

advertisement should be attached to a copy of the resolutions of this meeting and that certified copies should be sent to Mr. George H. Sager, Jr., State Director of PWA.

Upon motion of Regent Bartlett with a second from Regent Hines, the Board unanimously agreed to adjourn.

Walter M. Leonard
Secretary

Chris G. Franklin
Chairman

Minutes of Board Meeting

January 25, 1936.

The Board of Regents of the Western Kentucky State Teachers College met in the office of President Cherry pursuant to a call issued by State Superintendent of Education, Harry W. Peters, in compliance with Chapter 4527-43, 1934 Carroll Kentucky Statutes.

The meeting was called to order by State Superintendent Harry W. Peters, ex-officio chairman of the Board, and the roll was called, the following answering present:

- Harry W. Peters (ex-officio chairman)
- Regent Charles G. Franklin
- Regent Henry B. Hines
- Regent Clarence H. Bartlett
- Regent M. O. Hughes was unable to be present because of illness.

After ascertaining that a quorum was present, the minutes of the last meeting were called for, read and adopted.

President Cherry then formally introduced the new presiding officer, Superintendent Peters, to the Board.

It was suggested that in transacting the business for which the meeting was called, the Board follow the order of procedure as suggested by President Cherry.

President Cherry presented and read to the Board a copy of his request to Chairman Harry Peters for a call for the meeting and same was ordered received, filed, and spread upon the minutes. The following is an exact copy of said letter:

"Bowling Green, Kentucky,
January 7, 1936.

"Hon. Harry W. Peters,
Chairman, Board of Regents,
Western Kentucky State Teachers College,
Frankfort, Kentucky.

My dear Mr. Peters:

Pursuant to Chapter 4527-43, 1934 Carroll's Kentucky Statutes, you are hereby requested to call a Special Meeting of the Board of Regents of the Western Kentucky State Teachers College to meet at the Office of the Board in the Administration Building of the Western State Teachers College, Bowling Green, Kentucky, on the 25th day of January, 1936, at 3:00 o'clock P.M., for the purpose of considering and adopting a certain Offer of the United States to the Board of Regents of said College in the sum of \$252,819.00 and to purchase bonds of the Board of Regents in an aggregate principal amount of \$309,000.00 to be used in connection with the construction of a classroom and laboratory building for said College, and to adopt a resolution accepting such Loan and Grant.

2. For the purpose of considering and adopting a resolution providing for the construction of the proposed building by the Board of Regents of the Western Kentucky State Teachers College, declaring said construction to be a necessity, ordering the construction of said building, providing for the charging of rents and fees for services rendered by the building, and providing for the issuance of revenue bonds in accordance with Chapter 72 of the Acts of the 1934 General Assembly of Kentucky, to finance said construction.

3. To consider, fix and determine rents to be charged by the Western Kentucky State Teachers College for the use of the project constructed from the proceeds of the Loan and Grant, and to adopt a resolution fixing and determining the rents to be charged to the Western Kentucky State Teachers College and the fees to be charged to the students of said College for services rendered by the proposed classroom and laboratory building to be constructed by the Board of Regents of the Western Kentucky State Teachers College and financed by the issuance of building revenue bonds

of 1935 and by a Grand made to said Board by the United States Government.

4. To transact any and all other business as may be necessary in connection with the construction of said building or that may be necessary in connection with the fiscal affairs of the institution.

Yours very truly
(Signed) H. H. Cherry,
President, Western Kentucky State Teachers College."

HHC:MF

Chairman Peters presented a copy of his call for the meeting, which was mailed by (registered mail) to each member. This call was ordered to be filed with the Secretary and to be spread upon the minutes of the meeting. The following is an exact copy of said notice:

"NOTICE OF SPECIAL MEETING"

TO:

M. O. HUGHES

LOUISVILLE, KENTUCKY

CHAS. G. FRANKLIN

MADISONVILLE, KENTUCKY

CLARENCE H. BARTLETT

HARTFORD, KENTUCKY

HENRY B. HINES

BOWLING GREEN, KENTUCKY

members of the Board of Regents of the Western Kentucky State Teachers College:

Notice is hereby given that a Special Meeting of the Board of Regents of the Western Kentucky State Teachers College will be held in the office of the Board at the Administration Building of the College in Bowling Green, Kentucky, at three o'clock, P.M., on the twenty-fifth day of January, 1936, for the following purposes:

1. Considering an Offer of the United States of America to aid by way of Loan and Grant in financing the construction of a class room and laboratory building and adopting a resolution accepting the Offer of the United States to the Board of Regents of the Western Kentucky State Teachers College to aid by way of Loan and Grant in financing the construction of said building.

