

Irregularities

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, December 15, 1953.

The Board of Trustees of the University of Kentucky, pursuant to adjournment of December 8, met in the President's Office at 10:25 a. m., Tuesday, December 15, with the following members present: Governor Lawrence W. Wetherby, Mrs. Paul G. Blazer, Dr. Ralph J. Angelucci, Carl Dempewolfe, J. C. Everett, Guy A. Huguelet, Harper Gatton, R. P. Hobson and Smith D. Broadbent. Absent: Thomas A. Ballantine, Herndon J. Evans, M. W. Moore, Ben S. Adams, Wendell P. Butler and Paul M. Basham. President H. L. Donovan and Secretary Frank D. Peterson met with the Board.

A. Minutes Approved.

On motion duly made, seconded and carried, the minutes of the Board of Trustees of September 22, 1953; and the minutes of the Executive Committee of October 16 and November 20, 1953, were approved as published.

B. Comptroller's Report.

The Comptroller submitted the following financial report, with summary statement, balance sheet and statement of operations for the period beginning July 1 and ending November 30, 1953.



December 10, 1953

Dr. H. L. Donovan, President
University of Kentucky
Lexington, Kentucky

My dear Doctor Donovan:

I submit herewith a balance sheet of University funds as of November 30, 1953, together with statements covering University fund transactions for the period of five months beginning July 1, 1953 and ending November 30, 1953.

Division of Colleges:

The total budgeted income by the Board of Trustees for the Division of Colleges is \$4,421,877.22, of which \$2,298,109.17 has been realized during the period of this report. There was appropriated by the Board of Trustees for Operations of the Various Colleges, Administration, Operation and Maintenance of Physical Plant, and Auxiliary Enterprises \$4,941,517.98. The deficit of \$519,640.76 is being financed from the June 30, 1953 surplus. Charges against the appropriations for the period were \$1,934,960.60.

Experiment Station:

The total budgeted income for the Experiment Station is \$1,164,597.02, of which we have received \$754,870.10 during the period. The total departmental appropriations amounted to \$1,286,607.52. The deficit of \$122,010.50 is being financed from the June 30, 1953 surplus. Of the total departmental appropriations, \$496,167.10 has been actually spent or encumbered during this period.

Agricultural Extension Division:

The total budgeted income for the Agricultural Extension Division is \$1,745,313.80, of which \$990,811.71 has been received. The total departmental appropriations amounted to \$1,781,550.82. The deficit of \$36,237.02 is being financed from the June 30, 1953 surplus. The expenditures and encumbrances for the period totaled \$700,654.39, which is 39.33% of departmental appropriations.

Plant Funds:

Plant fund expenditures and encumbrances for the period amounted to \$108,679.67, which is 12.53% of the appropriations totaling \$899,499.25.

The operation of the University is provided from the Current Funds group, which consists of General Funds and Restricted Funds. The following statements show how the 1952-53 Current Fund dollar was provided and how it was spent.

How It Was Provided

(By Source)

State Appropriations	45.8%
Federal Grants	17.3%
Student Fees and Federal Tuition	8.7%
Sales and Services	13.0%
Resident Halls	4.0%
Other Self Supporting Services	10.0%
Gifts, Research and Endowment Income	<u>1.2%</u>
Total	<u>100.0%</u>

How It Was Spent

(By Function)

Administration and General	4.8%
Instruction and Research	32.7%
Library	2.6%
University Extension	3.4%
Agricultural Services	33.0%
Operation and Maintenance of Physical Plant	7.5%
Residence Halls	3.5%
Other Self Supporting Services	11.5%
Scholarships	<u>1.0%</u>
Total	<u>100.0%</u>

Seventy-two and one-half per cent (72.5%) of the Current Fund dollar was spent for salaries and wages, 24.5% for other current expenses, and 3% for capital outlay.

Respectfully submitted,

Frank D. Peterson
Comptroller

University of Kentucky
BALANCE SHEET
As of November 30, 1953

ASSETS

	<u>Division of Colleges</u>	<u>Agricultural Experiment Station</u>	<u>Agricultural Extension Division</u>	<u>Total</u>
Current Funds:				
General:				
Cash in Bank	\$ 28,202.59	\$ 79,273.68	\$ 79,400.15	\$ 186,876.42
Petty Cash Adv.	3,057.43			3,057.43
State Allotments:				
Current Year	573,327.68	94,563.80	235,321.42	903,212.90
Prior Year	882.82	21,219.92	11,727.41	33,830.15
Revolving Funds	729,603.25	333,170.69		1,062,773.94
Receivables	26,942.57			26,942.57
Inventories	531,172.86	52,739.00		583,911.86
Deferred Chgs.	111,768.20			111,768.20
Unreal. Income	2,123,768.05	409,726.92	754,502.15	3,287,997.12
Total General	\$ 4,128,725.45	\$ 990,694.01	\$ 1,080,951.13	\$ 6,200,370.59
Restricted:				
Cash in Bank	\$ 1,528,330.79	\$ 118,113.32	\$ 122,707.51	\$ 1,769,151.62
Petty Cash Adv.	4,300.00	600.00	3,000.00	7,900.00
Due from Gen.	30,000.00			30,000.00
Investments	800,286.08	15,000.00	14,948.00	830,234.08
Total Restricted	\$ 2,362,916.87	\$ 133,713.32	\$ 140,655.51	\$ 2,637,285.70
Total Current	\$ 6,491,642.32	\$ 1,124,407.33	\$ 1,221,606.64	\$ 8,837,656.29
Plant Funds:				
Unexpended:				
Cash in Bank				
Revolv. Funds	\$ 1,006,547.99	\$ 102,072.23	\$	\$ 1,108,620.22
Unreal. Income	27,629.00			27,629.00
Total Unexpended	\$ 1,034,176.99	\$ 102,072.23	\$	\$ 1,136,249.22
Investment in Plant:				
Construction Authorized	\$ 710,000.00	\$	\$	\$ 710,000.00
Fixed Assets	29,372,375.52	3,048,041.31		32,420,416.83
Total-Invested	\$30,082,375.52	\$3,048,041.31	\$	\$33,130,416.83
Total-Plant	\$31,116,552.51	\$3,150,113.54	\$	\$34,266,666.05
	<u>Loan</u>	<u>Endowment</u>	<u>Agency</u>	
Other Funds:				
Cash in Bank	\$ 8,725.76	\$ 3,964.40	\$ 101,626.57	\$ 114,316.73
Notes Receivable	10,562.61			10,562.61
Investments	75,500.00	200,700.48	15,000.00	291,200.48
Total Other Funds	\$ 94,788.37	\$ 204,664.88	\$ 116,626.57	\$ 416,079.82
Total Assets				\$43,520,402.16

University of Kentucky
BALANCE SHEET
As of November 30, 1953

	<u>LIABILITIES</u>			
<u>Division of Colleges</u>	<u>Agricultural Experiment Station</u>	<u>Agricultural Extension Division</u>	<u>Total</u>	
<u>Current Funds:</u>				
<u>General:</u>				
Petty Cash Liability	\$ 30,000.00	\$	\$	\$ 30,000.00
<u>Res. for encumbrances:</u>				
Current Year	249,448.48	52,258.51	54.70	301,761.69
Prior Year	50,320.32	21,760.57		72,080.89
Res. for inventories	531,172.86	52,739.00		583,911.86
Other Liabilities	111,768.20			111,768.20
Unapprop. Surplus	149,458.21	73,495.51		222,953.72
Approp. Bals.	3,006,557.38	790,440.42	1,080,896.43	4,877,894.23
Total General	\$ 4,128,725.45	\$ 990,694.01	\$1,080,951.13	\$ 6,200,370.59
<u>Restricted:</u>				
Outstand. Cks.	\$ 6,452.74	\$	\$	\$ 6,452.74
Restr. Bals.	2,356,464.13	133,713.32	140,655.51	2,630,832.96
Total Restr.	\$ 2,362,916.87	\$ 133,713.32	\$ 140,655.51	\$ 2,637,285.70
Total Current	\$ 6,491,642.32	\$1,124,407.33	\$1,221,606.64	\$ 8,837,656.29
<u>Plant Funds:</u>				
<u>Unexpended:</u>				
<u>Res. for encumbrances:</u>				
Current Year	\$ 10,418.44	\$ 5,785.00	\$	\$ 16,203.44
Prior Year	329,226.20			329,226.20
Approp. Bals.	694,532.35	96,287.23		790,819.58
Total Unexpended	\$ 1,034,176.99	\$ 102,072.23	\$	\$ 1,136,249.22
<u>Investment in Plant:</u>				
Bonds Payable	\$ 3,235,500.00	\$	\$	\$ 3,235,500.00
Net Invested	26,846,875.52	3,048,041.31		29,894,916.83
Total Invest.	\$30,082,375.52	\$3,048,041.31	\$	\$ 33,130,416.83
Total Plant	\$31,116,552.51	\$3,150,113.54	\$	\$ 34,266,666.05
	<u>Loan</u>	<u>Endowment</u>	<u>Agency</u>	
<u>Other Funds:</u>				
Bal. as to Principal	\$ 66,616.01	\$ 201,616.64	\$	\$ 268,232.65
Bal. as to Income	28,172.36	3,048.24	116,626.57	147,847.17
Total Other Funds	\$ 94,788.37	\$ 204,664.88	\$ 116,626.57	\$ 416,079.82
Total Liabilities				\$ 43,520,402.16

University of Kentucky
STATEMENT OF UNREALIZED INCOME
For the Current Fiscal Period which began
July 1, 1953 and ended November 30, 1953

	<u>General Fund</u>		
	<u>Budget Estimate</u>	<u>Realized to Date</u>	<u>Unrealized Balance</u>
<u>Division of Colleges:</u>			
<u>Educational and General:</u>			
State appropriations	\$3,141,783.50	\$2,010,783.41	\$1,131,000.09
Federal grants (through the state)	124,879.10	93,249.01	31,630.09
Student Fees	687,800.00	158,741.73	529,058.27
Endowment Income	9,644.50	9,200.00	444.50
Sales and Services and Rentals	18,700.00	9,745.74	8,954.26
	<u>\$3,982,807.10</u>	<u>\$2,281,719.89</u> 57.29%	<u>\$1,701,087.21</u>
 <u>Auxiliary Enterprises:</u>			
Residence Halls	\$ 359,132.00	\$ 31,265.32	\$ 327,866.68
Miscellaneous	198,835.12	104,020.96	94,814.16
	<u>\$ 557,967.12</u>	<u>\$ 135,286.28</u> 24.25%	<u>\$ 422,680.84</u>
Subtotal	<u>\$ 557,967.12</u>	<u>\$ 135,286.28</u> 24.25%	<u>\$ 422,680.84</u>
Total-Colleges	<u>\$4,540,774.22</u>	<u>\$2,417,006.17</u> 53.22%	<u>\$2,123,768.05</u>
Less - Income allocated to plant	<u>118,897.00</u>	<u>118,897.00</u>	<u> </u>
Net- Colleges	<u>\$4,421,877.22</u>	<u>\$2,298,109.17</u> 51.97%	<u>\$2,123,768.05</u>
 <u>Agricultural Experiment Station:</u>			
State Appropriations	\$ 435,600.00	\$ 347,000.00	\$ 88,600.00
Federal Grants (direct)	328,137.02	177,014.51	151,122.51
Sales and Services	400,860.00	230,855.59	170,004.41
	<u>\$1,164,597.02</u>	<u>\$ 754,870.10</u> 64.82%	<u>\$ 409,726.92</u>
 <u>Agricultural Extension Division:</u>			
State Appropriations	\$ 618,200.00	\$ 415,000.00	\$ 203,200.00
Federal Grants (direct)	1,127,113.86	575,811.71	551,302.15
	<u>\$1,745,313.86</u>	<u>\$ 990,811.71</u> 56.77%	<u>\$ 754,502.15</u>
Total-Agricultural Extension	<u>\$1,745,313.86</u>	<u>\$ 990,811.71</u> 56.77%	<u>\$ 754,502.15</u>
Total-General	<u>\$7,331,788.10</u>	<u>\$4,043,790.98</u> 55.15%	<u>\$3,287,997.12</u>
 <u>Plant Income:</u>			
General Income Allocated	\$ 188,897.00	\$ 188,897.00	\$
Stores Overhead	27,629.00		27,629.00
Total-Plant	<u>\$ 216,526.00</u>	<u>\$ 188,897.00</u> 87.24%	<u>\$ 27,629.00</u>
Combined Total	<u>\$7,548,314.10</u>	<u>\$4,232,687.98</u> 56.07%	<u>\$3,315,626.12</u>

