00</td>
<td>April 1, 1957</td>
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<tr>
<td>45-47 &amp; 65</td>
<td>4</td>
<td>$4,000.00</td>
<td>April 1, 1958</td>
</tr>
<tr>
<td>48-51</td>
<td>4</td>
<td>$4,000.00</td>
<td>April 1, 1959</td>
</tr>
<tr>
<td>52-55</td>
<td>4</td>
<td>$4,000.00</td>
<td>April 1, 1960</td>
</tr>
<tr>
<td>56-60</td>
<td>5</td>
<td>$5,000.00</td>
<td>April 1, 1961</td>
</tr>
</tbody>
</table>

Said bonds shall be signed for and on behalf of Murray State Teachers College by the 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 Chairman and Secretary, and said bonds together with the interest thereon shall be payable only out of the "Fine Arts Building 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
3% FINE ARTS BUILDING 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 Ist day of April, 1941, with interest thereon from the date hereof until paid at the rate of three percentum (3%) per annum payable on October 1, and semiannually thereafter on April 1st and October 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, Murray, Calloway County, Kentucky.

This bond is one of a series of bonds aggregating the principal sum of Sixty-Five Thousand Dollars ($65,000.00) issued for the purpose of providing funds for the construction of a Fine Arts Building 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 4555m-1 to 4555m-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 Fine Arts Building which will be set aside as a special fund and pledged for that purpose and identified as the "Fine Arts Building 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 the Fine Arts 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 building and improvements shall remain subject to such statutory mortgage lien until the payment in full of the principal 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 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 issuance 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 building and improvements will be continuously operated by said Murray State Teachers College and that a sufficient portion of the gross income and revenue of said Fine Arts 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 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 April, 1941.
Section 3. From and after the delivery of any of the bonds authorized by this resolution, the Fine Arts Building of Murray State Teachers College shall be operated on a fiscal year basis commencing on April 1st of each year and ending on March 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 "Fine Arts Building Revenue Fund" (hereinafter designated the "Revenue Fund").

There shall be and there is hereby created a fund to be known as "Fine Arts Building 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 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:

<table>
<thead>
<tr>
<th>Period Ending</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 31, 1942</td>
<td>$1,950.00</td>
</tr>
<tr>
<td>March 31, 1943</td>
<td>$4,800.00</td>
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<td>$4,800.00</td>
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<td>$4,800.00</td>
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<td>March 31, 1947</td>
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<td>March 31, 1948</td>
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<td>March 31, 1949</td>
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<td>March 31, 1960</td>
<td>$4,400.00</td>
</tr>
<tr>
<td>March 31, 1961</td>
<td>$4,400.00</td>
</tr>
</tbody>
</table>

(*This amount to be made up from accrued interest received at the time the bonds are sold and from the proceeds of sale as set forth below.)

The above payments into the Bond Fund shall be made in each year in twelve monthly installments on or before the first day of each calendar month, as the revenues accrue. In the event that the moneys held in the Revenue Fund in any month shall be insufficient to make the aforementioned payments in full, any such deficiency shall be added to the amount required to be paid into said bond fund in the following month. 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 $1,950.00 shall be paid into said Bond Fund immediately after the sale and delivery of any of the bonds hereby authorized, and out of said amount all interest on said bonds due and payable on October 1, 1941, and April 1, 1942, shall be paid. In the event the construction of said project is not completed by April 1, 1942, 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 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, 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 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 therefrom 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 monies held in the bond fund or as a reserve for contingencies shall be deposited in a bank which is a member of the Federal Deposit Insurance Corporation; the monies 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.

After the above payments into the Bond Fund have been made, the balance then remaining in the Revenue Fund shall be set aside for operation, maintenance and insurance 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 monies remaining in the Revenue Fund shall after the aforesaid payments into the Bond Fund in each month be set aside as follows:

There shall be created an "Operation, Maintenance and Insurance Account" to be used for the proper operation,
maintenance and insurance of said Fine Arts Building, into which account there shall be set aside from the monies hereinafter referred to, an amount sufficient to provide for the payment of all reasonable and necessary expenses of operating, maintaining and insuring the project.