2. To consider the question of the issuance of Revenue Bonds of the Board of Regents of the Western Kentucky State Teachers College to finance the college's portion of the cost of the foregoing building, and to adopt a resolution providing for the construction of a class room and laboratory building by the Board of Regents of the Western Kentucky State Teachers College, declaring said construction to be a necessity, ordering the construction of said building, providing for the charging of rents and fees for services rendered by the building and providing for the issuance of Revenue Bonds in accordance with Chapter 72 of the Acts of the 1934 General Assembly of Kentucky to finance said construction.

3. To consider the question of fixing and determining rentals to be charged to the Western Kentucky State Teachers College for the use of said building and fees to be charged to the students of said College for services rendered to such students by said building, and to adopt a resolution fixing and determining the rentals to be charged to the students of said College for services rendered by said building to be constructed by the Board of Regents of the Western Kentucky State Teachers College and financed by the issuance of Building Revenue Bonds of 1935 and by a Grant made to said Board of the United States Government.

4. To transact any and all business necessary in connection with the issuance of bonds and the construction of said building and such other business as may be necessary in connection with the conduction of the fiscal affairs of the Western Kentucky State Teachers College.

Dated this the seventh day of January, 1936.

(Signed) H. W. Peters
 Chairman, Board of Regents of the
 Western Kentucky State Teachers College."

Chairman Peters announced that the meeting had been called for the consideration of special business as specified in his call and that consideration of these matters was now before the Board.

The question of the acceptance of the offer made by the PWA with reference to bonds was then discussed, and a resolution numbered (1) was read in full by Mr. Cuthbertson. Upon motion of Mr. Franklin with a second by Mr. Bartlett, the resolution was unanimously adopted upon roll call which showed Messrs. Peters, Hines, Bartlett and Franklin voting "Aye". Nay's none. The chairman directed the motion carried. The following is the resolution as presented and adopted:

- (c) Denomination: \$1,000; (d) Date: January 1, 1936;
- (e) Interest rate and interest payment dates: Four per centum per annum payable on January 1, 1937 and semi-annually thereafter on January 1 and July 1 in each year;
- (f) Place of payment: At the office of the Treasurer of the Board of Regents of the Western Kentucky State Teachers College at Bowling Green, Kentucky, or at the option of the holder at a bank or trust company in the Borough of Manhattan, City and State of New York;
- (g) Registration privileges: At the option of the holder, as to principal only;
- (h) Maturities: Maturing on January 1 in years and amounts as follows:

1938-1939, inclusive	\$6000.00
1940-1942	7000.00
1943-1945	8000.00
1946-1948	9000.00
1949-1951	10000.00
1952-1954	11000.00
1955-1957	12000.00
1958-1960	13000.00
1961-1963	14000.00
1964-1965	15000.00

- (i) Payable as to both principal and interest from and secured by a first lien on and an exclusive pledge of a fixed amount of the gross revenues to be derived from the operation of the Project, which fixed amount shall, at all times be sufficient to pay the interest on and the principal of the bonds as and when they mature, and further secured by a statutory mortgage lien on the Project.

2. This offer is conditioned upon the Applicant's adopting a resolution fixing reasonable and adequate rates to be charged for the facilities and services afforded by the Project, including those afforded to the Applicant.

UNITED STATES OF AMERICA
FEDERAL EMERGENCY ADMINISTRATOR
OF PUBLIC WORKS

BY (Signed) E. W. CLARK
For the Assistant Administrator".

be and the same is hereby in all respects accepted.

Section 2. That said Board of Regents agrees to abide by all the rules and regulations relating to such loan and grant a copy of which rules and regulations were annexed to the Government's offer and made a part thereof.

Section 3. That the Secretary of said Board be and he is hereby authorized and directed forthwith to send to the Federal Emergency Administration of Public Works three certified copies of this resolution and three certified copies of the proceedings of this Board of Regents in connection with the adoption of this resolution, and such further documents or proofs in connection with the acceptance of said offer as may be requested by the Federal Emergency Administration of Public Works.

Section 4. This resolution shall take effect from and after its final passage and approval by the Chairman of the Board of Regents of the Western Kentucky State Teachers College.

The next item for discussion was resolution (2) which was read in full by Mr. Cuthbertson and upon motion duly made by Mr. Franklin and seconded by Mr. Bartlett it was unanimously adopted upon roll call which showed Messrs. Peters, Bartlett, Franklin and Hines voting aye; nay--none. The following is a copy of the resolution as presented and adopted:

RESOLUTION # 2

RESOLUTION PROVIDING FOR THE CONSTRUCTION OF A CLASS ROOM AND LABORATORY BUILDING BY THE BOARD OF REGENTS OF THE WESTERN KENTUCKY STATE TEACHERS COLLEGE; DECLARING SAID CONSTRUCTION TO BE A NECESSITY; ORDERING THE CONSTRUCTION OF SAID BUILDING; PROVIDING FOR THE CHARGING OF RENTS AND FEES FOR SERVICES RENDERED BY THE BUILDING; AND PROVIDING FOR THE ISSUANCE OF REVENUE BONDS IN ACCORDANCE WITH CHAPTER 72 OF THE ACTS OF THE 1934 GENERAL ASSEMBLY OF KENTUCKY TO FINANCE SAID CONSTRUCTION.