University of Kentucky
 STATEMENT OF DEPARTMENTAL APPROPRIATIONS
 For the Current Fiscal Period which began
 July 1, 1953 and ended November 30, 1953

	<u>General Fund</u>			
	<u>Dept.</u> <u>Approp.</u>	<u>Expendi-</u> <u>tures</u>	<u>Encum-</u> <u>brances</u>	<u>Approp.</u> <u>Balances</u>
<u>Division of Colleges:</u>				
<u>Adm. & General Expense:</u>				
General Adm. Offices	\$ 206,972.09	\$ 82,950.47	\$ 2,662.01	\$ 121,359.61
Student Welfare	72,885.47	28,576.85	539.78	43,768.84
General Expense	165,245.04	69,179.06	16,882.26	79,183.72
Subtotal	<u>\$ 445,102.60</u>	<u>\$ 180,706.38</u>	<u>\$ 20,084.05</u>	<u>\$ 244,312.17</u>
		45.11%		
<u>Instruction and Research:</u>				
<u>College of --</u>				
Arts and Sciences	\$1,434,736.60	\$ 549,366.19	\$ 37,199.58	\$ 848,170.83
Engineering	359,312.40	131,378.18	7,129.59	220,804.63
Commerce	185,707.48	74,754.68	362.15	110,590.65
Agr. and Home Ec.	255,898.38	86,716.52	2,162.56	167,019.30
Law	75,756.34	26,544.82	1,187.20	48,024.32
Education	330,178.82	120,566.67	6,221.43	203,390.72
Pharmacy	81,428.00	26,114.51	3,160.96	52,152.53
Graduate School	11,385.36	4,392.28	441.95	6,551.13
University Research	20,000.00	3,978.78	3,310.00	12,711.22
Library	252,511.85	114,153.81	2,817.76	135,540.28
Univ. Extension	127,110.52	47,895.17	1,354.32	77,861.03
Other Activities	26,640.00	10,941.82	1,433.15	14,265.03
Subtotal	<u>\$3,160,665.75</u>	<u>\$1,196,803.43</u>	<u>\$ 66,780.65</u>	<u>\$1,897,081.67</u>
		39.98%		
<u>Operation and Maintenance of Physical Plant, etc.</u>				
General Appropriation	\$ 755,220.00	\$ 197,665.22	\$ 95,410.36	\$ 462,144.42
Special Appropriations	70,000.00	26,645.68	13,247.16	30,107.16
Work in Progress	25,000.00	14,525.99		10,474.01
General Stores, etc.	55,000.00	46,896.62*		101,896.62
Subtotal	<u>\$ 905,220.00</u>	<u>\$ 191,940.27</u>	<u>\$108,657.52</u>	<u>\$ 604,622.21</u>
		33.21%		
<u>Auxiliary Enterprises:</u>				
Residence Halls	\$ 305,041.63	\$ 105,646.26	\$ 51,410.26	\$ 147,985.11
Miscellaneous	125,488.00	10,415.78	2,516.00	112,556.22
Subtotal	<u>\$ 430,529.63</u>	<u>\$ 116,062.04</u>	<u>\$ 53,926.26</u>	<u>\$ 260,541.33</u>
		39.48%		
Total-Colleges	<u>\$4,941,517.98</u>	<u>\$1,685,512.12</u>	<u>\$249,448.48</u>	<u>\$3,006,557.38</u>
		39.16%		

* Negative figure.

University of Kentucky
STATEMENT OF DEPARTMENTAL APPROPRIATIONS
For the Current Fiscal Period which began
July 1, 1953 and ended November 30, 1953

	<u>General Fund</u>			
	<u>Depart.</u> <u>Approp.</u>	<u>Expendi-</u> <u>tures</u>	<u>Encum-</u> <u>brances</u>	<u>Approp.</u> <u>Balances</u>
<u>Agr. Experiment Station:</u>				
Administration	\$ 166,178.85	\$ 34,376.06	\$ 2,429.75	\$129,373.04
Agronomy	148,954.00	59,117.94	821.85	89,014.21
Animal Husbandry	72,176.00	35,668.81	1,354.09	35,153.10
Animal Pathology	51,494.00	17,728.36		33,765.64
Creamery License	9,291.00	3,664.11		5,626.89
Dairy	67,749.00	25,880.41	8,873.50	32,995.09
Dairy Cattle Improve.				
Entomology and Botany	94,830.00	35,904.47	359.91	58,565.62
Agr. Economics	136,663.00	52,298.47		84,364.53
Feed and Fertilizer	160,000.00	45,000.78	24,660.44	90,338.78
Home Economics	18,100.00	6,508.53	33.40	11,558.07
Horticulture	44,180.00	17,354.97	165.99	26,659.04
Poultry	35,136.00	11,699.73	1,623.64	21,812.63
Publications & Lib.	28,650.02	6,724.71	244.95	21,680.36
Public Service Labs.	32,300.00	12,192.71	344.59	19,762.70
Regional Research	6,900.00	2,502.28		4,397.72
Robinson Substation	22,400.00	9,210.81	842.40	12,346.79
Rural Sociology	32,242.00	11,622.99		20,619.01
Seed Stocks	7,000.00	2,892.75		4,107.25
Black Shank	49,615.65	9,550.77	1,093.40	38,971.48
Farm Maintenance	39,008.00	16,902.71	4,297.10	17,808.19
Social Security		3,393.52		3,393.52*
W. Ky. Substa.	54,400.00	18,102.95	5,113.50	31,183.55
Library	9,340.00	5,609.75		3,730.25
	<hr/>	<hr/>	<hr/>	<hr/>
Total-Agricultural Ex- periment Station	\$1,286,607.52	\$443,908.59	\$52,258.51	\$790,440.42
		38.56%		

*Negative Number.

University of Kentucky
 STATEMENT OF DEPARTMENTAL APPROPRIATIONS
 For the Current Fiscal Period which began
 July 1, 1953 and ended November 30, 1953

	<u>General Fund</u>			
	<u>Depart.</u> <u>Approp.</u>	<u>Expendi-</u> <u>tures</u>	<u>Encum-</u> <u>brances</u>	<u>Approp.</u> <u>Balances</u>
<u>Agr. Extension Division:</u>				
Administration	\$ 41,692.00	\$ 15,225.79	\$	\$ 26,466.21
Agr. Engineering	29,460.00	10,970.20		18,489.80
Agronomy	33,651.69	14,523.78		19,127.91
Animal Husbandry	24,198.00	10,392.88		13,805.12
Clothing	12,600.00	5,059.67		7,540.33
County Agents	815,928.47	326,937.04		488,991.43
Dairy	27,349.00	10,216.87		17,132.13
Farm and Home Conven.	1,500.00			1,500.00
Farm Management				
Forestry	10,936.00	3,269.14		7,666.86
Foods	11,712.00	4,567.41		7,144.59
Home Dem. Agents	500,358.17	200,914.37		299,443.80
Home Management	30,484.00	10,596.14		19,887.86
Horticulture	18,869.00	7,966.73		10,902.27
Junior Clubs	79,441.00	31,985.45		47,455.55
Markets	30,153.00	14,501.73		15,651.27
Poultry	17,010.00	7,185.82		9,824.18
Publications				
Public Information	50,991.08	15,967.27		35,023.81
Rural Sociology	5,685.00	2,505.68		3,179.32
Black Shank	32,727.41	7,028.17	54.70	25,644.54
Social Security		785.55		785.55*
Miscellaneous	6,805.00			6,805.00
	<u>\$1,781,550.82</u>	<u>\$ 700,599.69</u>	<u>\$ 54.70</u>	<u>\$1,080,896.43</u>
Total -Agricultural Extension Div.		39.33%		
Combined Total	<u>\$8,009,676.32</u>	<u>\$2,830,020.40</u>	<u>\$301,761.69</u>	<u>\$4,877,894.23</u>
		39.10%		

*Negative figure.

University of Kentucky
 STATEMENT OF PLANT APPROPRIATIONS
 For the Current Fiscal Period which began
 July 1, 1953 and ended November 30, 1953

	<u>Plant Funds</u>			
	<u>Dept. Approp.</u>	<u>Expendi- tures</u>	<u>Encum- brances</u>	<u>Free Balance</u>
<u>Division of Colleges</u>				
P. W. A. First Bond Issue	\$ 36,401.52	\$	\$	\$ 36,401.52
P. W. A. Second Bond Issue	16,192.96	8,095.09		8,097.87
Dor. Rev. Bond Issue	24,125.00			24,125.00
Audit-Fieldhouse Issue	100,290.43	49,782.21		50,508.22
Lib. & Serv. Bldg. Issue	45,311.77	6,286.25		39,025.52
Stadium Rev. Bond Issue	22,381.32	3,637.50		18,743.82
Dorm. Issue, 456 Rose St.	4,486.77	3,496.87		989.90
Journalism Bond Issue	16,196.25			16,196.25
Dorm. Issue, 476 Rose St.	4,131.28	3,060.00		1,071.28
Dor. Issue, A, B, C, D, E, F	2,068.61	12,011.25		9,942.64*
Lib. & Serv. Bldg. Reserve	45,552.36			45,552.36
TOTAL BOND ISSUES	\$317,138.27	\$ 86,369.17	\$	\$230,769.10
			27.23%	
Dicker House Annuity	\$ 230.68	\$	\$	\$ 230.68
Coliseum Constr.	30,250.17			30,250.17
Norwood Hall-Fire Loss	15,911.25			15,911.25
New Men's Dorm. Constr.	3,000.00	25.50		2,974.50
Service Bldg. Constr.	3,697.19			3,697.19
Fine Arts Bldg. Constr.	2,156.47			2,156.47
Journalism Bldg. Constr.	7,938.69			7,938.69
New Science Bldg. Constr.	3,300.00			3,300.00
Sprinkler System	4,443.32			4,443.32
Six Small Dorms Constr.	34,513.85	6,081.56	10,418.44	18,013.85
Six Small Dorms Retainer	33,946.00			33,946.00
New Women's Dorm #5	340,901.13			340,901.13
TOTAL CONSTRUCTION	\$480,288.75	\$ 6,107.06	\$ 10,418.44	\$463,763.25
			03.44%	
TOTAL PLANT	\$797,427.02	\$ 92,476.23	\$ 10,418.44	\$694,532.35
			12.90%	

*Negative figure.