Section 4. All monies received from the sale of any bonds issued pursuant hereto, exclusive of accrued interest, shall be applied solely for the construction of said Fine Arts Building 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 April 1, 1944. In the event the Fine Arts Building shall be completed and fully paid for, and there shall yet remain any balance of the proceeds from the sale of these bonds, said balance shall not be diverted for any other purpose whatsoever, but shall forthwith be transferred to the Bond Fund and held as a part of the reserve for contingencies and for use in the retirement of bonds prior to maturity as above set forth.

Section 5. While the bonds and coupons authorized hereunder, or any of them, remain outstanding and unpaid, the rentals and fees charged to said College for the general facilities of said Fine Arts Building and to the students of the College for occupation and use of said facilities embraced in said 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, fees and other charges 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 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 Fine Arts Building 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
of 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, maintenance and insurance 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 Fine Arts Building and all properties in connection 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 shall 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 all or any 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 Fine Arts Building 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 bond 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, Maintenance and Insurance 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, the 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 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 (1/4) of one per cent (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 of 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. Bonds numbered one to sixty inclusive and aggregating the principal sum of Sixty Thousand Dollars ($60,000.00) shall be sold at this time at a public competitive sale and bonds numbered sixty-one to sixty-five inclusive shall be held unexecuted in the custody of the Business Manager of the College until such time as it may be determined whether it is necessary to sell one or more of said bonds to provide funds for the completion of the project. In the event the project shall be finally completed and fully paid for without selling the entire authorized amount of the bonds herein referred to, then
any bonds remaining unsold at that time shall forthwith be
cancelled and the authority to issue and sell such bonds
shall thereafter cease.

Section 13. The President and the Business Manager
of the College having reported to the Board of Regents that
because of the present war situation in Europe and the result-
ing unsettled condition of the bond market, they considered
it essential to hold the sale of the first Sixty Thousand
Dollars ($60,000.00) principal amount of these bonds at
the earliest possible date, and it appearing that they have
causa a notice of such sale to be published in the Louisville
Courier-Journal on April 3, 1941, calling for sealed, compet-
titive bids to be received by the Board of Regents at this
time and place, and it appearing to the Board that the
President and the Business Manager of the College have
also prepared a "Statement of Terms and Conditions" which
has been furnished to interested bidders and sets forth
all material details with respect to the sale and the
manner of bidding for the bonds, and said actions having
been fully considered and discussed, it is ordered that
the said notice of sale and the said "Statement of Terms
and Conditions" are hereby adopted, ratified and confirmed
by the Board of Regents and the same shall constitute the
official actions of the Board of Regents as fully and com-
pletely as if authorized and directed in advance by resolu-
tion of this Board.

Section 14. The time of the sale as advertised and
as set forth in the Statement of Terms and Conditions
having arrived and all bids for bonds numbered one to
sixty inclusive having been opened, compared and read to
the meeting, and it appearing that the highest bid for
said bonds is that of Stein Bros. & Royce
of Louisville, Kentucky, offering the aggregate
sum of $60,600.00 and accrued interest, and it appearing
that said bid complies in all respect with the terms and
conditions of the sale, it is now ordered that said bid
is hereby accepted by the Board of Regents of Murray State
Teachers College, and when the bonds have been received
from the printer, bonds numbered one to sixty inclusive
shall be executed as herein provided and delivered to said
purchaser upon compliance with the terms of its bid, due
credit to be given for the good faith deposit in the sum
of Twelve Hundred Dollars ($1,200.00) represented by a
certified or bank check accompanying said bid. The amount
of said good faith check shall be set aside in a special
account in the Treasury of the College and shall constitute
a part of the proceeds of the sale of these bonds.