WHEREAS, the Western Kentucky State Teachers College and its students are not now being provided with an adequate building for class room and laboratory facilities, and in order to provide said College and its students with more adequate facilities for educational purposes, it is necessary that a class room and laboratory building be constructed; and

WHEREAS, under the provisions of Chapter 72 of the 1934 Acts of the General Assembly of the Commonwealth of Kentucky, the Board of Regents of the Western Kentucky State Teachers College is authorized to issue and sell bonds as therein provided for the purpose of constructing said building;

NOW, THEREFORE, THE BOARD OF REGENTS OF THE WESTERN KENTUCKY STATE TEACHERS COLLEGE RESOLVE, AS FOLLOWS:

Section 1. There shall be constructed a classroom and laboratory building to be used for the indicated purposes or for such other educational purposes as may, from time to time, be considered necessary and proper (herein designated the "Project") by the Board of Regents of the Western Kentucky State Teachers College, (hereinafter designated the "Board") as contemplated by the plans and specifications therefor, prepared by Brinton B. Davis, Architect, and now on file with the Secretary of the Board. The said plans and specifications referred to are hereby adopted and made a part of this resolution as if fully copied herein.

Section 2. In order to provide for the payment of the cost, in excess of the grant made to the Board of Regents of the Western Kentucky State Teachers College by the United States Government (hereinafter designated the "Government") of constructing the Project for said Board, as designated in Section 1 hereof, there shall be issued \$309,000 of Board of Regents of the Western Kentucky State Teachers College Building Revenue Bonds of 1936, dated as of January 1, 1936, of the denomination of \$1,000 each, to be numbered from 1 to 309 inclusive, bearing interest at the rate of four per centum (4%) per annum, payable on July 1, 1936 and semi-annually thereafter on the first days of January and July in each year, which said bonds shall mature serially on January 1 of each year subject to prior redemption on any principal payment date at the option of the Board of Regents of the Western Kentucky State Teachers College at a price per bond equal to the principal amount thereof and interest accrued thereon to the redemption date, plus a redemption premium of one-fourth of one per centum ($\frac{1}{4}$ of 1%) of the principal amount for each year from the redemption date to the stated date of maturity, provided, however, that such redemption premium shall in no event exceed five per centum (5%) of such principal amount, upon notice of such redemption being given at least thirty

days and not more than forty-five days prior to such redemption date by mailing such notice to the last known address of each registered bondholder, and by application each week for at least four consecutive weeks in a newspaper of general circulation in the City of Bowling Green, Kentucky, and in a financial publication and of general circulation in the Borough of Manhattan City, County and State of New York, as follows, to-wit:

<u>YEAR</u>	<u>BOND RETIREMENT</u>	<u>INTEREST</u>	<u>TOTAL</u>
1937	-----	\$12,360	\$12,360
1938	\$6,000 ✓	12,360	18,360 ✓
1939	6,000 ✓	12,120	18,120
1940	7,000 ✓	11,880	18,880
1941	7,000 ✓	11,600	18,600
1942	7,000 ✓	11,320	18,320
1943	8,000 ✓	11,040	19,040
1944	8,000 ✓	10,720	18,720
1945	8,000 ✓	10,400	18,400
1946	9,000 ✓	10,080	19,080
1947	9,000 ✓	9,720	18,720
1948	9,000 ✓	9,360	18,360
1949	10,000 ✓	9,000	19,000
1950	10,000 ✓	8,600	18,600
1951	10,000 ✓	8,200	18,200
1952	11,000 ✓	7,800	18,800
1953	11,000 ✓	7,360	18,360
1954	11,000 ✓	6,920	17,920
1955	12,000 ✓	6,480	18,480
1956	12,000 ✓	6,000	18,000
1957	12,000 ✓	5,520	17,520
1958	13,000 ✓	5,040	18,040
1959	13,000 ✓	4,520	17,520
1960	13,000 ✓	4,000	17,000
1961	14,000 ✓	3,480	17,480
1962	14,000 ✓	2,920	16,920
1963	14,000 ✓	2,360	16,360
1964	15,000 ✓	1,800	16,800
1965	15,000 ✓	1,200	16,200
1966	15,000	600	15,600

Said bonds shall be signed for and on behalf of the Board by its Chairman and sealed with the corporate seal of the Board and attested by its Secretary; and the interest coupons attached to said bonds shall be executed with the facsimile signatures of the said Chairman and Secretary, and said bonds, together with the interest thereon, shall be payable only out of the "Western Kentucky State Teachers College Building Revenue Bond

and Interest Redemption Fund", hereinafter created and shall be a valid claim of the holders thereof only against said fund and the gross revenues of the Project, pledged to such fund.