University of Kentucky
 STATEMENT OF PLANT APPROPRIATIONS
 For the Current Fiscal Period which began
 July 1, 1953 and ended November 30, 1953

Plant Funds

	<u>Dept. Approp.</u>	<u>Expendi- tures</u>	<u>Encum- brances</u>	<u>Free Balance</u>
<u>Agr. Experiment Station:</u>				
Repairs & New Equip.	\$102,072.23	\$	\$ 5,785.00	\$ 96,287.23
Subtotal	<u>\$102,072.23</u>	<u>\$</u>	<u>\$ 5,785.00</u>	<u>\$ 96,287.23</u>
		05.68%		
Combined Total	<u>\$899,499.25</u>	<u>\$ 92,476.23</u>	<u>\$16,203.44</u>	<u>\$790,819.58</u>
		12.53%		

University of Kentucky
 STATEMENT OF OTHER FUND TRANSACTIONS
 For the Current Fiscal Period which began
 July 1, 1953 and ended November 30, 1953

	<u>Balance</u> <u>July 1, 1953</u>	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>Balance</u> <u>Nov. 30, 1953</u>
Restricted Funds:				
<u>Div. of Colleges</u>	\$1,965,237.31	\$1,085,296.29	\$ 794,069.47	\$2,256,464.13
Agr. Exp. Station	109,578.44	79,894.21	55,759.33	133,713.32
Agr. Ext. Division	119,560.28	67,064.46	45,969.23	140,655.51
Subtotal	<u>\$2,194,376.03</u>	<u>\$1,232,254.96</u>	<u>\$ 895,798.03</u>	<u>\$2,530,832.96</u>
Loan Fund:				
<u>Principal</u>	\$ 66,573.61	\$ 42.40	\$	\$ 66,616.01
Income	27,495.78	695.02	18.44	28,172.36
Subtotal	<u>\$ 94,069.39</u>	<u>\$ 737.42</u>	<u>\$ 18.44</u>	<u>\$ 94,788.37</u>
Endowment Funds:				
<u>Principal</u>	\$ 201,616.64	\$	\$	\$ 201,616.64
Income	2,937.19	111.05		3,048.24
Subtotal	<u>\$ 204,553.83</u>	<u>\$ 111.05</u>	<u>\$</u>	<u>\$ 204,664.88</u>
Agency Funds:				
<u>Balances</u>	\$ 67,809.24	\$ 242,097.87	\$ 193,280.54	\$ 116,626.57
Combined Totals	<u>\$2,560,808.49</u>	<u>\$1,475,201.30</u>	<u>\$1,089,097.01</u>	<u>\$2,946,912.78</u>

University of Kentucky
STATEMENT OF COMBINED RECEIPTS AND EXPENDITURES
For the Current Fiscal Period which began
July 1, 1953 and ended November 30, 1953

Receipts and Transfers:

General Income	\$4,043,790.98
Plant Income	188,897.00
Restricted Receipts	1,232,254.96
Loan Fund Receipts	737.42
Endowment Fund Receipts	111.05
Agency Fund Receipts	<u>242,097.87</u>
Total Receipts	<u><u>\$5,707,889.28</u></u>

Expenditures and Transfers (Including Encumbrances):

General Fund Expenditures	\$3,131,782.09
Plant Fund Expenditures	108,679.67
Restricted Fund Expenditures	895,798.03
Loan Fund Expenditures	18.44
Endowment Fund Expenditures	
Agency Fund Expenditures	<u>193,280.54</u>
Total Expenditures	<u><u>\$4,329,558.77</u></u>

Upon motion duly made, seconded and carried, the Comptroller's report was authorized received and made a part of the minutes.

C. Budget Changes.

President Donovan submitted a list of changes in the University budget. The total decreases amounted to \$6,612.62 and the total increases amounted to \$58.83, making a net budget decrease of \$6,553.79. He recommended that the increases and decreases as evidenced by the list submitted be authorized.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President, and the Comptroller was authorized to make the necessary budget adjustments.

D. Report on Alumni Election.

The Secretary of the Board of Trustees reported that, pursuant to rules and regulations of the Board of Trustees, the nominating committee of the Alumni Association nominated the following for alumnus member of the Board of Trustees:

Fleming Bowlds, B. S. Ped., 1908
 Howell J. Davis, A. B., 1929
 Gerald Griffin, A. B., 1922
 William H. Townsend, LL. B., 1912
 J. Stephen Watkins, B. S. C. E., 1930 - C. E., 1938
 Mrs. Cecil T. (May Berry) Williams, B. S., 1929.

The Secretary of the Board of Trustees caused the biographical data and official ballot to be mailed to each graduate of the University of Kentucky. Sealed ballots were received in the office of the Secretary of the Board and, on December 14, they were opened and tabulated in public. The following alumni members of the University received the highest number of votes, in the order in which named:

William H. Townsend
 J. Stephen Watkins
 Gerald Griffin.

The members of the Board received the report of the Secretary and, upon motion duly made, seconded and carried, authorized the names of the three alumni members certified to the Governor of the Commonwealth, from which list he may select and appoint one to take the place of Herndon J. Evans, whose term expires December 31, 1953. The new appointee will serve for a term of four years, ending December 31, 1957.

E. Foreign Operations Administration.

President Donovan made a brief report on the new plan which the Foreign Operations Administration seeks to adopt to provide most of its technical services overseas. The Government wishes to shift much of the detailed administration of foreign technical assistance out of Washington into various universities, and toward this end has decided to enter into three-year contracts with appropriate universities for technical aid abroad.

The plan calls for the university to take the initiative in proposing contracts for technical aid abroad. If the University desires and can provide advisory, teaching and research services in several fields to a given foreign country, it may so indicate to the Foreign Operations Administration, through which service a contract may be negotiated. Services may be provided in several broad fields such as agriculture, home economics, engineering, public health, public education, public finance, marketing, public administration, social welfare, et cetera. A given university may work up projects within these broad fields, to be considered by the Foreign Operations Administration.

It is not expected that the advisory, teaching and research services which may be rendered, by a university in the United States, will cost the university anything at all from its own budget. The negotiated contracts should allow for ample administrative costs, travel, insurance, salary, necessary equipment, et cetera, and funds based upon a negotiated three-year contract may be deposited with the university upon official approval of the three-year contract. Several universities in the United States now have contracts for services in some of the foreign countries.

President Donovan stated that the University might offer its services in some of the broad fields included. Various members of our staff have had experience in some countries in the Middle East, such as Turkey, Egypt and Greece, and are qualified to assist in services abroad.

President Donovan recommended that, if the members of the Board of Trustees thought the University of Kentucky might offer its services to the Foreign Operations Administration, authority be given the administrative officials to contact the Foreign Operations Administration and explore, propose, accept and execute contracts for technical aid abroad.

Members of the Board discussed the broad aspects of the United States Government program in countries outside the United States, and upon motion duly made, seconded and carried, the University administration was authorized to explore, propose, accept and execute contracts for technical aid abroad which the University might render through its staff.

F. Girls' Dormitory.

President Donovan reported that the Board of Trustees had had before it the question of constructing a girls' dormitory. He related that a loan agreement for \$722,000.00 had been consummated with the Housing and Home Finance Agency of the Federal Government.

The President stated that a gift from the Keeneland Foundation not to exceed \$200,000.00 would be used towards supplementing funds available for the construction of the girls' dormitory, and the University would make available from operating funds of the women's residence hall additional funds required to construct and equip the new proposed women's residence hall designed by Frankel and Curtis, architects.

Members of the Board received the information enthusiastically, and upon motion duly made, seconded and carried, authorized the President to cause plans and specifications to be submitted to the Housing and Home Finance Agency of the Government for final approval and authorization for advertisement; to request of the State Property and Building Commission approval; and request for bids for construction, and to expedite awarding of the contract in so far as possible.

G. Economic Status of University Personnel.

President Donovan stated that he had received from a committee of the American Association of University Professors of the University of Kentucky a very fine documented report on the economic status of the University professor. He read at length from a statement he had prepared, and from the report, and requested that they be received and made a part of the minutes.

THE ECONOMIC STATUS OF THE UNIVERSITY PROFESSOR

Both law and custom require the president of the University to make an annual report to the Trustees and the general public on the state of the University. At this time I have elected to report to you on the economic status of the professor at the University of Kentucky. While the University always has problems in need of solution, I regard the low economic status of our professors as the most vital of all the issues facing the University today.

In spite of a number of small increases in salaries the Board has made to our professors and staff during the last decade the professor today finds himself poorer in terms of purchasing power than he was at the beginning of the Second World War. He is compelled to eat cheaper food, wear his old clothes longer, take longer to pay for his home, if he is fortunate enough to have one, or do what a number of professors at the University have decided to do--live under sub-standard conditions in Shawneetown or elsewhere. His financial worries often affect his morale; they tend to make him less effective as a teacher and research worker. Very frequently he becomes unhappy, sometimes bitter. Many men seek jobs that pay more in industry or government or at another university. A study of our turnover in personnel at the University is alarming; no business could prosper if it changed employees at the rate the University is compelled to do.

The quality of a university does not depend primarily on the excellence of its buildings and equipment but upon the character and quality of its professors. The faculty makes a university; there is no substitute for great

teachers. No man can do his best work if he is constantly under economic pressure and I fear this is the case with many of our teachers.

The problem of turnover in personnel is critical. During a recent year we lost thirty-eight of our very excellent teachers. Within the past month Duke University claimed one of our best men and Michigan State another. One of these men is to receive \$1800 and the other \$2000 per year more than we are paying them. We cannot fill these positions with men of the quality we are losing at the salaries we are now paying. This sort of thing is gradually bleeding the University of its vitality. It cannot go on indefinitely without seriously affecting the quality of our University. It is a serious matter for the state for it is here on this campus that most of its future leaders must be developed.

There is no position that requires a longer period of preparation, probably with the single exception of medicine, than that of the college teacher. The professor must have his Ph. D. degree from a reputable university and this requires from seven to ten years of college work above high school graduation. He is then advanced very slowly through the ranks: instructor, assistant professor, associate professor, to professor. He is usually forty-five to fifty-five years old before he reaches the top. Today after this long period of preparation and slow advancement he looks around to discover he is earning no more than a bricklayer, a plumber, or an electrician on a construction job. How can he in good faith be happy regarding his situation or advise his most capable students to prepare themselves for the teaching profession that requires so much and returns so small a financial reward?

I am aware that there is no immediate solution to this problem. Financial relief for our professors will take time. However, the Trustees and the general public must be aware of the problem and the challenge it presents must be courageously faced and corrected as soon as the state's financial structure will permit. Kentucky cannot afford to have its university deteriorate. This is certain to happen unless the state takes measures to improve the financial status of the professors.

Your deep interest in the welfare of the faculty and staff of the University in the past is proof that you are concerned about the well being of our personnel. I know the Trustees will do all they can to alleviate this condition as speedily as they can.

A very able committee of our faculty has just completed a painstaking investigation of the economic status of our professors. This is an objective report completely documented as to facts. I present it here for your information and careful consideration.

H. L. Donovan, President
University of Kentucky

AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS

University of Kentucky Chapter

The Economic Status of the University of Kentucky Faculty Member
Report of the Committee on Economic Welfare, December 9, 1953

The purpose of this report is to examine the economic status of the

University of Kentucky faculty member in the light of the following questions:

1. What has been the effect of inflation on his purchasing power, on his financial security, on his living standards, and on his morale?
2. How does he stand with respect to other members of his profession? Is he better or worse off than the average university faculty member in comparable colleges and universities? How far away is he from the best-paying midwestern universities?
3. How does he stand with respect to other professions and to the large body of skilled workers in business and industry?
4. Is he better or worse off than men of science in government and industry?
5. Are the people of the state financially able to support the University to the extent of paying salaries equivalent to those of 1940 purchasing power?

The concluding section of this report will set forth certain recommendations.

Section 1

What has been the effect of inflation on the faculty members of the University of Kentucky?