Section 15. A copy of the notice of sale as the same
was published in the Louisville Courier Journal on April 3,
1941, and a copy of the Statement of Terms and Conditions
of the sale duly signed by the President of the College,
and all of the sealed competitive bids received and presented
to this meeting, shall be preserved by the Secretary of the
College along with the minutes of this meeting, the same to
constitute a part of the permanent records of Murray State
Teachers College.

Section 16. If any section, paragraph, clause or pro-
vision 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 17. All resolutions or parts thereof in conflict with the provisions of this resolution, are to the extent of such conflict, hereby repealed.

Section 18. 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 tenth day of April, 1941.

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

Resolution Relating to Operation of Fine Arts Building

Next, Dr. Richmond called attention to the fact that some changes, or corrections, were also necessary in the suggested resolution, as submitted by Stein Bros. & Boyce, relating to the operation of the Fine Arts Building, and he recommended that these corrections be made and that the resolution be adopted when the proper corrections are made.

Motion was made by Mr. Hart that the resolution relating to the operation of the Fine Arts Building, submitted by Stein Bros. & Boyce, be adopted subject to the changes or corrections recommended by the President, and that such changes or corrections shall be made on the final draft which is actually recorded in the minutes. This motion was seconded by Dr. Crume, and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

The motion was carried unanimously, and the corrected resolution follows:

A RESOLUTION RELATING TO THE OPERATION OF THE FINE ARTS BUILDING WHICH IS TO BE CONSTRUCTED AS AN ADDITION TO THE AUDITORIUM BUILDING, AND FINANCED IN PART BY THE ISSUANCE OF REVENUE BONDS, DATED APRIL 1, 1941; ESTABLISHING THE VALUE OF SAID BUILDING TO THE COLLEGE; PROVIDING FOR THE PAYMENT OF SUCH AMOUNTS INTO THE BOND AND INTEREST REDEMPTION FUND; AND ESTABLISHING FEES AND CHARGES TO BE PAID BY STUDENTS USING SAID BUILDING; AND PLEDGING SUCH FEES AND CHARGES FOR THE PAYMENT OF THE BONDS AND INTEREST THEREON.

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 addition to the present Auditorium Building which is hereafter referred to in this resolution as the Fine Arts Building on the campus of the College at Murray, Kentucky, and

WHEREAS, the College has applied to the Work Projects Administration of the United States government for a grant of funds to pay a part of the cost thereof, and the Board of Regents has this day adopted a resolution providing for
the raising of its part of the cost of such improvements by the issuance of three per cent (3%) "Fine Arts Building Revenue Bonds", to be dated April 1, 1941, and to mature over a period of years, all in accordance with the provisions of Chapter 72 of the 1934 Acts of the General Assembly of Kentucky, and:

WHEREAS, in compliance with said law, it is necessary for the Board of Regents to establish the value of the building to the college on an annual basis, and 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 the requirements of Section 8 of Chapter 72 of the 1934 Acts of the General Assembly of Kentucky, it is hereby determined that the value to Murray State Teachers College of the Fine Arts Building in each fiscal year during the life of the bond issue referred to above is as follows:

During the Fiscal Year Ending March 31, 1942 -- $1,950.00
During the Fiscal Year Ending March 31, 1943 -- $4,800.00
During the Fiscal Year Ending March 31, 1944 -- $4,800.00
During the Fiscal Year Ending March 31, 1945 -- $4,800.00
During the Fiscal Year Ending March 31, 1946 -- $4,800.00
During the Fiscal Year Ending March 31, 1947 -- $4,800.00
During the Fiscal Year Ending March 31, 1948 -- $4,700.00
During the Fiscal Year Ending March 31, 1949 -- $4,600.00
During the Fiscal Year Ending March 31, 1950 -- $4,500.00
During the Fiscal Year Ending March 31, 1951 -- $4,400.00
During the Fiscal Year Ending March 31, 1952 -- $4,400.00
During the Fiscal Year Ending March 31, 1953 -- $4,400.00
During the Fiscal Year Ending March 31, 1954 -- $4,400.00
During the Fiscal Year Ending March 31, 1955 -- $4,400.00
During the Fiscal Year Ending March 31, 1956 -- $4,400.00
During the Fiscal Year Ending March 31, 1957 -- $4,400.00
During the Fiscal Year Ending March 31, 1958 -- $4,400.00
During the Fiscal Year Ending March 31, 1959 -- $4,400.00
During the Fiscal Year Ending March 31, 1960 -- $4,400.00
During the Fiscal Year Ending March 31, 1961 -- $4,400.00

