

# **MEETING OF THE BOARD OF TRUSTEES**

**OF THE**

# **UNIVERSITY OF ILLINOIS**

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**February 9, 1935**



The February meeting of the Board of Trustees of the University of Illinois was held at the Blackstone Hotel, in Chicago, at 9:30 a.m. on Saturday, February 9, 1935. When the Board convened, the following members were present: President Williams, Mr. Armstrong, Mr. Barr, Mr. Barrett, Mrs. Freeman, Mr. Karraker. Also present, by invitation, were Mr. Oscar G. Mayer, Mrs. Glenn E. Plumb, and Mr. Harold Pogue, members-elect.

President Willard was present; also, during part of the day, Judge Johnson, University Counsel, and Mr. J. F. Wright, Director of the Radio Station.

## **MINUTES PRESENTED**

The Secretary presented the minutes of the meeting of January 19, 1935. Action on the minutes was deferred.

**MATTERS PRESENTED BY PRESIDENT WILLARD**

The Board considered the following matters presented by the President of the University.

**APPROPRIATION FOR BUSINESS OFFICE**

(1) The Comptroller reports that it will be necessary for him to have additional funds for the operation of the Business Office for the fiscal year 1934-35 and requests a supplementary appropriation of \$2,100 for the remainder of the year in order to avoid a deficit.

On motion of Mr. Barrett, this appropriation was made, by the following vote: Aye, Mr. Armstrong, Mr. Barr, Mr. Barrett, Mrs. Freeman, Mr. Karraker, Mr. Williams; no, none; absent, Mrs. Hopkins, Mr. Horner, Dr. Meyer, Mr. Trees, Mr. Wieland.

At this point, Dr. Meyer took his place with the Board.

**DEATH BENEFIT—DEAN M. S. KETCHUM**

(2) A report of the death on December 19, 1934, of Milo Smith Ketchum, Dean of the College of Engineering and Director of the Engineering Experiment Station, *Emeritus*. Dean Ketchum had been in the service of the University for eighteen years and was retired on September 1, 1934, because of his health. The death benefit payable in his case is \$2,000, and the Comptroller has been authorized to make payment to the designated beneficiary.

This report was received for record.

**DEATH BENEFIT—J. R. NEWTON**

(3) A report of the death on February 3, 1935, of Mr. J. R. Newton, employee in the Physical Plant Department. He has been in the service of the University since December 8, 1905, and since October 12, 1934, has been on leave of absence on one-half pay on account of physical disability. The death benefit in his case is \$677.12. The Comptroller has been authorized to make payment to the designated beneficiaries.

This report was received for record.

At this point, Mr. Trees took his place with the Board.

**APPROPRIATION FOR HORTICULTURE BARN**

(4) At its meeting on October 12, 1934 (Minutes, page 61), the Board instructed the Director of the Physical Plant Department, acting in conjunction with the Dean of the College of Agriculture, to move the Horticulture Barn on Florida Avenue and put the grounds in a sanitary condition. On January 19, the Board requested the Director of the Physical Plant Department to submit plans for the construction of a new building, to cost not more than \$5,000, since the present barn is not in good enough condition to justify setting it up in another location. It was anticipated that this barn would have to be replaced and a provision of \$10,000 for a new barn was included in the tentative budget for 1935-37 with the expectation that the barn would be constructed during the next biennium. The Board has, however, directed that the barn be removed as soon as possible, but has made no appropriation for the purpose. The Director of the Physical Plant Department has submitted complete plans, specifications, and estimates based on the provision in the 1935-37 budget which indicate that a new barn of the type needed will cost approximately \$8,000, if the structure is made to conform with the other modern barns on the south campus, erected during the past ten years.

The Director has also submitted, at my request, an alternative proposal for a cheaper structure which will have the same capacity as the \$8,000 barn but which can be erected for not more than \$5,000. Naturally future maintenance costs on the modified unit will be greater than for the original design.