Section 3. The aforesaid bonds and coupons shall be in substantially the following form, to-wit:

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
BOARD OF REGENTS OF THE
WESTERN KENTUCKY STATE
TEACHERS COLLEGE BUILDING
REVENUE BOND OF 1936

No. _____ \$1,000

The Board of Regents of the Western Kentucky State Teachers College for value received hereby promises to pay to the bearer, or, if this bond be registered as hereinafter provided, to the registered holder hereof, the sum of

ONE THOUSAND DOLLARS (\$1,000)

on the first day of January, 19__ , and to pay interest thereon at the rate of four per centum (4%) per annum on July 1, 1936, and semi-annually thereafter on January 1 and July 1 of each year upon presentation and surrender of the annexed interest coupons as they severally mature, both principal and interest being payable in any coin or currency which, on the respective dates of payment of the principal of and interest on this bond, is legal tender for the payment of public and private debts, at the office of the Treasurer of the Western Kentucky State Teachers College in Bowling Green, Kentucky, or, at the option of the holder, at the principal office of Chemical Bank and Trust Company, in the Borough of Manhattan, City, County and State of New York.

This bond shall be subject to redemption on any interest payment date at the option of the Board of Regents of the Western Kentucky State Teachers College at a price equal to the principal amount hereof and interest accrued thereon to the redemption date, plus a redemption premium of one-fourth of one per centum ($\frac{1}{4}$ of 1%) of the principal amount for each year from the redemption premium shall in no event exceed five per centum (5%) of such principal amount, upon notice of such redemption being given at least thirty days and not more than forty-five days prior to such redemption

date by mailing such notice to the last known address of each registered bondholder, and by publication each week for at least four consecutive weeks in a newspaper of general circulation in the City of Bowling Green, Kentucky, and in a financial publication and of general circulation in the Borough of Manhattan, City, County and State of New York.

This bond is issued for the purpose of constructing a class room and laboratory building for the Board of Regents of the Western Kentucky 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 the Commonwealth of Kentucky.

This bond is payable only from a fixed amount of the gross income and revenues to be derived from the operation of said buildings which has been set aside as a special fund and pledged for that purpose and identified as the "Western Kentucky State Teachers College Building Revenue Bond and Interest Redemption Fund," and this bond does not constitute an indebtedness of the Board of Regents of the Western Kentucky State Teachers College or the Commonwealth of Kentucky within the meaning of any constitutional provisions or limitations.

The mortgage lien which is hereby recognized as valid and binding on said building, is created and granted to and in favor of the holder or holders of this bond and the issue of which it forms a part, and in favor of the holder or holders of the coupons attached to said bonds, and said building 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 may be registered as to principal only or as to both principal and interest, at the option of the holder on the books of the Secretary of the Western Kentucky State Teachers College and said registration shall be noted on the reverse hereof by said Secretary, after which, no transfer of this bond shall be valid unless made on said books by the registered owner in person or by attorney and similarly noted on the reverse hereof. But this bond may be discharged from registry by registered

W. H. ...

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transfer to the bearer and thereafter transferability by delivery shall be restored. Upon registration of this bond as to both principal and interest all unmatured appurtenant coupons shall be detached by the Secretary and upon subsequent registration hereof as to principal or to bearer, such of said coupons as shall not then have matured, shall be again attached hereto. This bond if registered as to principal may be re-registered as to both principal and interest and vice-versa and if discharged from registration, it may again be registered as herein provided. Registration of this bond as to principal only, however, shall not affect the negotiability of the coupons appurtenant hereto, which shall continue to be transferable by delivery merely and shall remain payable to bearer.

This bond is exempted from taxation in Kentucky.

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 Board of Regents does not exceed any limit prescribed by the Constitution or Statutes of Kentucky, and said building will be continuously operated by said Board of Regents and that a sufficient portion of the income and revenues of said building have been pledged to and will be set aside into a special account in the treasury of said Board of Regents for the payment of the principal of and interest on this bond, and the issue of which it is one.

IN WITNESS WHEREOF, the Board of Regents of the Western Kentucky State Teachers College has caused this bond to be signed by its Chairman and its corporate seal to be hereunto affixed, attested by the Secretary and the coupons hereto attached to be executed with all as of the first day of January, 1936.

BOARD OF REGENTS OF THE
WESTERN KENTUCKY STATE
TEACHERS COLLEGE

By Harry W. Peters
Chairman

ATTEST:

Mattie M. McLean
Secretary

FORM OF COUPON

No. _____ \$20.00

On the first day of _____ 19____, the Board of Regents of the Western Kentucky State Teachers College will pay to bearer, Twenty Dollars (\$20.00) in any coin or currency which, on the date of payment of this coupon is legal tender for the payment of public and private debts out of its "Western Kentucky State Teachers College Building Revenue Bond and Interest Redemption Fund," at the office of the Treasurer of the Board of Regents of the Western Kentucky State Teachers College, in Bowling Green, Kentucky, or, at the option of the holder, at the principal office of the Chemical Bank and Trust Company, in the Borough of Manhattan, City, County and State of New York, as provided in and for interest then due on its Building Revenue Bond of 1936, dated January 1, 1936.

