

MEETING OF APRIL 13, 1897.

The following call for a special meeting of the Board of Trustees of the University of Illinois was issued April 8, 1897:

“Upon the call of the President, Mr. F. M. McKay, there will be a special meeting of the Board of Trustees of the University of Illinois, at 10 o'clock a. m., Tuesday, April 13, 1897, at the Sherman House, Chicago, to consider the treasurership, and to conduct such other business as may be duly presented.”

There were present at the meeting Messrs. Armstrong, Bullard, McKay, McLean, Morrison, Pearce, Raymond, and Smith and Mrs. Flower and Mrs. Carriel; absent, Governor Tanner and Mr. Inglis.

ELECTION OF TREASURER.

Mr. Bullard offered the following resolution and moved its adoption:

Resolved, That the motion that I made, which was passed by the Board at the last March meeting (see page 74), to postpone the election of a Treasurer till the next regular meeting be now reconsidered.

After considerable discussion of this motion Mr. Smith made the point of order that a motion to reconsider action of a previous meeting which stood adjourned to a subsequent date was not in order at this intervening special meeting. Upon the President's ruling against the point of order the roll was called and the motion to reconsider prevailed by the following vote: Ayes—Armstrong, Bullard, McKay, Morrison, Pearce, and Raymond and Mrs. Carriel and Mrs. Flower; noes—McLean and Smith.

The motion reconsidered was then voted down.

Also Mr. Morrison's motion by which the Committee on Finance was instructed to present to the Trustees at the next regular meeting the name of a person suitable to be appointed Treasurer (see page 74) was reconsidered and voted down.

Mrs. Flower nominated Mr. Elbridge G. Keith, of Chicago, to be Treasurer of the University for the unexpired term ending the second Tuesday of March, 1899, or until his successor shall be appointed and qualified.

Upon the nomination the ayes were—Armstrong, Bullard, McKay, McLean, Morrison, Pearce, Raymond, and Smith and Mrs. Flower and Mrs. Carriel; the noes—none.

Mr. McLean moved that the Executive Committee inform Mr. Keith of his election, and ask him to give a bond in the penal sum of \$750,000 and present the same to the Board for approval. While this motion was pending Mr. Armstrong moved that the Board adjourn until 2 o'clock p. m. The motion did not prevail. Mr. McLean's motion was then carried.

The Board adjourned to meet at 2:30 o'clock p. m.

AFTERNOON SESSION.

When the Board met pursuant to adjournment the same members were present as in the morning.

BUSINESS MANAGER'S REPORT.

The Business Manager presented the following reports which were referred to the Finance Committee:

S. W. SHATTUCK, BUSINESS MANAGER IN ACCOUNT WITH C. W. SPALDING, TREASURER.

		<i>Dr.</i>		
1897.				
January	1	Balance.....	\$2,404 93	
"	4	Collections, School of Pharmacy.....	1,126 45	
February	3		1,456 00	
"	25	Collections, University fees.....	1,849 48	
March	2	Collections, School of Pharmacy.....	589 00	
"	31		294 00	
"	31	Balance of collections for January, February and March.	7,486 23	\$15,206 09
		<i>Cr.</i>		
January	8	Check, Globe Savings Bank.....	\$1,000 00	
February	13		1,000 00	
"	13	Chicago draft, First National Bank.....	2,000 00	
"	25	Cashed warrants.....	2,034 55	
"	25	" Agricultural Experiment Station.....	365 07	
"	25	Check, Globe Savings Bank.....	582 45	
March	6	Cashed warrants.....	1,021 00	
"	6	" Agricultural Experiment Station.....	286 05	
"	6	Chicago draft, First National Bank.....	2,000 00	\$10,289 12
"	31	Balance.....		4,916 97
				<u>\$15,206 09</u>

FINANCIAL STATEMENT, MARCH 31, 1897.

		RECEIPTS.	
1896.	December 31	Balance.....	\$155,269 61
1897.	March 31	Treasurer's receipts.....	\$6,287 51
		Business Manager's receipts.....	12,801 16
			19,088 67
			\$174,358 28
		EXPENDITURES.	
1897.	March 31	Warrants, three months—	
		University general.....	\$70,499 06
		Laboratory of Natural History.....	2,081 41
		Agricultural Experiment Station.....	3,739 45
		School of Pharmacy.....	5,674 72
			\$81,994 64
March	31	Balance—	
		Current.....	\$6,851 96
		State appropriations.....	80,587 16
		Laboratory of Natural History.....	2,981 76
		Agricultural Experiment Station.....	1,149 26
		School of Pharmacy.....	793 50
			\$92,363 64
			174,358 28

S. W. SHATTUCK,
Business Manager.

The Board then adjourned to meet at 1:30 o'clock p. m., Wednesday.

SESSION OF WEDNESDAY.

When the Board met pursuant to adjournment the same members were present as on the day before.

The following report from the Finance Committee was received and approved on motion of Mr. Armstrong:

CHICAGO, April 14, 1897.

To the Board of Trustees of the University of Illinois.

Your Finance Committee reports as follows in relation to the bond of Elbridge G. Keith, the Treasurer elect:

The Committee had the bond, which is submitted herewith, made out in legal form by Mr. John P. Wilson, attorney of the Board, and presented it to the said Elbridge G. Keith, who duly signed said bond in the penal sum of \$750,000, as principal, with William J. Watson, Sidney A. Kent, Arthur Dixon, and William A. Fuller as sureties.

Your Committee believes said bond to be ample in form and security, and recommends that the same be approved and filed with the Secretary, by him to be recorded.

Respectfully submitted,

T. J. SMITH,
ALEX McLEAN,
N. B. MORRISON,
Finance Committee.

On motion of Mr. Smith the Secretary was instructed to provide himself with a suitable book in which to record bonds and other documents of like importance.

