

ADJOURNED SESSION OF FEBRUARY 10, 1932

When the Board convened at the Blackstone Hotel, in Chicago, at 2 o'clock p.m. on Wednesday, February 10, 1932, the following members were present: President Barr, Mr. Barrett, Mrs. Grigsby, Mrs. Hopkins, Dr. Noble, Mr. Trees.

Judge Johnson and Mr. Morey were present.

TREASURER'S BOND

Mr. Trees, for the Finance Committee, presented a letter of acceptance and bond of Mr. Frank M. Gordon, Treasurer, with the recommendation that the bond be approved and accepted.

On motion of Mr. Barrett, this bond was approved and accepted.

THE FIDELITY AND CASUALTY COMPANY OF NEW YORK
HOME OFFICE, 80 MAIDEN LANE, NEW YORK CITY, N.Y.

TREASURER'S BOND

KNOW ALL MEN BY THESE PRESENTS, That we, FRANK M. GORDON, as Principal, and THE FIDELITY AND CASUALTY COMPANY OF NEW YORK, a corporation organized and existing under the Laws of the State of New York, and authorized to transact a surety business in the State of Illinois, as Surety, are held and firmly bound unto the BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS, in the penal sum of ONE-MILLION DOLLARS (\$1,000,000.00), lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our respective heirs, executors, administrators, and assigns, and each of them, by these presents.

¹The date in parenthesis is the date on which the appointment was made by the President of the University.

THE CONDITION of the above obligation is such that

WHEREAS, the above bounded FRANK M. GORDON was on the 6th day of February, A. D. 1932, duly elected to the Office of Treasurer of the University of Illinois, for a period ending on the 11th day of March, A. D. 1933, or until his successor shall be appointed and qualified and is about to assume the duties of said Office:

NOW, THEREFORE, if the said FRANK M. GORDON shall well and truly perform and faithfully discharge the duties of Treasurer of said University of Illinois, during his term of Office, and shall faithfully keep and truly account for all moneys, bonds, securities, or other property coming into his hands as such Treasurer, during his term of office, and shall pay when properly drawn and presented to him all warrants, authorized by the Board of Trustees of the University of Illinois, drawn against funds in his hands belonging to the said University of Illinois, and at the expiration of his term of office, on due request to him, shall pay over and deliver to his successor in office, or to any other person duly authorized by the Board of Trustees of said University of Illinois to receive the same, all moneys, bonds, securities or any other property received by him as such Treasurer and not otherwise lawfully paid out or disposed of, and shall deliver to his successor in office, or any other person appointed to receive the same, the property, papers, and other things in his hands belonging to said office, and shall at the expiration of his term of office, or oftener, if thereunto requested by the Board of Trustees of the said University of Illinois, render a just and true account of his doings, as such Treasurer, then this obligation shall be null and void; otherwise to remain in full force and effect.

It is agreed that the liability of the principal and of the surety hereunder shall in no manner be affected or lessened by reason of the fact that the principal may demand and receive security from any depository in which funds or securities, belong to or in the custody of the Board of Trustees of the University of Illinois, may be deposited by him, in order to secure such deposit, whether the security thus demanded and received be in the form of collateral securities or of surety bonds, and whether the securities thus demanded and received by the principal be deposited with or in escrow for the Board of Trustees of the University of Illinois, or otherwise; and in case of failure to perform any of the conditions of this obligation, it is agreed that the Board of Trustees of the University of Illinois may elect to proceed against the sureties hereunder, or the surety or security furnished by the depository hereinbefore referred to, in any order, according to its discretion, without affecting or altering the legal liability of the principal and of any surety hereunder to respond in damages.

WITNESS OUR HANDS AND SEALS THIS 10th day of February, A. D. 1932.

F. M. GORDON

THE FIDELITY AND CASUALTY COMPANY OF NEW YORK

By: ALBERT A. KORTE
Attorney

STATE OF ILLINOIS SS
COUNTY OF COOK

I, Cleo M. Riley, a Notary Public in and for said County in the State aforesaid, do hereby certify that FRANK M. GORDON, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered, the said instrument as his free and voluntary act for the uses and purposes herein set forth.

Given under my hand and notarial seal this 10th day of February, A. D. 1932.

CLEO M. RILEY
Notary Public

APPROVED:

SVEINBJORN JOHNSON
Legal Counsel

STATE OF ILLINOIS }
 COUNTY OF COOK } SS

I, Cleo M. Riley, a Notary Public of Cook County, in the State of Illinois, do hereby certify that Albert A. Korte, Attorney of The Fidelity and Casualty Co. of New York, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered said instrument, for and on behalf of The Fidelity and Casualty Co. of New York for the uses and purposes therein set forth.

Given under my hand and notarial seal at my office in the City of Chicago, in said County, this tenth day of February, A.D. 1932.

CLEO M. RILEY
Notary Public

My commission expires June 2nd, 1932.