No. _____
Harry W. Peters
Chairman, Board of Regents

Mattie M. McLean
Secretary

(To be printed on the back of each bond)

<u>DATE OF REGISTRATION</u>	<u>NAME OF REGISTERED HOLDER</u>	<u>MANNER OF REGISTRATION</u>	<u>SIGNATURE OF SECRETARY</u>

Section 4. From and after the delivery of any bond issued under the provisions of this resolution, the Project of said Board shall be operated on a fiscal year basis, commencing on January 1 of each year and ending on December 31 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 the "Western Kentucky State Teachers College Building Revenue Fund" (hereinafter designated the "Building Revenue Fund").

There shall be and there is hereby created a fund to be known as the Western Kentucky State Teachers College Building Revenue Bond and Interest Redemption Fund", (hereinafter called the "Bond Fund") into which there shall be set aside from the monies held in the Building Revenue Fund such amounts as will be sufficient to pay the interest on and the principal of the bonds hereby authorized and it is hereby determined that the amounts necessary and to be set aside into said fund shall be as follows:

During the first ten years after the date when the Project is first put into operation, the amounts so payable into the Bond Fund in each month shall equal $1/5$ of the next maturing installment of interest and $1/10$ of the next maturing installment of principal. During each of the following years (after the first ten) the amount so payable in each month to the Bond Fund shall equal $1/6$ of the next maturing installment of interest and $1/12$ of the next maturing installment of principal on the bonds. In the event that the monies held in the Bond Revenue Fund in any month shall be insufficient to make the aforesaid payments in full, any such deficiency shall be added to the amounts required to be paid into such Bond Fund in the following month.

The amount by which any such payment in any fiscal year exceeds the aggregate amount of interest on and principal of said bond becoming due in such year shall be held in said Bond Fund as a reserve for contingencies and used solely as herein provided. Provided, however, that no further payments need be made into said Bond Fund after such amount of the bonds shall have been retired so that the amount then held in the Bond Fund, including the reserve for contingencies, is equal to the entire amount of the principal and interest that will be payable at the time of their maturity on all of the bonds then remaining outstanding.

If, for any reason, the Board shall fail to make any such payments into such Bond Fund as aforesaid, during any fiscal year, any sums then held as

a reserve for contingencies shall be used for the payment of any portion of the interest or principal of said bonds becoming due in such fiscal year, on which bonds 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 payment 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 Reserve System and of the Federal Deposit Insurance Corporation; the monies held as reserve for contingencies may be invested in direct obligations of the United States of America, provided, however, that the Board 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 hereinabove provided into said Bond Fund shall be made in equal monthly installments on the first day of each month, except when the first day of any month shall come on Sunday or a legal holiday, in which event such payment shall be made on the next succeeding secular day and the balance then remaining shall be set aside for the operation and maintenance, as hereinafter provided.

The Bond Fund, hereinabove created and described, shall be used solely and only for the purpose of paying principal of an interest on the bonds herein authorized to be issued, 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 Building 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 Fund" to be used for the proper operation and maintenance of the Project, into which there shall be set aside from the monies hereinabove referred to, an amount sufficient to provide for the payment of reasonable and necessary expenses of operating and maintaining the Project.

Section 5. All monies received from any bonds issued pursuant hereto, exclusive of accrued interest, shall be applied solely for the construction of said

Project, as herein authorized, provided that such proceeds, together with all sums received as accrued interest of said bonds shall be used also to pay interest on said bonds during the period of construction of said Project.

Section 6. While the bonds authorized hereunder, or any of them remain outstanding and unpaid, the rents for all services rendered by said Project to the Western Kentucky State Teachers College and fees charged to its students shall 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 against said College, such amounts for services rendered by the Project as shall be adequate, together with fees to be charged to students to meet the requirements of this and the preceding sections hereof.

Section 7. The Board of Regents of the Western Kentucky State Teachers College hereby covenants and agrees with the holder or holders of the bonds hereby authorized to be issued, or any 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 collection from the College and its students of reasonable and sufficient amounts for services rendered by said Project and the application of the respective funds created by this resolution.

The Board hereby irrevocably covenants, binds and obligates itself not to sell, lease, mortgage or in any manner dispose of said Project, except by the mortgage provided for in Section 8, hereof, until all of the bonds herein authorized to be issued shall have been paid in full, both principal and interest.