Mr. Armstrong offered the following resolution which was adopted:

Resolved, That Mr. Smith be instructed to accompany our Treasurer and attorney to make a formal demand upon Mr. Chas. W. Spalding for all moneys, securities, books, records, and all other property belonging to the University of Illinois which he may have or should have in his possession.

Mr. Bullard offered the following resolution which was adopted:

Resolved, That the firm of Wilson, Moore & McIlvaine, of Chicago, be employed as attorneys of this Board in all legal matters in connection with the settlement of the account with the former Treasurer of the Board, Chas. W. Spalding.

The following resolution was adopted:

Resolved, That the Treasurer of the Board of Trustees of the University of Illinois is hereby authorized to receive and receipt for all moneys, and to indorse all orders, drafts, and checks due and payable to the said Board of Trustees, or to the said University of Illinois, and especially all drafts drawn by the Treasurer of the United States, payable to said board of Trustees, or to said University of Illinois, on account of the Agricultural Experiment Station of the said University.

On motion of Mr. Smith, Messrs. McKay and Pearce and Mrs. Flower were appointed a Committee to prepare a financial statement which would include a statement of the condition of the Endowment Fund and present the same to the next meeting of the Board.

EVENING SESSION.

At this session of the Board Mr. Moore was present and stated at length what steps his firm had taken to protect the interests of the University.

LAW OFFICES

WILSON, MOORE & McILVAINE.

CHICAGO, April 29, 1897.

W. L. Pillsbury, Secretary University of Illinois, Urbana, Ill.

DEAR SIR: The following is a statement of the report I made to the Trustees of the University at their meeting on April 14, 1897:

On that day we obtained from Mr. Spalding a mortgage of his interest in the property in Ford's Subdivision, in the City of Chicago, getting the description from his deed which had been filed a day or two previous, conveying the same property to Mr. Ford. Mr. Spalding and Mr. Oliver, his attorney, stated to us that at the time of the conveyance to Ford there was a declaration of trust made by Mr. Ford, which stated that that deed was made as indemnity for himself and Allison W. Harlan, as sureties on Spalding's bond. Spalding therefore retained an interest in the property notwithstanding that deed, subject to the claims of Ford and Harlan in case they should be obliged to pay as sureties on that bond.

We obtained also a mortgage from Mr. Spalding of his farm in Hillsboro County, New Hampshire, called "Nanticook," said to consist of one hundred and twenty acres. We took his description for this, and had no other means of knowing what the facts were. The mortgage covered also, in terms, the personal property, stock, etc., on the farm, but probably the conveyance of the personal property would not be good as against subsequent purchasers, or creditors, being contained in a conveyance of real estate, which the law there requires to be recorded differently. It would be practically impossible for you to handle that kind of assets any way, the property being said to be chiefly live stock.

We took also a mortgage on land in Idaho. We could get no better description than "all the lands owned by Mr. Spalding in the State of Idaho." From this he excepted a body of land lying adjacent to Idaho City, stating that he had conveyed that away. We learned from other sources that it was conveyed to Miss Irvin, and we observe now that she testified yesterday before the Grand Jury that a body of land in Idaho had been conveyed to her, comprising a considerable tract. The land in Idaho was said to lie in three counties, which are named in the mortgage. We have caused the mortgage to be recorded in one of these counties, and will have to record it in the others as soon as the return of it from the first place will permit. The New Hampshire mortgage has also been recorded, and also the Illinois mortgage.

In addition to the foregoing Mr. Spalding assigned to the University property described as follows:

"Sixteen bonds, Town of Buckley (Washington), each \$500.00.

Seventeen bonds, Marshalltown Light, Power and Railway Co., each \$1,000.00.

Fifty bonds, Pocatello Power and Irrigation Co., each \$1,000.00.

Fifty-five Idaho Canal Co. bonds (new issue), numbered 79, 80, 95 to 100, both inclusive, 115 to 124, inclusive, and 237 to 248, inclusive, and 250 to 274, both inclusive, each \$1,000.00.

Two notes made by J. W. Lanehart, payable on demand, one for \$5,000.00 and one for \$6,500.00 (guaranteed by John P. Altgeld).

Seven notes of N. W. and G. W. Graham, being for \$1,000.00, \$500.00, \$1,500.00, \$2,000.00, \$2,000.00, \$2,000.00, and \$4,000.00, respectively, all secured by trust deed to Adello D. Avrill, conveying Electric Light Plant at Carbondale, Illinois. All said notes payable on demand; also secured by stock of said Electric Light Co., par value \$25,000.00.

Two thousand three hundred and ninety shares of stock of Idaho Canal Co., par value \$100.00 per share.

Five hundred shares of stock in Pocatello Power and Irrigation Co., par value \$100.00 per share.

Also all stocks, bonds, or other securities I own, or am interested in, both those which are now contained in safety deposit boxes of Globe Safety Deposit Company, and any such as are in any other place."

We have filed two petitions in the Circuit Court in the Churchill case, one asking for the delivery to us of the property assigned by Spalding above mentioned, the other asking for the delivery to us of the balance of the endowment fund. The answer to the second of these petitions is due to-day. The answer to the first will not be due for five days yet. The receiver of the bank is claiming to own, for the bank, all the property assigned to us by Spalding. He also, as you know, makes some claims to a part of the endowment fund.

This, we think, complies with your request. It ought to have been done before, but we have been so pressed with other matters that it was impossible.

Yours very truly,

WILSON, MOORE & McILVAINE.

Board adjourned.

W. L. PILLSBURY,
Secretary.

F. M. MCKAY,
President.