THE FIDELITY AND CASUALTY COMPANY OF NEW YORK
 THE PIONEER BONDING COMPANY OF THE UNITED STATES
 Bonding Department: Hale Anderson, Vice-President, in charge
 NEW YORK, N.Y.

KNOW ALL MEN BY THESE PRESENTS:

That The Fidelity and Casualty Company of New York has made, constituted, and appointed, and by these presents does make, constitute, and appoint Albert A. Korte, of Chicago, Illinois, its true and lawful attorney for it and in its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertakings, and contracts of suretyship to be given to all obligees provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of one million dollars.

IN WITNESS WHEREOF The Fidelity and Casualty Company of New York has caused its official seal to be hereunto affixed, and these presents to be signed by one of its vice-presidents and attested by one of its assistant secretaries this 11th day of May, 1931.

THE FIDELITY AND CASUALTY COMPANY OF NEW YORK
 By HALE ANDERSON
Vice-President

Attest:
 ALBERT BRUNS
Assistant Secretary

STATE OF NEW YORK }
 COUNTY OF NEW YORK } SS

Albert Bruns, being duly sworn, deposes and says;

That he is an assistant secretary of The Fidelity and Casualty Company of New York, the corporation which is described in and which executed the instrument overleaf; that he knows the corporate seal of the said corporation; that the seal affixed to the instrument overleaf is the corporate seal of The Fidelity and Casualty Company of New York, and was thereto affixed by order and authority of the board of directors of the said Company; that he signed his name thereto by like order and authority; that he is acquainted with HALE ANDERSON, and knows him to be a vice-president of the said Company; that the signature of said HALE ANDERSON subscribed to the said instrument is in the genuine handwriting of the said HALE ANDERSON, and was thereto subscribed by order and authority of the said board of directors of the said Company; that the said Company is duly and legally incorporated under the laws of the State of New York, and has complied with and is now complying with the provisions of the Act of Congress of August 13, 1894, allowing certain corporations to be accepted as surety on bonds.

The deponent further states that the following is a true copy of an extract from the minutes of a meeting of the board of directors of said Company held at its office in the City of New York on the 18th day of April, 1928, a quorum being present, and that the resolutions contained in the said extract were unanimously adopted and are now in full force and effect:

"RESOLVED, That Robert J. Hillas, the president of the Company, be, and that he hereby is, and that Hale Anderson, a vice-president of the Company, be, and that he hereby is authorized to execute powers of attorney qualifying the attorney named in the given power of attorney to execute in behalf of The Fidelity and Casualty Company of New York bonds, undertakings, and all contracts of suretyship; and that any vice-president, the vice-president and secretary, or any assistant secretary be, and that each of them hereby is, authorized to attest the execution of any such power of attorney, and to attach thereto the seal of the Company.

"RESOLVED, That either Albert Bruns or William P. Harvey, each an assistant secretary of the Company, be and that he hereby is authorized to execute alone powers of attorney qualifying the attorney named in the given power of attorney to execute in behalf of The Fidelity and Casualty Company of New York bonds, undertakings, and all contracts of suretyship, not exceeding one hundred thousand dollars in amount; and that any vice-president, the vice-president and secretary, or any assistant secretary be, and that each of them hereby is, authorized to attest the execution of any such power of attorney, and to attach thereto the seal of the Company."

ALBERT BRUNS
Assistant Secretary

Sworn to before me this
11th day of May, 1931

FLORENCE CARROLL
*Commissioner of Deeds
City of New York*

I, Frank B. Smedes, an assistant secretary of The Fidelity and Casualty Company of New York, do hereby certify that I have compared the copy of the power of attorney overleaf and the foregoing copy of the affidavit annexed to the said power of attorney with the originals now on file in the home office of the said Company, and that the same are correct transcripts therefrom and of the whole of the said originals, and that the said power of attorney has not been revoked and is now in full force and effect.

In testimony whereof I have hereunto set my hand and affixed the seal of the said Company this tenth day of February, in the year of one thousand nine hundred and thirty-two.

FRANK B. SMEDES
Assistant Secretary

TRANSFER OF FUNDS TO MR. GORDON

Mr. Trees, for the Finance Committee, presented also the following resolution, with the recommendation that it be adopted.