Let us take a look at the purchasing power of their 1952-53 salaries compared with that of their 1940-41 salaries (see Table I, p. 15). The cost-of-living index in 1940 stood at 100.3 compared with a high of 192.5 August, 1952, and with an average of 190.7 for the year 1952. (The consumers price index, as currently computed, stands at 115.4 for mid-October, 1953, which means that the cost of living is 15.4% higher than the average for 1947-49. In terms of the old index numbers, as used above, the price index now stands at 193.0. The index has risen slightly for eight successive months in 1953, and stands at an all-time high.)

The percentage increases in salaries over this twelve year period are, by rank, as follows: professors 59%; associate professors 64%; assistant professors 67%; instructors 97%. Only in rank of instructor has the faculty member's increase in pay rivalled the steady rise in the price level of basic commodities and services, which was approximately 90% higher in 1952 than in 1940. The professor's salary bought 16% less in 1952 than in 1940; the associate professor's bought 14% less; the assistant professor's 12%; while the instructor's pay was worth 3% more in buying power than in 1940 (see Chart I, last page). To bring 1952-53 salaries up to the purchasing power of 1940-41 salaries would require the following percentage increases: professors 19.5%; associate professors 16%; assistant professors 14% (see Table I).

If the tax burden is added to the burden of inflation the faculty member's economic position in every rank is decidedly worse than was his position in 1940. If federal income taxes, state income taxes, the city of Lexington payroll tax and the numerous excise taxes are subtracted from his present income, it is apparent that the purchasing power of his present salary is, roughly, an additional 10-15% lower than it was in 1940.

A faculty member with a wife and two dependent children on a \$5,000 salary in 1952 paid approximately \$461 as federal income tax, \$33 as state income tax, \$50 as city payroll tax, or a total of \$544. In addition, there are many other current taxes which he did not pay in 1940 or which he is paying at higher rates, such as automobile tax, gasoline tax, utilities tax, amusement tax and various taxes on luxuries. The squeeze on those in the higher salary brackets comes primarily from the high current rates of the income tax.

Let us put the 1952 faculty man's economic situation this way. Suppose he is an assistant professor with two children getting the median salary of \$5,000; deduct \$650 (income and payroll taxes of \$544 plus a conservative estimate of \$106 for other taxes) as his approximate tax burden, leaving \$4,350. In terms of 1940-41 purchasing power this is the equivalent of a salary of \$2,288 ($\$4,350 \times 52.6\%$) in 1940-41. Thus as an assistant professor with a salary at the median of his rank in 1952 he now has in terms of buying power (after taxes) slightly more (128 dollars) than the average instructor received in 1940-41. (In 1940 an instructor received just 50% of a full professor's salary; in 1952 he got 62%.) He has slipped back about one full rank as a result of inflation and taxes.

Not only has the faculty member less real income, but the value of the one type of financial security he was likely to try to provide for himself and family (other than a home of his own), namely, his insurance policy, has suffered the same kind of deflation as his dollar. A \$10,000 life insurance policy looked large and generous to the assistant professor in 1940-41, because it took a tidy slice out of his pay check four times a year (or once a year if he could stand to pay it annually), and it promised at least a little security for his family while the children were growing up. If he should die, his wife could do part-time work, or if the children were all in school, she might even find a full-time job. That policy is now worth about \$5,260, in terms of what it would buy in 1940 dollars. Most of it may have been paid for in depreciated currency, but when in 1948 or thereabouts it seemed imperative for him to purchase an additional five- or ten-thousand dollar policy, there were new taxes to pay, a much more expensive house to buy, and other demands that seemed to come first. As a result, most faculty members are likely to have too little life insurance or its equivalent. For anyone planning to stay at the University of Kentucky until retirement, it is imperative that he have a substantial life insurance or investment program to offset his lack of equity in the change-of-work (or "retirement") plan.

The increased cost of living has been especially oppressive in the area of housing; particularly now that rent ceilings have been removed. Were it not for Shawneetown, many faculty families would have been compelled to buy homes or to pay rents at prices they could scarcely afford. But Shawneetown is not ideal housing; no one would say with price "This is where our faculty lives."

The housing committee of the AAUP has examined the figures on housing costs with the help of building contractors. Conservative estimates indicate that the cost of one-family dwellings more than doubled from 1940 to 1953. It now costs approximately \$10,500 to buy a 5-room frame house without a basement. A 6-room, 2-story brick house with basement on a desirable street, say Tahoma Road or Cherokee Park, costs from \$20,000 to \$30,000. It needs no argument to show that a man of middle rank whose annual salary is between \$5,000 and \$5,700 is unable on such an income to buy property in areas once regarded as typical of university faculty ownership.

The faculty member in common with a large class of white-collar workers, has felt the sharp bite of inflation and high taxes. He grumbles and complains about it, of course, but he realizes also that it is not just a local situation. What disturbs him so much, however, is that his economic status is declining when the economy as a whole is flourishing. As will be evident in section 5 below, the economy of the state was in much better condition to support higher education in 1952 than in 1940. The faculty member sometimes wonders whether his services to the students and to the citizens in teaching, extension, research, etc., are less valued or less appreciated, for he knows that his salary by itself cannot be regarded as a fair measure of either his real value or of the citizens' judgment of his value. Nevertheless his uneasiness about himself and the decline of his profession in terms of real income makes him wonder whether this reflects a large-scale shift in the cultural pattern. The shameful condition of the common schools in many areas of the state has aroused the citizens of Kentucky sufficiently to vote in favor of amending the Constitution. This is a good omen. It indicates a willingness on the part of the people to do more for the schools -- even to the point perhaps of taxing themselves more heavily to support them. Greater support for the entire educational structure is what Kentuckians must face in the immediate future.

In the meantime the faculty member struggles to buy books, subscribe to periodicals, pay his dues to learned societies and attend, frequently at his own expense, the meetings of his professional organizations. Without these he cannot maintain his stature professionally nor remain an alert scholar or effective teacher. He sometimes must subsidize the publication of his own books and articles. He is expected to participate in cultural activities, including the delivery of talks, lectures and concerts in various places, and to contribute his services and money to worthy causes. He tries to educate his children properly and to surround them with as much beauty and goodness in the way of books, pictures and music as he can afford. He is expected to be well-dressed and well-informed. Both cost money. He is expected to be a pillar in his community and, perhaps, a model of self-restraint and virtue. This does not cost any money, fortunately, but it does take time, effort and devotion.

Above all, the university professor is expected to be a scholar and to furnish intellectual leadership. As a foundation for this he is now expected to have spent long and laborious years in graduate school and to have earned his Ph. D. degree. He must spend about half his academic life in a kind of prolonged apprenticeship before he can be promoted to the highest rank. There is no way of measuring his worth and achievement in exclusively monetary terms. But when he finds his economic position slipping in relatively

good times, he finds it more difficult to concentrate on his work, to do a thoroughly conscientious job, to encourage his best graduate students to enter the profession, and to avoid those anxieties which are the enemies of clearheadedness and highmindedness.

Section 2

Is the University of Kentucky faculty member better or worse off than his colleagues in other institutions? The answer depends, of course, upon which institutions are selected for comparison. In a recent study of 17 state-supported colleges and universities in the South, which included the Universities of Alabama, Arkansas, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia, as well as Florida State and Louisiana State Universities, Kentucky's mean 12-month salaries (1952-53) ranked 12th among 17 for professors, 12th among 17 for associate professors; 10th among 17 for assistant professors, and 6th among 17 for instructors. The range of these salaries, by rank, is listed in Table II.

If the University of Kentucky is compared with land-grant universities of medium size (enrolling between 5,000 and 10,000 students) her medians are somewhat below the average in the upper two ranks (\$236 or 3.5 per cent for professors and \$71 or 1.2 per cent for associate professors), and slightly higher in the lower two ranks, (\$79 for assistant professors and \$133 for instructors) (These 1951-52 data are taken from Circular #358, Federal Security Agency, Office of Education, "Faculty Salaries in Land Grant Colleges and State Universities." University of Kentucky data are also those of 1951-52.)

If one is interested in seeing how much inferior University of Kentucky salaries are to those in one of the best state institutions, consult Table III, where the medians of a very large anonymous midwestern state university are presented. This is not to suggest that Kentucky can match these salaries at the present time or in the foreseeable future; the comparison is made simply to indicate what top-ranking salaries in the profession now are.

Section 3

How have the faculties of colleges and universities fared since 1940 in comparison with other professions and with the American industrial worker? Dr. Clarence D. Long, economist of Johns Hopkins University, states the situation as follows: "Pay of academics has also lagged behind earnings of comparable professions and of manual labor. The nonsalaried physician could buy 60 per cent more with his annual earnings in 1951 than in 1940; the nonsalaried lawyer 5 per cent more; the factory worker 30 per cent more with his weekly earnings in 1952 than in 1940, 50 per cent more than in 1929, and 160

per cent more than in 1908. (See Chart I, last page.) The college professor, particularly the humanist or the theoretical scientist (rarely besieged with chances to supplement his salary) is not sharing in the American prosperity and, except for fleeting periods, has not done so during the life of a teacher well into his middle years. "College teaching", a hard-pressed colleague of mine recently remarked, "has nothing to lose but its brains."¹

It is interesting to learn from the Bureau of Labor Statistics that hourly earnings for factory workers in the United States averaged \$1.78 in October, 1953. This is \$71.20 for a 40-hour week and approximately \$3,700 per year.

Let us make some comparisons between the incomes of skilled workers in industry and those of the university faculty member.

The average instructor in 1952 received a yearly salary of \$4,260.² This is \$81.80 per week for 52 weeks, and \$1.86 per hour for a 44-hour week. (Counting his night work on papers, preparations, research, committee reports, etc., the average work week of a university professor is at least from 40 to 50 hours.) In terms of hourly wage, this puts the instructor in the class of the following workers: (all data given below are from "Occupational Wage Survey -- Louisville, Kentucky, May 1952." Bulletin #1112, Bureau of Labor Statistics, U. S. Department of Labor).

Welder - \$1.95 per hour
 Maintenance mechanic - \$1.96 per hour
 Assembler (in machine industry) - \$1.90 per hour
 Draftsman in manufacturing plant - \$83.00 per week (40-hour week.)

An average University of Kentucky assistant professor earned \$5,000 in 1952, which is \$96.00 per week or 2.18 per hour. This puts him in terms of hourly wage in the class of the following:

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1. Long, Clarence D., "Nothing to Lose but Its Brains," Johns Hopkins Magazine, June 1952, p. 99. See also the revised form of this same article in Bulletin, AAUP, Winter Issue 1952-1953, Vol. 38, No. 4, entitled "Professors' Salaries and the Inflation."
 2. In the College of Arts and Sciences there are 42 full-time instructors, only 7 of which are on a 12-month basis. It is more accurate, then, to say that the average instructor received a yearly income of \$355 per month for 10 months.

Machine - tool operator - 2.14 per hour
 Maintenance pipe-fitter - 2.10 per hour
 Tool and die maker - 2.15 per hour
 Compositor in commercial printing plant - 2.20 per hour

An average University of Kentucky associate professor earned \$5,700 in 1952, or \$110 per week and \$2.50 per hour. This puts him in the class of the following skilled workers:

Carpenter - 2.40 per hour
 Plumber - 2.62 per hour
 Plasterer - 2.75 per hour
 Electrician - 2.70 per hour
 Compositor (newspaper plant) - 2.62 per hour
 Machine operator (newspaper plant) - 2.62 per hour
 Pressman (newspaper plant) - 2.59 per hour
 Photo-engraver - 2.50 per hour

An average University of Kentucky full professor earned \$6,878 in 1952, which is \$132 per week or \$3.00 per hour (44-hour week). This still puts him among the better- or best-paid of skilled occupations in industry and the trades. For example.

Bricklayer - 2.91 per hour
 Pressman-foreman (in newspaper plant) - 2.86 per hour
 Photo-engraver (night shift) - 2.97 per hour.