This determination is made upon the basis that the College now has no adequate facilities for its Fine Arts Department and needs the additional practice rooms, studios, and other facilities to be provided by the new addition in order to carry on its functions in a suitable manner; and for the further reason that the additional facilities will provide to the College a source of income and revenue from the students using the same, exceeding the values above established by a margin sufficient to provide for the maintenance, operation and insurance of said building.

Section 2. As provided by Chapter 72 of the 1934 Acts of the General Assembly of Kentucky, the value above established for the fiscal year ending March 31, 1942 (being the estimated period of construction) shall be set aside from (a) the sums received as accrued interest when the bonds are delivered and paid for, and (b) from the proceeds derived from the sale of the bonds themselves. The values above established for the succeeding years shall be paid.
into the "Fine Arts Building Revenue Bond and Interest Redemption Fund" established by the resolution this day adopted which authorizes the issuance and sale of the "Fine Arts Building Revenue Bonds". Said fund is hereafter referred to in this resolution as "Bond Fund". The payments into said fund shall in each year be made on a monthly basis from the current funds of Murray State Teachers College.

Section 3. In order to provide to Murray State Teachers College the amounts necessary to be paid into said fund as above set forth, it is hereby determined that from and after the completion of said Fine Arts Building there shall be charged to the students taking courses in the Fine Arts Department of the College the following fees and charges:

A. To all music students a charge of One Dollar ($1.00) for each semester hour in music.

B. To all music students taking private lessons, a charge of Thirty Dollars ($30.00) per semester or Sixty Dollars ($60.00) per year.

C. To all art students a charge of One Dollar ($1.00) per semester hour in art courses.

D. To all students in Dramatics a charge of One Dollar ($1.00) per semester hour of work in Dramatics.

E. For the use of practice rooms or studios equipped with pianos, a charge per student of Twelve Dollars Fifty Cents ($12.50) per semester or Twenty-five Dollars ($25.00) per school year.

F. For the use of practice rooms or studios which are not equipped with pianos, a charge of Seven Dollars Fifty Cents ($7.50) per student for each semester or Fifteen Dollars ($15.00) per year.

G. Charges comparable to the above, fixed with due regard for the reduced time of use or services rendered to the students, shall be established by the Fine Arts Department itself, for summer school students and for music and art courses for elementary teachers. The Fine Arts Department shall establish such charges prior to April 1, 1942, and the charges so fixed shall have the same force and effect as if established by resolution of the Board of Regents.

Section 4. The above charges and fees to students shall be in addition to all other fees now or hereafter charged by Murray State Teachers College and shall represent payment for services rendered to students in the Fine Arts Department by the said building. The monies realized from the fees herein established shall upon collection be forthwith paid into the "Murray State Teachers College Revolving Fund" and from the monies so paid into the "Murray State Teachers College Revolving Fund" amounts shall be set aside into the "Fine Arts Building Bond and Interest Redemption Fund", and also for operation, maintenance and insurance as provided in the resolution this day adopted by the Board of Regents authorizing the issuance and sale of said bonds.

Section 5. The fees and charges to students as set forth in 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 hereinbefore referred to and to pay, in addition, the cost of maintaining, operating and insuring the Fine Arts Building in the manner provided by the resolution this day adopted, prescribing the terms, conditions and maturity of said bonds, and the conditions and securities upon which the same are to be issued.