The Board further covenants and agrees with the holders of said bonds 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 remain outstanding and unpaid and to charge and collect from the College reasonable and sufficient amounts as rent for services rendered by the Project to the College in furnishing to it laboratory and other educational facilities and to charge and collect reasonable and sufficient fees from each student of the

College for services rendered by the Project to such students, which fees shall be, in addition to all other fees charged by the College to such students. The aforesaid rents and fees shall be sufficient at all times to maintain the Bond Fund and the Operation and Maintenance Fund as required by the preceding sections of this resolution.

Section 8. That for the further protection of the holders of the bonds herein authorized to be issued and the coupons thereto attached, a statutory mortgage lien upon said Project and all properties connected therewith and belonging thereto is granted and created by Chapter 72 of the Acts of the General Assembly of Kentucky, of 1934, which said statutory mortgage lien is hereby recognized and declared to be valid and binding upon the Board and all the property constituting the Project, as provided by law, and 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, including the payment by the College of sufficient rents and student fees and segregation of the income and revenues and the application thereof.

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

Section 9. The bonds 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 the Board that there shall be no priority among the bonds authorized to be issued under the provisions of this resolution, regardless of the fact that they may be actually issued and delivered at different times.

Section 10. While any of the bonds herein authorized are outstanding, the Board shall not issue any additional bonds payable from the revenues of said Project, unless the lien of such bonds on the revenues of said Project as improved or extended is made junior and subordinate in all respects to the lien of the bonds herein authorized.

Section 11. So long as any of said bonds are outstanding the Board 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 Fund hereinbefore described;
- (b) Keep proper books of records 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. The Board of Regents of the Western Kentucky 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, not more than thirty days after the close of each six month's fiscal period, complete operating and income statements of the said Project in reasonable detail covering such six month's period, and, not more than sixty days after the close of each fiscal year, complete financial statements of the said Project and the Board, in reasonable detail covering such fiscal year certified by independent auditors, and
- (c) Grant to any holder or holders of 25 per cent of said bonds then outstanding the right at all reasonable times to inspect the said Project and all records, accounts and data of the College relating thereto.

Section 12. The bonds hereby authorized shall be, and the same hereby are awarded to the UNITED STATES OF AMERICA at par and accrued interest in accordance with the terms of that certain offer made to the Board of Regents of the Western Kentucky State Teachers College

by the United States of America, accepted by resolution adopted on the 25th day of January, 1936 and the Treasurer of said Board be, and he is hereby authorized and directed to deliver said bonds to the purchasers thereof in accordance with the terms of such offer upon receipt of payment therefor as herein provided.

Section 13. If any section, paragraph, clause or provision of this resolution shall be held 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 by the Chairman of the Board of Regents of the Western Kentucky State Teachers College.

Resolution (3) labelled rental and rate resolution was next taken up for discussion. After being read in full by Mr. Bartlett, he moved that it be adopted as read. After a second from Mr. Hines, the roll was called and the motion unanimously adopted. The roll call showed Messrs. Peters, Hines, Bartlett and Franklin voting Aye. Nay--none.

The following is the resolution as presented and adopted:

A RESOLUTION FIXING AND DETERMINING THE RENTALS TO BE CHARGED TO THE WESTERN KENTUCKY STATE TEACHERS COLLEGE AND FEES TO BE CHARGED TO THE STUDENTS OF SAID COLLEGE FOR SERVICES RENDERED BY THE CLASS ROOM AND LABORATORY BUILDING TO BE CONSTRUCTED BY THE BOARD OF REGENTS OF THE WESTERN KENTUCKY STATE TEACHERS COLLEGE AND FINANCED BY THE ISSUANCE OF BUILDING REVENUE BONDS OF 1936 AND BY A GRANT MADE TO THE SAID BOARD BY THE UNITED STATES OF AMERICA.

WHEREAS, the Board of Regents of the Western Kentucky State Teachers College will construct a class room and laboratory building with funds provided by a Loan and Grant from the United States of America, and

WHEREAS, it is necessary that rental charges and student fees for services rendered by said building be established,

NOW, THEREFORE, the Board of Regents of the Western Kentucky State Teachers College resolves as follows:

Section 1. There shall be paid by the Western Kentucky State Teachers College into a separate and special fund designated as the "Western Kentucky State Teachers College Building Revenue Fund" created by a resolution entitled:

"A resolution providing for the construction of a class room and laboratory building by the Board of Regents of the Western Kentucky State Teachers College, declaring said construction to be a necessity, ordering the construction of said building, providing for the charging of rents and fees for services rendered by the building, and providing for the issuance of Revenue Bonds in accordance with Chapter 72 of the Acts of the 1934 General Assembly of Kentucky to finance said construction."

and passed by this Board on the 25th day of January, 1936, an annual fee of \$4,315.00, payable at the rate of \$359.59 per month for educational facilities furnished said College by said building other than classroom, as such services accrue. Said sum shall represent payment for services rendered to the Western Kentucky State Teachers College by said building.