Supervisory positions in the trades (with one exception) are not included in these figures. Data for these were not available, but it is safe to say that the earnings of such personnel would exceed these figures by at least 5 to 10 per cent. (There are highly skilled occupations of a specialized nature that pay considerably higher wages than these, but they are less common and the number of workers much smaller.)

One might question the validity of these comparisons on the ground (1) that teaching, research, administration, and related academic occupations are more dignified callings with much more attractive conditions and circumstances of employment; (2) that the "fringe benefits" of teaching in the form of longer paid holidays, of higher retirement pay, of more liberal sick leave policies are more attractive than those in most industries; (3) that teaching provides a more secure and uninterrupted form of employment than most industrial and construction work; and (4) that teaching is a profession and as such affords the professor a status which industrial workers do not possess. (A frequently cited bit of evidence for the prestige of the university professor is the survey conducted by the National Opinion Research Center [University of Denver] for the President's Commission on Higher Education, which consisted of interviews with 2,920 persons. University professors, according to this survey of popular opinion, are seventh from the top in a list of 90 occupations, outranked only by such positions as Justice of the Supreme Court, President of the U. S., member of Congress, etc.)

There is considerable truth in each one of these allegations and one might add others, such as the intrinsic satisfaction of academic work versus the monotony of many industrial occupations. (On the other hand, a plumber would perhaps be very unhappy as well as uneasy in the classroom.) The attractions of the

academic life are so strong for some people that they would rather teach at \$6,000 a year than be businessmen at double the salary. Nevertheless, the academic man also senses that academic work is among the most important services rendered to the community. His dignity arises not from the respect his position can command, but from its worthiness of that respect. He recognizes that his economic decline in times when the society he is serving is highly prosperous - in fact, more prosperous, perhaps, than at any time in its history - is a case of economic injustice, a reflection not on him but on the society which has not concerned itself conscientiously enough for his economic welfare. The comparisons above are admittedly of limited validity, but they are nevertheless useful in reflecting the relatively great advancement, economically, of the industrial worker as against the relative decline of the brain worker. It appears, for example, that the persons who are printing and making the books and newspapers today are being paid about as much or more for their work as the persons who write them.

Section 4

The economic status of the university professor is reflected also in what his counterpart in government and industry is receiving for his services. In a study two years ago of the employment, education, and earnings of American men of science, it was found that Ph. D. 's in college and university teaching earned on the average only 68.7 as much as Ph. D. 's in private industry and only 77.3 per cent as much as Ph. D. 's in government service.

For Ph. D. 's in all specialties taken together, the median salary in private industry was \$7,070 and in government it was \$6,280. [These are 1948 data.] The small group of scientists working for non-profit foundations tended to earn about the same amount as government employees. However, college and university staff members with no other type of employment had a median salary of only \$4,860 [1948]. So important was the difference in salary levels among types of employees that even the lowest-paid scientists in private industry, the biologists, fared better than the highest-paid of all educators - the engineers.¹

Graduate schools are furnishing enough Ph. D. 's to supply the demand in colleges and universities -- even at the relatively depressed salaries now in effect. "The academicians," says Dr. Long, "can be counted... to do everything in their power to increase this supply or keep it from falling. James Petrillo, head of the Musicians' Union, once said in an attack on the recording of music that his occupation was the only one that produced its own competition. He overlooked the professor, who produces his future competition with joy and is especially pleased when it turns out to have a better quality and tone than the original."² The same writer concludes his study of professors' salaries and the inflation with this melancholy observation: "With or without subsidy, there will probably always be enough teachers at moderate prices to fill the demand; for the demand will be

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1. "Employment, Education, and Earnings of American Men of Science." Bulletin #1027, U.S. Department of Labor, 1951.
 2. Clarence D. Long "Professors' Salaries and the Inflation," Bulletin, AAUP. Vol. 38, No. 4, p. 584.

anemic and indiscriminating, easily met in a pinch by converting graduate students into teaching assistants, and teaching assistants into assistant professors ... A high standard of living for pedagogues does not, alas, appear to be compatible with the maximization of scholarship..."¹

The competition for highly trained personnel by government and industry has not depopulated college and university faculties, except possibly in certain critical areas. The long-term trend for the learned occupations does not seem favorable² and the only bright spot in the picture is that when enrollments rise sharply in the late 1950's and early 1960's there will be a more spirited demand for faculty and a consequent rise in the bidding. That even this is not certain is partially evident from the fact that the great post-war upsurge of 1945-49 did not keep salaries abreast of the rise in the cost of living.

If the higher salaries in industry and government and the economic superiority of the other professions should through severe competition lessen too much the attractiveness of academic work, the quality of our faculties will decline and with it the quality of our teaching and research. Better professors are better for the student. "A university is no better than its faculty."

Section 5

Within the limitations of the University budget the Administration and the Board of Trustees of the University of Kentucky have made strenuous efforts to increase faculty salaries. Strict economies have been made in the operating expenses of the university, in order to improve the status of the faculty and to maintain the university's position as one of the better institutions of higher learning in the South. Yet despite every effort, the increases in salaries have not kept abreast of the increase in the cost of living. Nor can the problem be solved unless the people of the Commonwealth are willing to give greater support to education in the state.

Are the people of Kentucky capable financially of paying their professors higher salaries? A look at the figures reflecting Kentucky incomes will show that if Kentucky was able to pay the kind of salaries (modest as they were) in 1940, she should be more than able to pay salaries of equal purchasing power in 1952 and 1953. Whether one examines the rise in income payments to individuals in Kentucky, or of cash receipts from farm marketings in Kentucky, or of income tax payments by the residents of the state, it becomes apparent that despite the inflationary trend of the last twelve years, Kentucky has shared in the high productivity of the last decade and is, on the whole, far better off than in 1940.

Total income payments to individuals in Kentucky were 880 million dollars in 1940; in 1952 they amounted to \$3,311 million dollars, or 3.76 times the 1940 figure.³ Per capita income payments rose from \$309 in 1940 to \$1,135 in 1952, which is 3.67 times that of 1940.³ Kentucky farm income as measured by cash receipts from farm marketings rose from an index number of

1. Ibid., p. 588.

2. Ibid., p. 588.

3. Source: Survey of Current Business, August, 1953.

100 in 1940 to 391.8 in 1952, an increase of almost 300 per cent.¹

In 1942 there were 46,115 income tax returns, paying state tax on income of 200 million dollars. This year there will be 304,330 Kentuckians paying state tax on 1952 income of 1,250 million dollars, which is six and one-quarter times that of 1942.²

Kentucky's state tax burden for the fiscal year 1953 is \$47 per capita, which is the third lowest in the nation, the lowest in the whole South, and roughly two-thirds that of the U. S. average of \$68.³

RECOMMENDATIONS

This committee wishes to submit the following recommendations at this time:

1. That the Administration of the University of Kentucky be petitioned to do all in its power and means to restore salaries to the buying power of those in 1940. In other words, to effect an increase, as soon as possible, of roughly 19 per cent in the medians of professors' salaries, of 16 per cent in associate professors' salaries, and of 14 per cent in assistant professors' salaries. Since instructors' salaries were probably abnormally low in 1940, and since almost all persons of this rank are still on a 10 months' basis, some increase also should be made in instructors' median salaries.

This is not interpreted to mean a uniform, cost-of-living increase. For medians can rise without uniformity of increase in individual salaries. Individual merit can be recognized and rewarded equitably within this rise in medians.

2. That the Administration be urged to impress upon the Board of Trustees, the Governor of the Commonwealth, the Budget Division, and the General Assembly the facts set forth in this report, particularly the discrepancy between the economic status of the University of Kentucky faculty member in 1952-53 and his status in 1940.
3. That this Chapter grant permission to the members of the Executive Committee to make public through the press, radio, and any other suitable medium the facts set forth in this report, to the extent and in such manner as they deem wise.

The Committee

Jacqueline Bull, Head of Archives Department, University Library.

W. Merle Carter, Professor of Machine Design, College of Engineering

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1. Source: "Cash Receipts from Farming." Bureau of Agricultural Economics.
 2. Source: Allan M. Trout, "Kentucky Is Gaining on Income-Tax Collecting," Louisville Courier-Journal, December 6, 1953.
 3. Source: Commerce Clearing House, Inc. - Printed in the Lexington Herald-Leader, September 27, 1953.

T. M. Hahn, Jr., Professor of Physics, College of Arts and Sciences
Wm. L. Matthews, Professor of Law, College of Law
Leonard E. Meece, Professor of Education, College of Education
Henry B. Morrison, Professor of Dairying, College of Agriculture and Home Economics
John C. Redman, Associate Professor of Farm Economics, College of Agriculture and Home Economics
Jasper Shannon, Professor of Political Science, College of Arts and Sciences
Rodman Sullivan, Professor of Economics, College of Commerce
W. D. Valleau, Distinguished Professor of Plant Pathology, College of Agriculture and Home Economics
John Kuiper, Chairman, Professor of Philosophy, College of Arts and Sciences.

Table I University of Kentucky Salaries in 1940-41 and in 1952-53

(1)	(2)	(3) (4) (5) (6)				(7)	(8)	(9)	(10)	(11)
Rank	Medians 1940-41	Salaries in 1952-53				Increase in medians 1952-53 over 1940-41		Value of 1940-41 salaries in 1952 dollars 1940 index=100.3 1952 = 190.7	Amounts needed to bring 1952-53 salaries to 1940-41 buying power.	
		Low	High	Median ¹	Mean ¹	Amount	%	Col. 2x1.9	Amount	%
Professor	4320	5160	7964	6878	6885	2558	59.2	8208	1330	19.3
Assoc. Prof.	3480	4080	6816	5700	5688	2220	63.8	6612	912	16.0
Asst. Prof.	3000	3800	6624	5000	4936	2000	66.6	5700	700	14.0
Instructor ²	2160	3240	5400	4260	4326	2100	97.2	4104	-156	

1. The median salary is the one which lies midway between the highest and the lowest; the mean salary is the average of all individual salaries.
2. Most instructors are on a 10 month basis; hence more accurate figures for their 1940 and 1952 medians are \$1800 and \$3550 respectively.