In the event the fees and charges above set forth should in any year be insufficient to provide for the payment of the bonds and the interest thereon and to provide for the maintenance, operation and insurance thereof, then and in that event the said schedule of fees and charges shall immediately be increased to such amounts as may be sufficient to produce the revenues required to comply with the terms of the resolution authorizing said bonds and the laws of Kentucky relating thereto.

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 Vice Chairman thereof.

Passed and approved by the Board of Regents of Murray State Teachers College this 10th day of April, 1941.

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

Bonds Authorized Sold in Amount of $60,000.00 for Construction of Fine Arts Building

Dr. Richmond called attention to the fact that since an issue of $65,000.00 of Building Revenue Bonds had been authorized but only $60,000.00 of this principal sum were to be sold at this meeting of the Board, a motion should be passed to indicate that there will be remaining an unsold balance of $5,000.00 3% Fine Arts Building Revenue Bonds.

Motion was made by Mr. Hart that the Board authorize the sale at this time of only $60,000.00 of the principal sum of $65,000.00 3% Fine Arts Building Revenue Bonds. This motion was seconded by Dr. Crume, and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Bids Received on $60,000.00 3% Fine Arts Building Revenue Bonds

At this point, the Chairman called for the bids which had been received for the purchase of $60,000.00 3% Fine Arts Building Revenue Bonds, in accordance with the terms of sale as advertised.

The only bid received was that of Stein Bros. & Royce, Louisville, Kentucky, which is, as follows:
Louisville, Ky.
April 10, 1941

BID FORM

Subject to the attached Statement of Terms and Conditions of Bond Sale, and the Notice of Sale published in the Courier-Journal on April 3, 1941, to all of which the undersigned agrees, the undersigned hereby offers to purchase -

$60,000 (Par Value)
MURRAY STATE TEACHERS COLLEGE
3% FINE ARTS BUILDING REVENUE BONDS -
at an aggregate amount of $60,600, (being at the rate of $1010, per $1,000 principal amount of bonds) plus accrued interest from April 1, 1941 to the date of actual delivery and payment.

It is understood that this bid is subject to the approving legal opinion of Messrs. Grafton & Grafton, Attorneys, Louisville, Kentucky, which is to accompany the bonds when they are delivered. Delivery of the bonds to be made on or before May 10, 1941.

Certified check in the amount of Twelve Hundred Dollars ($1,200) is enclosed, which is to be returned to the undersigned in the event we are not the successful bidder.

STEIN BROS. & BOYCE,
By (Signed) H. L. Sullivan
Starks Building Arcade
Louisville, Kentucky

Bid of Stein Bros. & Boyce, Louisville, Kentucky, for $60,000.00 3% Fine Arts Building Revenue Bonds Accepted

Motion was made by Mr. Hart that the Board of Regents accept the bid of Stein Bros. & Boyce, Louisville, Kentucky, for the purchase of $60,000.00 3% Fine Arts Building Revenue Bonds for $60,600.00 plus accrued interest, the said bid being at the rate of $1,010.00 per $1,000.00 bond. This motion was seconded by Dr. Crume, and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.

Bond Retirement and Interest Fund Set Aside Monthly - Revolving Fund

Dr. Richmond recommended that, for reasons of convenience to our Business Office, out of the fees collected by the Fine Arts Department, a sufficient sum be set aside monthly from the Revolving Fund to retire the 3% Fine Arts Building Revenue Bonds and to pay the interest on same.

Motion was made by Dr. Crume that the recommendation of the president be approved and that out of the fees collected by the Fine Arts Department, a sufficient sum be set aside from the Revolving Fund, monthly, to retire the 3% Fine Arts Building Revenue Bonds and to pay the interest on the said bonds. This motion was seconded by Mr. Hart, and the roll was called on its adoption with the following result: Dr. Crume, aye; Mr. Winslow, aye; Mr. Hart, aye; Judge Ferguson, aye.
Adjournment

Motion was made by Mr. Winslow that the Board adjourn. This motion was seconded by Dr. Crume and was carried unanimously.

[Signatures]

Charles Ferguson  Alice Kemp
Chairman  Secretary