RESOLUTION

RESOLVED: (1) That Hazen S. Capron, out-going Treasurer, be directed to turn over to Frank M. Gordon, incoming Treasurer, all funds in his hands in excess of warrants against same outstanding and unpaid;

(2) That Hazen S. Capron be directed to turn over to Frank M. Gordon all securities in his hands representing the investment of permanent funds;

(3) That Hazen S. Capron, and Lloyd Morey, Comptroller, be directed to deliver the securities and safe-keeping receipts of the Federal Reserve Bank of Chicago in their hands, deposited by the First National Bank of Champaign to secure a deposit with it by Hazen S. Capron as Treasurer of the Board of Trustees, to Frank M. Gordon, and to instruct the said Federal Reserve Bank to deliver securities covered by the aforesaid safe-keeping receipts to Frank M. Gordon on the presentation of these receipts;

(4) That Frank M. Gordon, Treasurer, be directed to demand and receive from the Federal Reserve Bank of Chicago the securities represented by the aforesaid safe-keeping receipts, and to deposit all securities mentioned in sections 3 and 4 hereof in safe-keeping under the joint control of the Treasurer and the Comptroller or their authorized deputies, to be withdrawn by them only on the order of the Board of Trustees;

(5) That the Treasurer and the Comptroller be and are hereby authorized to designate one or more persons to act as their deputies in effectuating the intent and purposes of the resolution relating to the financial situation and the treasurership of the University adopted February 6, 1932, and of this resolution, said persons to be under suitable bond, and the names of said persons shall be filed with the Secretary of the Board.

On motion of Dr. Noble, this resolution was adopted.

CONTRACT WITH FIRST UNION TRUST AND SAVINGS BANK

Mr. Trees, for the Finance Committee, presented also the following resolution and form of contract, with the recommendation that the resolution be adopted and that the contract be approved.

RESOLUTION

WHEREAS, the Board of Trustees of the University of Illinois has control of certain securities held in trust by it for educational purposes in connection with the operation of the University of Illinois and it is necessary that these securities be kept in a safe place,

NOW, THEREFORE, BE IT RESOLVED that a contract in substantially the following form be entered into with the First Union Trust and Savings Bank, Chicago, Illinois, and that the same be executed by the Comptroller and Secretary of the Board of Trustees in conformity with subsection II of (d) of Section 47 of Extracts from the Laws of the Board of Trustees of the University of Illinois, issue of 1926:

FIRST UNION TRUST AND SAVINGS BANK FIRST NATIONAL BANK BUILDING CHICAGO

DEPOSIT AGREEMENT CONCERNING SECURITIES REPRESENTING PERMANENT INVESTMENTS

Agreement of the First Union Trust and Savings Bank, First National Bank Building, Chicago, Illinois, concerning the deposit of securities which are owned by the Board of Trustees of the University of Illinois and represent investment of its trust funds.

THIS AGREEMENT, executed in duplicate, witnesseth that the Board of Trustees of the University of Illinois, a public corporation of the State of Illinois, organized and existing under the laws of the State of Illinois, has this day deposited with the said First Union Trust and Savings Bank, Chicago, Illinois, for safe keeping the property described in Schedule A hereto attached and made a part hereof. The securities described in Schedule A shall be held by said First Union Trust and Savings Bank subject to the order of the Board of Trustees of the University of Illinois and until called for by it and shall be delivered at any time on demand to the said Board or to any person upon its order.

The First Union Trust and Savings Bank shall, as long as it holds the said securities, collect the principal and income thereof and deposit the same in a depository selected and designated by the Treasurer of the Board of Trustees of the University of Illinois and to his credit as such Treasurer. The Board of Trustees of the University of Illinois, depositor hereunder, may at any time deposit additional property to be held by the First Union Trust and Savings Bank in accordance with the terms of this agreement. The said bank agrees to use reasonable diligence in the collection of the principal and income of the securities deposited, but shall not be liable for failure to collect the same.

For its services the bank aforesaid shall receive customary and reasonable compensation.

The First Union Trust and Savings Bank may and shall take action concerning the securities described and referred to in this agreement upon orders and instructions signed by or in the name of any officer or person duly authorized by the Board of Trustees.

As to the names of persons who shall at any time be the duly authorized officers or agents of the Board of Trustees of the University of Illinois and duly empowered by it to act hereunder, the bank aforesaid may accept a certificate filed with it and purporting to be signed by and in the name of the Board of Trustees of the University of Illinois by its Secretary.

BE IT FURTHER RESOLVED that the officers named pursuant to said agreement are authorized to take all such action as may be necessary to carry out the intent thereof.

On motion of Mr. Trees, the resolution was adopted and the contract was approved.

On motion of Mrs. Grigsby, an appropriation of twenty-five hundred dollars (\$2500) was made from the Reserve and Contingent Fund to pay the premium on the Treasurer's bond, by the following vote: Aye, Mr. Barr, Mr. Barrett, Mrs. Grigsby, Mrs. Hopkins, Dr. Noble, Mr. Trees; no, none; absent Mr. Armstrong, Mr. Blair, Mr. Emmerson, Mrs. Evans, Mr. Williams.

DATE OF ANNUAL MEETING

On motion of Mrs. Grigsby, it was voted to hold the annual meeting at the new Medical building, in Chicago, at 10 o'clock a.m. on Tuesday, March 8, 1932.

The Board adjourned.

H. E. CUNNINGHAM
Secretary

GEORGE A. BARR
President