On motion of Dr. Meyer, the Director of the Physical Plant Department was instructed to modify his plans to bring the cost of construction within \$5,000; and an appropriation of \$5,000, or so much thereof as may be necessary, was made by the following vote: Aye, Mr. Armstrong, Mr. Barr, Mr. Barrett, Mrs. Freeman, Mr. Karraker, Dr. Meyer, Mr. Trees, Mr. Williams; no, none; absent, Mrs. Hopkins, Mr. Horner, Mr. Wieland.

#### APPROPRIATIONS FROM CONTINGENT FUND MADE IN JANUARY

On motion of Mr. Barr, the Board voted to request Governor Horner to approve the appropriations from the Contingent Fund made on January 19, 1935 (Minutes, pages 91-93), amounting to \$75,000. President Williams designated Mr. Barrett to present this request to Governor Horner.

#### APPOINTMENTS TO 1935 SUMMER SESSION STAFF

(5) A recommendation for the approval of the following appointments to the Summer Session staff for 1935, the positions and salaries being indicated in each case; and a request that the President be authorized to make such adjustments in the Summer Session budget and such additional appointments as may be necessary. The work of teaching in the Summer Session is additional service not contemplated in the appointment of members of the teaching staff for service during the regular academic year, and it therefore necessitates additional compensation as shown in each case. Provision has been made in the budget for 1934-35 for the work of the 1935 Summer Session.

The total number of positions is 188.

The appointments include the following who are not members of the regular University staff but are being brought in for the Summer Session only:

- A. C. Cope, Associate in Organic Chemistry—Associate in Chemistry, Bryn Mawr College
- Ralph Connor, Associate in Organic Chemistry—Instructor in Chemistry, Cornell University
- R. P. Robinson, Professor of Classics—Professor of Classics, University of Cincinnati
- A. G. A. Balz, Professor of Philosophy—Professor and Head of the Department of Philosophy, University of Virginia
- R. H. Gjelsness, Assistant Professor of Library Science—Librarian, University of Arizona
- Marion J. Kanak, Assistant in Library Science—Student Assistant, University of Illinois Library
- Robert Reitsch, Instructor, Physical Education for Men—Secretary, Alumni Association, University of Illinois
- Jane Whelan, Instructor, Physical Education for Women—Instructor, Y.W.C.A., Minneapolis, Minnesota

The total budget for the Summer Session is \$76,852.66 for salaries and wages, and \$2,000 for office expense, including printing, such adjustments in the staff as the enrollment may require and other contingencies.

On motion of Mr. Barr, these appointments were authorized as recommended.

#### SUMMER SESSION BUDGET

##### ADMINISTRATION

E. H. Cameron, Director, Professor (12 months, 1/10 time) .....	\$	672 00	
(See Education) .....		(377 78)	
(Total Salary) .....		(1 049 78)	
Lillian Hart, Secretary (12 months, 1/10 time) .....		269 00	\$ 941 00

## ASTRONOMY

R. H. Baker, Professor; Head of Department.....	725 00	725 00
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## BACTERIOLOGY

G. I. Wallace, Assistant Professor.....	427 50	
F. M. Clark, Instructor.....	271 67	
Sunshine E. Park, Assistant.....	250 00	949 17

## BOTANY

A. G. Vestal, Associate Professor in charge.....	640 00	
H. J. Fuller, Instructor.....	328 33	
C. J. Alexopoulos, Instructor.....	271 67	
Charlotte L. Grant, Assistant ( $\frac{3}{4}$ time).....	150 00	
Opal C. Hartline, Assistant ( $\frac{2}{5}$ time).....	100 00	1 490 00

## CHEMISTRY

*Inorganic:*

B. S. Hopkins, Professor.....	850 00	
G. H. Reed, Instructor.....	300 00	
J. C. Bailar, Associate.....	427 50	
L. F. Audrieth, Associate.....	399 17	
C. R. Naeser, Assistant ( $\frac{1}{2}$ time).....	125 00	(2 101 67)

*Analytical:*

J. H. Reedy, Associate Professor.....	555 00	
G. F. Smith, Assistant Professor.....	512 50	
_____, Assistant ( $\frac{1}{2}$ time).....	125 00	(1 192 50)