Table II Lowest and highest mean salaries, 12 month basis, in 17 Southern state-supported colleges and universities (1952-53)¹

Rank	Lowest	Highest	University of Kentucky (Means)
Professor	6359	10078	6885
Assoc. Prof.	5279	8016	5688
Asst. Prof.	4713	6641	4936
Instructor	3765	5469	4326

1. Means are used in this table because they were the only data available for these 17 schools.

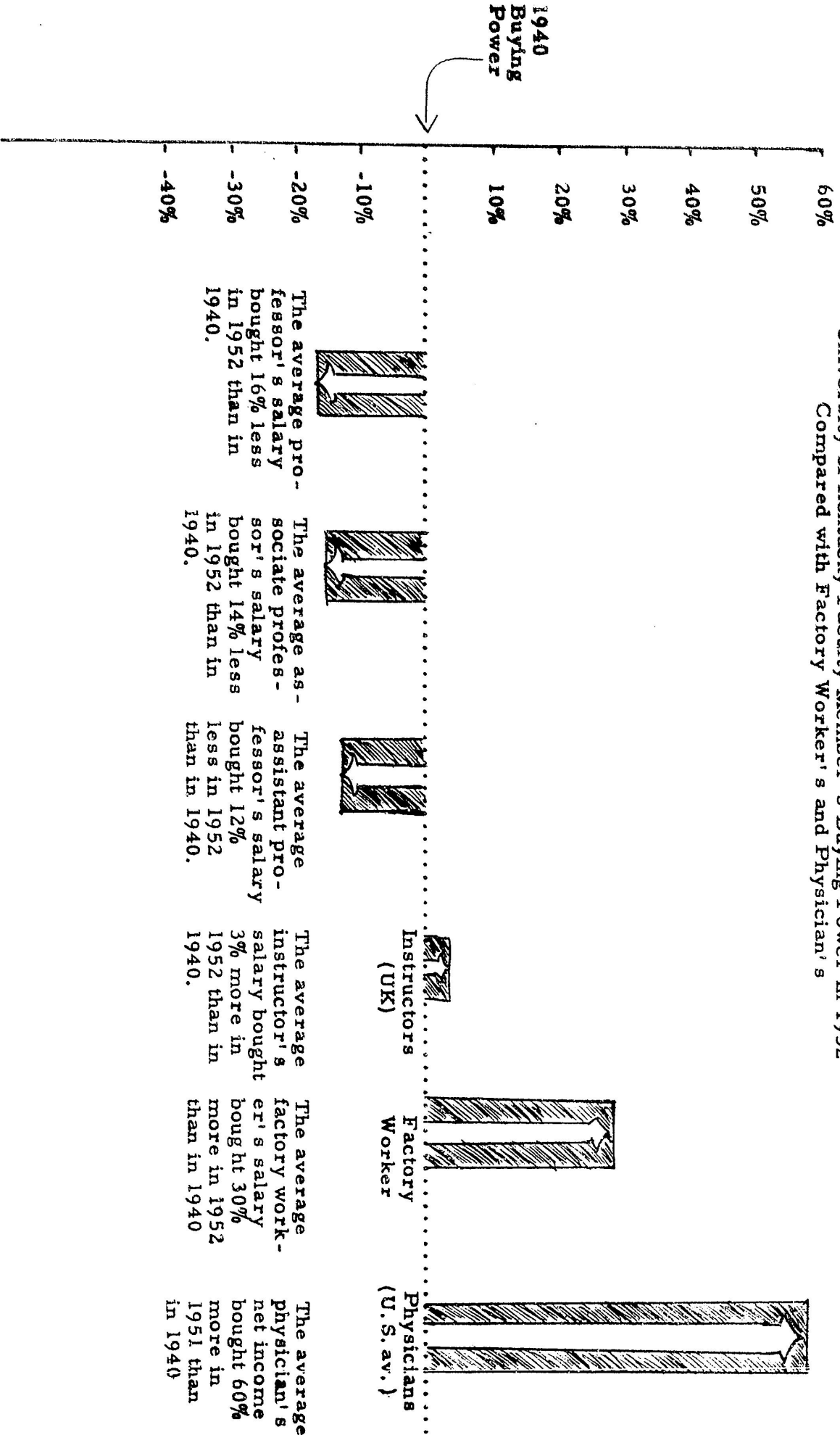
Table III Median salaries by rank of a large midwestern state university¹ compared with University of Kentucky medians (1952-53)

	Median salaries of a large mid-western university (10 mo.)	Same salaries converted to 12 month basis (x 1.2)	Univ. of Ky. medians ¹	Differential
Professor	9220	11064	6878	4186
Assoc. Prof.	6755	8106	5700	2406
Asst. Prof.	5475	6570	5000	1570
Instructor	4150	4980	4260	720

1. Median figures alone were available for this university -- hence Kentucky's medians were also used.

University of Kentucky Faculty Member's Buying Power in 1952
Compared with Factory Worker's and Physician's

CHART I



The average professor's salary bought 16% less in 1952 than in 1940.

The average associate professor's salary bought 14% less in 1952 than in 1940.

The average assistant professor's salary bought 12% less in 1952 than in 1940.

The average instructor's salary bought 3% more in 1952 than in 1940.

The average factory worker's salary bought 30% more in 1952 than in 1940.

The average physician's net income bought 60% more in 1951 than in 1940.

Members of the Board expressed sympathetic understanding and interest in the report. They expressed the wish that the report might be given wide distribution so that the general public might be acquainted with the economic status of the University professors, which so personally affects the present and future generations of our state.

Upon motion duly made, seconded and carried, the report was received and authorized made a part of these minutes, and the facilities of the administration were ordered made available for wide dissemination of the information to the general public.

H. Report of the Legislative Research Commission on Medical Education.

President Donovan provided each member of the Board with a copy of the report of the Legislative Research Commission on Medical Education. President Donovan stated that he felt that the Advisory Committee on Medical Education had submitted a very fine report and that the entire report should be read by members of the Board, especially the findings and recommendations reported in Chapter 5 of the document.

A general discussion of the report ensued, and upon motion duly made, seconded and carried, the Board of Trustees commended the Legislative Research Commission and its Advisory Committee on Medical Education for its excellent report dealing with the need of physicians and for an enlarged medical service in Kentucky, and with the factors involved in the establishment of a state-supported medical school at the University. Members stated that, in the light of the acute needs outlined in the report, the Board would look with favor on the establishment of a medical school at the University whenever it appeared that adequate appropriations could be made available, and they authorized the President to continue studies looking toward the establishment of a medical school of the University. They also authorized the President to encourage and to receive private gifts for this purpose.

I. Report on Progress of New Buildings.

President Donovan reported that the Dairy Center, which was partly destroyed by fire, had been re-built from funds received from insurance carried on the building. He reported the final inspection would be held within the week and the building was already in use.

President Donovan reported that the six small dormitories would be ready for use by the first of February. One of the buildings could be turned over to the University for use by January 1, and the Comptroller felt that the contractor could turn over one additional building at the end of each two weeks thereafter. He stated that construction on these buildings was being pushed as much as possible.

The President reported work on the new men's dormitory was progressing according to schedule. The excavation has been practically completed and some concrete footings have been poured.

J. Report by Committee on Policy Governing the Political Activities and Interests in Politics of University Employees.

President Donovan stated that the Chairman of the Board, Governor Lawrence W. Wetherby, had appointed Mr. Harper Gatton and Mr. Tom Ballantine, two members of the Board of Trustees, and that he had appointed Dr. Thomas Clark and Dr. Amry Vandebosch, two members of the University faculty, to meet as a committee and draw up a policy governing the political activities and interests in politics of University employees, and submit their report to the Board for consideration.

Mr. Harper Gatton, chairman of the committee, stated that he was ready to make a report and distributed typewritten copies of the report to the members of the Board. He read the report and stated that all members of the committee had agreed to the report.

At the last meeting of the Board of Trustees, held on Tuesday, September 22, 1953, Governor Wetherby appointed a committee composed of Mr. Thomas Ballantine and Mr. Harper Gatton to meet with a committee from the faculty to be appointed by President Donovan. This committee was instructed to prepare a statement of policy governing the political activities and interests in politics of University employees and to submit it to the Board for consideration at the December meeting.

President Donovan named Dr. Thomas Clark and Dr. Amry Vandebosch to represent the faculty. The committee now desires to submit the following suggestions:

The Executive Committee of the Board of Trustees approved the "Governing Regulations of the University of Kentucky" on May 22, 1947. The Committee recommends to the Board of Trustees that these regulations be amended to include the following paragraphs:

I. University Employees and Public Offices:

If an employee of the University desires to announce his candidacy for public office, demanding full time service, or for the Kentucky General Assembly, or for the United States Congress, he shall sever his relationship with the University at the time he announces his candidacy. Such severance shall not affect the eligibility of the employee for reinstatement to his former position in the University.

In the case of the Kentucky General Assembly, he shall be eligible for reinstatement at the conclusion of the semester in which the regular session of that body occurs. When an employee is reinstated all accumulated rights and privileges in the University shall be restored to him.

This regulation does not apply where professors are appointed to boards and to commissions because they are prepared to render exceptional services.

II. Political Activities of Professors and Other University Employees.

A professor or other employee of the University should not abrogate his citizenship and fail to take an interest in public affairs simply because he is an employee of the University.

He has the right to vote, to work in the interest of good government and clean elections, work for better health and sanitary regulations, for proper zoning in the community in which he lives and for other matters that relate to the improvement of the social order.

As stated in paragraph 5, Section X of the Governing Regulations, "Any teacher or other professional employee of the University is entitled to full freedom in research and in the publication of the results, subject to the proper performance of his other academic duties; but research for pecuniary return shall be based on an understanding with his dean and with the President, and each arrangement of this kind shall be reported to the Board of Trustees and shall be subject to its approval.

"The teacher is entitled to freedom in the classroom in discussing his subject, but he should be careful not to introduce into his teaching controversial matter which has no relation to his subject.

"A teacher in the University is a citizen, a member of a learned profession, and an officer of an educational institution. When he speaks or writes as a citizen, he should be free from institutional censorship or discipline, but his special position in the community imposes special obligations. As a man of learning and an educational officer, he should remember that the public may judge his profession and his institution by his utterances. Hence he should at all times be accurate, should exercise appropriate restraint, should show respect for the opinions of others, and should make every effort, when speaking or writing as a citizen, to indicate that he is not representing the University."

As a man of judgment and mature perspective, the teacher will not allow his interest and participation in political affairs to consume so much of his time that his work in the classroom will suffer as a result. The classroom and the student have the first call on the professor's time and interest, and the dedicated teacher will so consider this his primary responsibility.

The University of Kentucky facilities shall not be used for political rallies or for campaign purposes that would further the interests of the candidate or candidates of any one political party, except that the University may from time to time invite political candidates to speak at University convocations. In such cases, it is the policy of the University to extend invitations to the candidates of the different major parties on an equal basis. This rule is not interpreted as prohibiting the meeting of student political groups which are open to attendance by students and faculty members of the University of Kentucky but which are not open to the general public.

It is not unreasonable to expect students, professors, administrative officers and other citizens of Kentucky to have confidence in each other and to work together cooperatively and harmoniously for a better Kentucky. The professors and other University employees are advised that participation at the polls in any capacity other than as observers will tend to arouse suspicion, unrest and misunderstanding that will reflect on the University. Therefore, all employees of the University are requested to use utmost discretion when near the polls.

University employees are obligated to promote good public relations toward the University. And, because of their prominence in the community, their utterances and actions are always under close observation.

In formulating the foregoing statement of policy it is recognized that such policy is meaningless unless adhered to in spirit; it becomes a mockery unless all parties embrace its purposes.

The letter of the foregoing statement should not be used as a shield to violate the spirit, on the one hand - nor as a weapon to attack legitimate activities, on the other.

SPECIAL COMMITTEE

Faculty Representatives -
 Dr. Thomas Clark
 Dr. Amry Vandebosh

Board of Trustees' Representatives -
 Mr. Thomas Ballantine
 Mr. Harper Gatton

Mr. Gatton explained that the committee had worked diligently and conscientiously to resolve the difference in viewpoint between the representatives of the faculty and the representatives of the Board of Trustees, and he was pleased to report that the different viewpoints had been reconciled and the report was a unanimous one.

Members of the Board read the report, and being duly advised, upon motion made, seconded and carried, the statement of policy governing the political activities and interests in politics of University employees was adopted.

K. Request of the Lexington Water Company for Easement for Storage Water Tank.

President Donovan submitted request from the Lexington Water Company for an elevated storage water tank site on the University Experiment Station farm. He stated that Lexington has been growing at a very rapid rate during the last ten years and a large part of this growth has been in the southern part of the city and the residential area west and south of the University. The growth has been of such

magnitude that the Lexington Water Company has had considerable trouble during the summer months in furnishing an adequate supply of water to this section of the town. The water company previously requested right-of-way across the farm for a new transmission main to serve this area and an elevated storage tank. The new transmission main easement was authorized, the elevated storage tank was denied. The Lexington Water Company has renewed its request for an elevated storage tank site on the Experiment Station farm. The tank would have a capacity of about a half million gallons and would be approximately 150 feet high.