Section 2. For each semester of the scholastic year, there shall be charged the following class room fees against each student attending said College:

First Semester	\$5.00
Second Semester	5.00
Third Semester	2.50
Fourth Semester (Summer School First Term)	1.65
Fifth Semester (Summer School Second Term)	1.65

The foregoing student fees shall be charged in addition to all other fees now, or hereafter, charged by the Western Kentucky State Teachers College and shall represent payment for services rendered to the students of the College on account of class rooms furnished said students by said building.

The monies realized from the fees herein established shall be forthwith paid into the Western Kentucky State Teachers College Building Revenue Fund, referred to in Section 1, hereof.

X

X

Approved: _____
 Secretary

Section 3. The foregoing rentals and fees shall become effective as of the opening date of the first semester of the Western Kentucky State Teachers College for the school year of 1936-37.

Section 4. 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 remaining portion of this resolution.

Section 5. All resolutions, or parts thereof, in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed.

Section 6. This resolution shall take effect from and after its passage by the Board of Regents, and approval by its Chairman.

The question of Printing the bonds was next taken up for consideration and Chairman Peters broke the seals on bids which had been filed with the Secretary of the board; which were found to be as follows:

Courier-Journal Printing Company, Louisville, Kentucky	\$193.00
Standard Printing Company, Louisville, Kentucky	150.00
Commercial Printing Company, Louisville, Kentucky	190.45

Upon motion of Mr. Bartlett, seconded by Mr. Hines, the contract for printing these bonds was awarded to the Standard Printing Company of Louisville, provided the bonds and printing meet the requirements of the PWA.

Upon roll call Messrs. Peters, Franklin, Bartlett and Hines voted Aye--Nay--None. The chairman declared the motion carried.

President Cherry called the attention of the Board to the necessity of appointing a depository or depositories for the handling of grant and proceeds of bonds to be used for construction purposes, for the establishment of account and for fund used for maintenance purpose and account to be known as Western Kentucky Teachers College Building Revenue Bond and Interest Redemption Fund. He also pointed out that such bank or banks must be members of the Federal Reserve System and Federal Deposit Insurance Commission.

Mr. Cuthbertson was directed to read a resolution to the Board. The adoption of the resolution was moved by Mr. Franklin and seconded by Mr. H. B. Hines. The vote being taken by roll call it

was found that Messrs. Peters, Hines, Bartlett and Franklin all voted aye. Nay--none. The chairman declared the motion carried and ordered the resolution to be spread on the minutes. The resolution as presented and passed is as follows:

A RESOLUTION DESIGNATING DEPOSITORIES
FOR BOARD OF REGENTS OF WESTERN
KENTUCKY STATE TEACHERS COLLEGE.

WHEREAS, the Board of Regents of Western Kentucky State Teachers College will receive from the United States Government on account of a grant made to said Board by the Government the sum of \$252,819 and an additional sum of \$309,000, as evidenced by the sale of its bonds to the Government; and

WHEREAS, in order to carry out the terms and conditions of the resolutions this date adopted authorizing the issuance of the proposed bonds and the fixation and collection of student classroom fees, it is necessary that this Board designate the depositories for said funds.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF REGENTS OF THE WESTERN KENTUCKY STATE TEACHERS AS FOLLOWS:

Section 1. That the Citizens National Bank and the American National Bank of the City of Bowling Green, both of which are members of the Federal Reserve System and the Federal Deposit Insurance Corporation, are hereby designated as depositories for the Board of Regents of the Western Kentucky State Teachers College.

Section 2. There shall be maintained in each of the depositories an account to be known as the Western Kentucky State Teachers College Construction Account into which there shall be deposited all funds received on account of the grant payments made to this Board by the United States Government and from the proceeds of the bonds sold and delivered pursuant to a resolution this date adopted accepting the accrued interest on said bonds.

Section 3. There shall be maintained in each of the depositories an account known as the Western Kentucky State Teachers College Building Revenue Fund into which there shall be deposited all sums received on account of student classroom fees and rentals paid by the Western Kentucky State Teachers College pursuant to the bond authorizing resolution and rate resolution this date adopted,

and in addition thereto, there shall be maintained in each of said depositories an account to be known as the Western Kentucky State Teachers College Building Bond and Interest Redemption Fund into which there shall be transferred monthly from the Western Kentucky State Teachers College Building Revenue Fund the sums set out as the Bond Authorizing Resolution this date adopted and from the Building Revenue Fund after providing for transfers into the bond fund as provided in said Bond Authorizing Resolution and shall be transferred into an account to be designated as Operation and Maintenance Fund, the sum sufficient to provide for the necessary and adequate operation and maintenance of the classroom and laboratory building, the construction of which is authorized by said bond resolution. The sums so transferred to this account shall not be made until after the transfer of fund from the building revenue fund, sufficient to meet the requirements of the bond resolution.

1. Miss Florence Schneider, Bursar of the Western Kentucky State Teachers College is hereby delegated as the collector of the student classroom fees. Said fees shall be collected as the students enroll in the institution and shall be in addition to all other fees collected from said students. She will prepare a statement to be delivered to each student upon the payment of such fees, which statement shall specifically show that such fee is paid for the use of the classroom and laboratory building and is in addition to all other fees collected by the institution. In addition to the foregoing fees, she shall collect from the institution the monthly rentals for the use of the educational facilities furnished by said classroom and laboratory building to the institution as such services accrue. All sums so collected shall be forthwith deposited in the Western Kentucky State Teachers College Bond Revenue Fund, and said Bursar shall at the next meeting of the Board following the opening of each semester furnish a detailed report of all fees so collected and deposited.

2. Said Bursar shall monthly transfer from the Building Revenue Fund the sums necessary to maintain the Western Kentucky State Teachers College Building Revenue Bond and interest redemption fund and the operation and maintenance fund as provided by said authorizing resolution.

3. That the said Bursar is hereby authorized and directed to draw the necessary drafts upon said funds for the purpose of carrying out the intention of this resolution and said bond resolution and for the further purpose of payment of interest on and the principal of such bonds as and when they mature, which drafts shall be approved by the Secretary of the Board of Regents and countersigned by the President of the Western Kentucky State Teachers College.

Mr. Bartlett stated that in his opinion the depositories named should be required to qualify by furnishing bond as collateral to secure the funds deposited, and offered a resolution to that effect. The matter was discussed by the Board and Mr. Bartlett decided to withdraw his motion in order to give the authorities time to look up the law relative to depositories for such funds and bring the matter to the attention of the Board for action at the next meeting.

Mr. Hines introduced a resolution which by his request was read to the Board by Mr. Cuthbertson. Mr. Hines moved the acceptance of the resolution which motion was seconded by Regent Bartlett and upon roll call showed Messrs. Peters, Hines, Franklin and Bartlett all voting aye--nays, none; the motion was declared to be unanimously passed and ordered to be spread upon the minutes of the meeting. Following is the resolution as presented and accepted:

A RESOLUTION AUTHORIZING AND DIRECTING DR. H. H. CHERRY, PRESIDENT OF THE WESTERN KENTUCKY STATE TEACHERS COLLEGE TO SIGN, EXECUTE AND PRESENT TO THE PUBLIC WORKS ADMINISTRATION REQUISITIONS OFFERING THE WESTERN KENTUCKY STATE TEACHERS COLLEGE SPECIAL OBLIGATION BONDS TO THE PUBLIC WORKS ADMINISTRATION, AND REQUISITION ON ACCOUNT OF THE GRANT MADE TO THE COLLEGE BY THE UNITED STATES GOVERNMENT THROUGH THE PUBLIC WORKS ADMINISTRATION.

WHEREAS, the United States Government by a certain offer dated December 30, 1935, has made a grant to the Board of Regents of the Western Kentucky State Teachers College in the sum of \$252,819, and has offered to purchase special obligation bonds of the Board in the sum of \$309,000, and that in order to carry out a transaction in connection with the said offer and bond purchase it is necessary that requisition or requisitions be filed with the Public Works Administration,

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

That Dr. H. H. Cherry, President of the Western Kentucky State Teachers College is hereby authorized and directed to sign, execute and file the necessary requisition or requisitions with the Public Works Administration in connection with sale of bonds to the United States Government and to prepare or cause to be prepared the certificate of purposes and other supporting data to such requisition or requisitions, and is further authorized and directed to sign, execute and present to the Public Works Administration requisition for funds on account of the grant made to the Board of Regents of the Western Kentucky State Teachers College by the United States Government, together with a certificate of purpose to accompany said requisition or requisitions and to prepare or cause to be prepared all other supporting documents and information with the filing of such requisition or requisitions.

Regent Bartlett at this time stated that he desired to express on behalf of himself as well as the other members of the Board of Regents and President Cherry their pleasure and appreciation for the attendance and helpfulness that had been extended by Mr. George Meuth, representative from the PWA office at Louisville. Likewise, they desired to express appreciation of the cooperation and special work that Mr. Cuthbertson had performed.

President Cherry also added his emphatic appreciation to that expressed by Mr. Bartlett and in addition referred to the new Chairman of the Board of Regents, Mr. Peters, speaking of his splendid ability and the many difficulties that had already confronted him in his office. Every member of the Board desired to be included in these expressions of interest and sympathy with Mr. Peters, pledging the interest of Western in his efforts for the cause of education in the state.

Mr. Peters replied in a short statement thanking President Cherry and the members of the Board and declaring his intention to use every energy in his power to do whatever possible for the good of the state, etc.

Then upon motion from Senator Bartlett with a second from Senator Franklin, the Board adjourned.

Matthew D. Lewis
Secretary

Wm. F. Peters
Chairman