Dean Welch and others have made a study of the proposed location of the installation of the elevated storage tank and feel that the request should be denied. President Donovan stated that he had talked with Dean Welch and Mr. Peterson and was unable to recommend approval of the request.

Upon motion duly made, seconded and carried, the request of the Lexington Water Company for site for elevated storage tank of one half million capacity, approximately 150 feet in height, was denied.

L. Report on Industry-College Conference.

President Donovan reported that he had attended an Industry-College Conference at White Sulphur Springs, West Virginia. He stated that representatives of about thirty of the leading industries and about thirty of the major educational institutions got together to appraise each others' problems and to seek solutions. American industry and American higher education face a common critical problem. Industry is not getting enough properly trained college men and women to insure its expansion at the rate that population and human needs are growing. The colleges, beset by ever-mounting costs, have not kept pace with requirements of industry. Sixty leaders of the two groups spent a few days very profitably in conference, discussing mutual problems.

Industry realizes its greatest need to be educated people, specialists in many cases, but also broadly trained and liberally educated, men and women of ability, character, integrity and a high sense of responsibility and good citizenship.

Colleges realize that, in addition to training men and women in the liberal arts, they must also replace the Jack-of-All-Trades with specialists. Industry, to some extent, has realized the value of corporation gifts to colleges, long-term loans for students.

The leaders of these two groups have agreed to hold similar meetings in various states on a regional basis to discuss further the mutual problems. President Donovan stated that he felt that much good could come from calling together representatives of industry and education in a two-days conference on the campus. He suggested that such a meeting might be held in the Spring and requested guidance from the Board.

Members of the Board discussed the report made by President Donovan and the purpose of an industry-college conference, and upon motion duly made, seconded and carried, authorized President Donovan to call together industry representatives

and educators in a two-days conference on the campus some time during the spring of 1954.

M. Sale of Library Periodicals.

President Donovan reported that the Experiment Station Library has some broken files of the American Journal of Physiology and the Journal of Physiology which could be sold to Walter J. Johnson, Inc., at an acceptable price.

Upon motion duly made, seconded and carried, the Comptroller was authorized to sell broken files of American Journal of Physiology and Journal of Physiology, volumes 67 to 75 and 77 to 102.

N. Injury to Tom Cobb.

Mr. Peterson reported that Mr. Tom Cobb, who sustained an injury when he fell from a tree on the campus, has recovered, and the doctor's report indicates that he will sustain no permanent injury. He has submitted invoices for x-ray services by Drs. Rich and Shepard, amounting to \$12.00, and professional services of Dr. Allen Grimes amounting to \$10.00. Mr. Peterson recommended payment of these claims, with the understanding that this would establish no precedent nor admit negligence.

Upon motion duly made, seconded and carried, the bills of Dr. Allen E. Grimes, in the amount of \$10.00, and Drs. Rich and Shepard in the amount of \$12.00, were ordered paid, with the expressed understanding that, in the payment of these bills, the University admits no negligence, nor does it establish a precedent in paying these claims.

O. Notice of Hearing -- Frank Daugherty Will.

Mr. Peterson reported that he was in receipt of notice of hearing in the Court of the County Judge of Polk County, Florida. He stated that he did not feel it necessary that the University be represented in this hearing, but since the University had an interest in the estate of Frank Daugherty, deceased, it was necessary that the University receive notice of the hearing. The hearing is for the purpose of fixing a reasonable commission covering the services of administrator in the administration of the estate, and fixing fees for legal services in the general representation of the estate and its administrator.

Upon motion duly made, seconded and carried, the report was received and ordered filed.

P. Transfer of Public Service Laboratories.

President Donovan stated that Dean Welch and Dr. Bruce Underwood,

Commissioner of Health for the State, had several conferences concerning the Public Health Laboratories, now located at the University of Kentucky. He further stated that Dean Welch and Mr. Peterson had discussed with Governor Wetherby possible transfer of the Public Service Laboratories to the State Board of Health, and the Governor was amenable to the transfer, but wanted to discuss the question with Dr. Underwood before giving his approval.

President Donovan read letters from Doctor Underwood and Dean Welch, which are as follows:

COMMONWEALTH OF KENTUCKY

DEPARTMENT OF HEALTH
620 South Third Street
Louisville 2, Kentucky

October 30, 1953

Dr. Frank J. Welch
Dean and Director
College of Agriculture
Agricultural Experiment Station
University of Kentucky
Lexington 29, Kentucky

Dear Doctor Welch:

We have received the information you sent us concerning the employees of the Public Service Laboratories, as per your suggestion at the conference which was held recently. We would like to officially request that the Public Service Laboratories be turned over to the Kentucky State Department of Health, provided:

1. The State Department of Health will provide space for the laboratory outside the University of Kentucky at some convenient location in Lexington or Fayette County.
2. The State Department of Health will continue all agreements and obligations which the University of Kentucky now has with the present employees of the Public Service Laboratories.

We appreciate the fact that you and Dr. Donovan must get the approval of the Board of Trustees for such a transfer. It will be necessary for us to secure the approval of the Kentucky State Board of Health. It will also be necessary for both of us to secure the approval of the transfer by the Governor, who would be able to accomplish the transfer by an executive order. There are numerous details and arrangements to work out, but it seems to us we should first have the tentative approval of the Board of Trustees of the University of Kentucky. If this is secured, I am reasonably certain all the details of the transfer can be worked out to mutual satisfaction.

We feel this request is justified and that such a move is long past due.

It seems to us that the Public Health Laboratory work of the state should be under the same administrative head. It is important that the same laboratory technics and procedures be carried out throughout the state.

The present law reads as follows:

"Laboratory work for State Board of Health by Experiment Station of University of Kentucky. (1) When submitted by the State Board of Health, in the discharge of the board's duties, the Experiment Station of the University of Kentucky, in its chemical, bacteriological, or research laboratories, shall make analytical, chemical or bacteriological examinations of the following:

(a) Samples of foods, drugs or their labels, as provided in KRS 217.010 to 217.130.

(b) Drinking waters, ice and sewage.

(c) Specimens of fluids, discharges or excretions from the body of humans or other animals suspected of being diseased, to determine the presence of typhoid fever, meningitis, tuberculosis, venereal diseases, pneumonia, diphtheria, and such other diseases as may be named by the State Board of Health.

(d) The brains of animals, to determine the presence of rabies.

(2) The station shall conduct promptly and efficiently the work prescribed in subsection (1) of this section, and such other laboratory work for the State Board of Health as the laws of the state require of the board.

(3) In case of an outbreak, or impending outbreak, of cholera, yellow fever, plague, cerebro-spinal meningitis, infantile paralysis or other pestilence, the laboratory shall equip and conduct an emergency laboratory at any place needed or demanded by the State Board of Health for the prompt location, diagnosis and suppression of such pestilence.

"Director of Laboratories; assistants. The University of Kentucky shall employ a director of laboratories for the work of the State Board of Health, whose qualifications shall include technical and scientific training and experience in public health work. If at any time the board finds that the director is incompetent, neglectful or unsuited for the work, the University of Kentucky shall, upon the written direction of the board, forthwith employ another director to be chosen as provided in this section. The university may appoint assistants necessary for the conduct of the work of the laboratories. The compensation of the director and assistants shall be paid in the same manner as instructors in the University of Kentucky. The director of laboratories, at the direction of the board, shall keep and furnish a supply of shipping and mailing containers and other laboratory equipment and supplies necessary to execute the work of the board."

We believe the above laws should be omitted from the statutes in view of present day operations and developments with respect to public health laboratory work.

We will be glad to discuss our proposal further with you and Doctor Donovan and/or the Board of Trustees.

Yours sincerely,

(Signed) Bruce Underwood
Bruce Underwood, M. D.
Commissioner of Health

UNIVERSITY OF KENTUCKY
Agricultural Experiment Station

December 8, 1953

President H. L. Donovan
University of Kentucky

Dear President Donovan:

As a follow-up to our study and appraisal of the functions of the Public Service Laboratory, I am recommending that the functions of this division be transferred to the Kentucky State Department of Health, effective July 1, 1954.

This department has a long, honorable and serviceable history as a part of the Agricultural Experiment Station. It undoubtedly has served the people of Kentucky efficiently and effectively over the long years of its existence. In view, however, of the evolution of the Public Health Service here in Kentucky and in view of the fact that the functions of this department are related only indirectly to our major functions as a research, education and service department to Kentucky agriculture and home economics. I believe that the state will be better served if this department is now closed and the functions assumed by the State Health Department.

As you know, the United States Public Health Department cooperates in many of the activities that our Public Service Laboratory now carries on and their cooperation under law is restricted to that of the State Public Health Services.

This recommendation is made on the following conditions:

1. That \$5434.24 be reserved from the current appropriation to take care of the change of work obligations to personnel who are now either on change of work status or who will be eligible to be so classified July 1. The current amount of state funds budgeted for this department is \$27,500. Therefore a deduction of the amount required to take care of the change of work status will leave \$22,065.76 that may be transferred to the Kentucky State Health Department for the operation of this program.
2. That the State Health Department take over the employment of personnel now in our Public Service Laboratory and that change of work status be made available to them out of recognition of their long years of service when they become eligible.

Copy of Dr. Underwood's letter, obligating his department to take care of personnel consistent with the above recommendation, is herewith attached to become a part of the record of transfer.

Sincerely yours

Frank J. Welch
Dean and Director

President Donovan said he wanted to concur in the recommendation of Dean Welch that the Public Service Laboratories be transferred from the University of Kentucky to the State Board of Health, Louisville, Ky., under conditions outlined in Dean Welch's letter, subject to general approval by Governor Wetherby.

Upon motion duly made, seconded and carried, the recommendation of the President was concurred in, and Dean Welch was authorized to make the transfer, subject to approval of Governor Wetherby, Chairman of the Board of Trustees.

Q. Gifts.

From: Distillers Feed Research Council, Inc., Cincinnati, Ohio -- Check for \$5,000.

President Donovan presented check for \$5,000 from the Distillers Feed Research Council, Inc., 1232 Enquirer Building, Cincinnati 2, Ohio, and explained that this check covers a grant-in-aid for support on the Experiment Station's project, "Factors Affecting the Utilization of Low Quality Roughage by Stocker Steers." He recommended that the gift be accepted.

Upon motion duly made, seconded and carried, the gift of \$5,000 from the Distillers Feed Research Council, Inc., Cincinnati, Ohio, was ordered accepted, and President Donovan was requested to thank Dr. Lawrence E. Carpenter, of the Council, for the gift.

From: American Dairy Association of Kentucky -- \$1,935.00.

President Donovan reported receipt by the Experiment Station of \$1,935.00 from the American Dairy Association of Kentucky, and said that this gift was given as a contribution to the salary of Mrs. Annette Westerman Carlisle, Field Agent in Marketing and Consumer Information. He recommended that the donation be accepted.

Upon motion duly made, seconded and carried, the gift of \$1,935.00 from the American Dairy Association of Kentucky was ordered accepted and used for the purpose indicated, and President Donovan was requested to thank the Association for its generosity.

From: Henry Fruechtenicht Company, Incorporated -- \$1,000.00.

President Donovan stated that he had received from Dean Frank J. Welch, a check for \$1,000.00 given by the Henry Fruechtenicht Company, Incorporated, for use in support of swine research by the Experiment Station. He said that this cooperation would be most helpful in forwarding investigations in feeding experimentation, and recommended acceptance of the gift.

Upon motion duly made, seconded and carried, the gift of \$1,000.00 by the Henry Fruechtenicht Company, Incorporated, was ordered accepted and President Donovan was requested to thank the donors.

From: Pan Hellenic Association -- \$500.00.

President Donovan read a letter from Vice President Chamberlain reporting receipt of \$500.00 from the Pan Hellenic Association, to be added to the Frances Jewell McVey Scholarship Fund. He stated that this was the ninth contribution of \$500.00 that this organization had made to the Fund, under the guidance of the Dean of Women, Mrs. Sarah B. Holmes, and recommended its acceptance.

The Board expressed its gratification at the continued interest of the Pan Hellenic Association in the Frances Jewell McVey Scholarship Fund. Upon motion duly made, seconded and carried, the gift of \$500.00 was ordered accepted, and the President was requested to thank the Association for the gift.

From: Mr. Craig Hazelet, of Hazelet and Erdal Consulting Engineers, Louisville, Ky. -- \$500.00.

President Donovan presented check for \$500.00 made payable to the Kentucky Research Foundation, and explained that it is a contribution of Mr. Craig Hazelet of the firm of Hazelet and Erdal Consulting Engineers, Commerce Building, Louisville, Kentucky. He stated that while this is Mr. Hazelet's first contribution to the University's scholarship fund, they have been employing a very large number of the College of Engineering's graduates in civil engineering, perhaps as many as 12 or 15 at the present time. He recommended acceptance of the grant.

Upon motion duly made, seconded and carried, the check for \$500.00 from Mr. Craig Hazelet was ordered accepted, and the President was requested to thank Mr. Hazelet for his generosity.

From: Mr. R. R. Dawson, Bloomfield, Ky. -- \$250.00.

President Donovan stated that he was in receipt of check for \$250.00 from Mr. R. R. Dawson, Bloomfield, Ky., to be added to the University's scholarship fund. He stated that Mr. Dawson is president of the Alumni Association and is much interested in aiding young men who wish to complete their education. He recommended that the check be accepted, and upon motion duly made, seconded and carried, the check for \$250.00 from Mr. R. R. Dawson was ordered accepted, and the President was requested to express to Mr. Dawson the appreciation of the Board and the University.

From: Brinley-Hardy Company, Louisville,
Kentucky, Morrill Rake.

President Donovan stated that the Brinley-Hardy Company, Louisville, Kentucky had donated to the University, for use at the Western Kentucky Substation, a Morrill rake, listing at \$438.00. He stated that he considered this a most generous gift, which would greatly facilitate the work at the Substation. He recommended acceptance of the gift, and on motion duly made, seconded and carried, the Board concurred in the recommendation of the President.

R. Report of the University Alumni Association.

President Donovan read the following letter:

December 12, 1953

President H. L. Donovan
Administration Building
Campus

My dear President Donovan:

As of today, December 12th, the University Alumni Association has 4,709 active members and I am still hopeful of coming close to the 5,000 mark before January 1st.

I thought it might be of interest to you to see the enclosed review of membership percentages among big ten schools with which we compare pretty favorably.

What the average person does not know is that, while the University has had a great number of students on its campus at various times, the alumni records of past years do not come close to having a tabulation of those students and even though we have a record on every graduate the addresses of those were permitted to lapse in many cases, and consequently the staff has worked very hard in the last few years in an effort to find hundreds of lost alumni.

We have approximately 24,000 good addresses in our files and of that group 4,709 are active members for 1953-54, which brings our percentage to better than 19.5%.

Very sincerely,

(Signed) Helen G. King
Executive Secretary

Upon motion duly made, seconded and carried, the report was received and authorized made a part of the minutes.

S. Resolution on Death of Dr. James Thomas Cotton Noe.

President Donovan reported the death of Dr. James Thomas Cotton Noe, and submitted a Resolution which had been prepared by a committee from the faculty of the College of Education, and recommended its adoption.

Upon motion duly made, seconded and carried, the Resolution was adopted and authorized spread upon the minutes, and a copy ordered sent to the bereaved family.

RESOLUTION ON DEATH OF JAMES THOMAS COTTON NOE

The passing of Dr. James Thomas Cotton Noe, Professor of Education, on change of work assignment, causes those who knew this truly great man to reflect upon his contributions to this institution and to the Commonwealth of Kentucky which he loved so dearly.

Dr. Noe was born in Washington County, Kentucky, on May 2, 1864. His early education was obtained in log school houses of his native state. However, he soon determined that he wished to attain the heights which could be achieved only through advanced educational opportunities. As a result of these early decisions, he attended Franklin College from which he was graduated in 1887. Later he attended Cornell University and the University of Chicago.

After nine years teaching and administrative experience in the public schools of Kentucky and Indiana, and four years spent in the practice of law, Cotton Noe entered the area of higher education, teaching successfully at Theodore Harris Institute, Lincoln Memorial University, State College Normal School of Kentucky A. & M. College, and the University of Kentucky. His work as a regular member of the faculty at this institution extended from 1908 until 1934 when he entered on change-of-work status. During that long period of service Dr. Noe helped to establish the extension service of the University, served as head of the Department of Education, prior to the establishment of the College of Education, and then taught in the College of Education from 1923 to 1934.

Dr. Noe's contributions were much broader, however, than those stemming merely from his classroom teaching activities. His writings, largely about the people of his native state, have been beloved for many years by those who have read them. His fame grew to such proportions that he was named poet laureate of Kentucky by joint resolution of both houses of the Kentucky General Assembly in 1926.

Perhaps the greatest contribution of Dr. Noe was the effect which he had upon the lives of the thousands of students with whom he came in contact. No greater tribute could be paid than to say that his teachings, his precepts, and his example will be treasured by this and future generations. Dr. James Thomas Cotton Noe was truly a gentleman, a poet, and a teacher.

The University of Kentucky of which Dr. Noe was such a vital and vibrant part will miss him. To his family our depest sympathy is extended for we have all lost a true friend.

T. Grant of \$180,000.00 for Improvements to Experiment Station Farm.

Governor Wetherby, Chairman of the Board of Trustees, reported that the State Property and Building Commission had authorized transfer and expenditure from funds at its disposal of \$180,000.00 for general improvement of the University of Kentucky Experiment Station farm.

Members of the Board received the announcement with much enthusiasm, and upon motion duly made, seconded and carried, President Donovan and Dean Welch were authorized to take necessary steps to make the general improvements financed from allotment made by the State Property and Building Commission. Governor Wetherby was unanimously thanked for recommending allocation of the funds for needed improvement of the Experiment Station farm.

U. Appointments and Other Staff Changes.

President Donovan submitted staff appointments, reappointments, salary adjustments, leaves of absence, resignations, promotions and other staff changes requested by deans and heads of departments.

COLLEGE OF ARTS AND SCIENCES

Salary Adjustments

William S. Webb, Head of Department of Physics, will resume change of work status, with salary adjustment, effective February 1, 1954.

Frances S. Nunnelley, Secretary, Air Science, adjustment in salary, due to added responsibility, effective December 1, 1953.

Leave of Absence

Thomas D. Clark, Distinguished Professor, History Department, granted leave for two months in order to teach at Harvard summer school.

Resignation

R. C. Layson, Storekeeper and Lecture Assistant, Physics Department, effective January 31, 1954.

COLLEGE OF AGRICULTURE AND HOME ECONOMICS

Appointments

Robert Frank Behlow, Assistant Veterinarian, Animal Pathology, effective January 1, 1954.

Guy P. Zichefoose, Inspector-Auditor, Feed and Fertilizer, effective December 1, 1953.

Ina Mae Estep, Stenographer, Agricultural Economics, effective December 1, 1953.

Mrs. Evelyn Harrison, Clerk-typist, Public Information, effective December 1, 1953.

Leave of Absence

Ernest J. Nesius, Economist, Agricultural Economics, extension of leave from November 16, 1953 to April 1, 1954.

Salary Adjustments

Mrs. Miriam J. Kelley, Field Agent in Marketing and Consumer Information, Louisville, adjustment in salary, effective January 1, 1954.

Department of Agronomy

Richard A. Chapman, Associate Plant Pathology, adjustment in salary.

Elwyn S. Holmes, Field Agent, Agricultural Engineering, adjustment in salary.

James F. Shane, Assistant Agronomist, adjustment in salary.

Norman Taylor, Assistant Agronomist, adjustment in salary

Department of Agricultural Economics

Mayme Hinson, Secretary, adjustment in salary.

Genevieve Hutchinson, Stenographer, adjustment in salary.

Gertrude Hanly, Clerk-machine operator, adjustment in salary.

Department of Feed and Fertilizer

Elsie May Barker, Clerk-Typist, adjustment in salary.

Betty Jean Ham, Clerk-Typist, adjustment in salary.

Department of Entomology and Botany

Frances Cooke, Secretary, adjustment in salary.

Marjorie Keller, Clerk-stenographer, adjustment in salary.

Dean and Director' s Office

Mary Kathryn Robinson, Secretary, adjustment in salary

Resignations

David A. Reid, Associate Agronomist, effective December 8, 1953.

Roberta Cherry, Assistant Home Demonstration Agent, Russellville, effective November 30, 1953.

Betty Marie Fallis, Stenographer, Agricultural Economics, effective November 28, 1953.

Irene Beaty, Clerk, Agricultural Engineering, effective November 30, 1953.

Nila Ray Evans, Clerk-stenographer, Administration, effective December 12, 1953.

John C. Robertson, Assistant County Agent, Cynthiana, effective November 6, 1953.

COLLEGE OF ENGINEERING

Salary Adjustment

Virgil H. Wilson, Laboratory Assistant, Mechanical Engineering (Mechanical Lab), made Laboratory Technician, with adjustment in salary, effective December 1, 1953.

COLLEGE OF EDUCATION

Appointments - The following are temporary Supervisory Teachers in Home Economics Education for the Fall semester only.

Evangeline Smith, Mrs. Margaret McCauley, Carolyn Lutkemeier, Eleanor Ligon, Dorotha Smith, Mrs. Loraine Browning.

GRADUATE SCHOOL

Appointment

Elsie Belle Kennedy, for five months, effective February 1, 1954.

Resignation

Harold Eugene Munns, Scholar, effective September 1, 1953.

UNIVERSITY EXTENSION

Appointment

Elizabeth Bicknell Jones, Secretary, effective December 1, 1953.

Resignation s

Corinne Porter, Secretary, effective November 19, 1953.

Lou Annie Page, Secretary, effective November 30, 1953.

HEALTH SERVICE

Appointment

Josephine Rose, Receptionist, Dispensary, effective January 1, 1954.

Resignation

Mrs. Lois Thompson, Receptionist, Dispensary, effective December 19, 1953.

PERSONNEL OFFICE

Appointment

Bonnie Harris Williams, Clerk, effective December 1, 1953.

Resignations

Jacqueline K. Wade, Clerk.
Diana Beckett, Testing Clerk.

DEAN OF WOMEN

Resignation

Mrs. Norma Besten, Secretary, effective November 21, 1953.

COMPTROLLER'S OFFICE

Resignation

Horace B. Ingalls, Fiscal Analyst, Accounting Department, effective October 31, 1953.

On motion duly made, seconded and carried, on President Donovan's recommendation, the above appointments, reappointments, salary adjustments, leaves of absence, resignations, promotions and other staff changes were concurred in by the Board, and record was ordered made in the minutes.

V. Adjournment.

Upon motion duly made, seconded and carried, the meeting was adjourned at 12:10 p. m. , and the members went to the Student Union for lunch, where they were joined by Dr. Thomas Clark and Dr. Amry Vandebosch, members of the Committee on Policy Governing the Political Activities and Interests in Politics of University Employees, Mr. Clifford Barnes and Mr. Felix Joyner, Commissioner of Finance and Director of Budget for the State. Mrs. Donovan also joined the members of the Board for luncheon.

Frank D. Peterson, Secretary
Board of Trustees and Executive
Committee.