*Organic:*

C. S. Marvel, Professor.....	(850 00) <sup>1</sup>	
R. C. Fuson, Professor.....	606 67	
A. C. Cope, Associate.....	350 00	
Ralph Connor, Associate.....	350 00	
Robert Johnson, Assistant ( $\frac{1}{2}$ time).....	125 00	
J. H. Brown, Assistant ( $\frac{1}{2}$ time).....	125 00	(1 646 67)

*Physical:*

M. J. Copley, Associate.....	399 17	
_____, Assistant ( $\frac{1}{4}$ time).....	62 50	(461 67)

*Physiological Division:*

H. E. Carter, Instructor.....	300 00	
_____, Assistant ( $\frac{1}{2}$ time).....	125 00	(425 00)

*Industrial:*

S. S. Kistler, Assistant Professor.....	512 50	
_____, Assistant ( $\frac{1}{2}$ time).....	125 00	(637 50)

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## CLASSICS

H. V. Canter, Professor.....	831 33	
R. P. Robinson, Professor ( $\frac{3}{4}$ time).....	500 00	
K. M. Abbott, Instructor.....	350 00	1 681 33

## ENGLISH

H. G. Paul, Professor.....	795 83	
H. S. V. Jones, Professor.....	654 17	
B. L. Jefferson, Professor.....	654 17	
H. N. Hillebrand, Professor.....	654 17	
C. L. Finney, Assistant Professor.....	470 00	
J. W. Swanson, Associate.....	399 17	
S. E. Glenn, Associate.....	413 33	

<sup>1</sup>Paid from Organic Chemical Manufactures Fund and not included in the total.

M. S. Goldman, Associate.....	381 67	
E. C. Coleman, Assistant.....	285 83	
E. H. Peterson, Assistant.....	271 67	
A. D. Huston, Assistant.....	262 50	
J. P. Riebel, Assistant.....	250 00	5 492 51
ENTOMOLOGY		
W. V. Balduf, Assistant Professor.....	512 50	512 50
GEOLOGY AND GEOGRAPHY		
W. O. Blanchard, Professor.....	654 17	
J. L. Page, Assistant Professor.....	413 33	1 067 50
GERMAN		
C. A. Williams, Associate Professor.....	583 33	
J. T. Geissendoerfer, Assistant Professor.....	484 16	
I. J. Bald, Assistant ( $\frac{1}{3}$ time).....	83 33	
P. G. Krauss, Assistant ( $\frac{1}{3}$ time).....	83 33	
Louise Schimpf, Assistant ( $\frac{1}{3}$ time).....	83 33	
U. E. Fehlau, Assistant ( $\frac{1}{3}$ time).....	83 33	
C. O. Arndt, Assistant ( $\frac{1}{2}$ time).....	125 00	1 525 81
HISTORY		
A. H. Lybyer, Professor.....	850 00	
T. C. Pease, Professor.....	812 50	
F. C. Dietz, Professor.....	618 83	
Louise B. Dunbar, Assistant Professor.....	427 50	
R. C. Werner, Assistant Professor.....	385 00	
E. L. Erickson, Associate.....	356 67	
Mary L. Shay, Instructor.....	328 33	
Ameda Ruth King, Instructor.....	362 00	
R. G. Bone, Assistant.....	250 00	4 390 83
MATHEMATICS		
R. D. Carmichael, Professor; Dean of Graduate School ( $\frac{1}{2}$ time).....	425 00	
E. B. Lytle, Associate Professor.....	583 33	
H. R. Brahana, Assistant Professor.....	583 33	
W. J. Trjitzinsky, Assistant Professor.....	566 67	
P. W. Ketchum, Associate.....	416 67	
L. L. Steimley, Associate.....	399 17	
L. Bristow, Instructor.....	328 33	
G. E. Moore, Instructor.....	328 33	
J. W. Cell, Assistant.....	250 00	3 880 83
PHILOSOPHY		
A. G. A. Balz, Professor; Head of Department, University of Virginia.....	700 00	
P. L. DeLargy, Instructor.....	356 67	1 056 67
PHYSIOLOGY		
F. R. Steggerda, Associate.....	400 00	400 00
POLITICAL SCIENCE		
C. S. Hyneman, Assistant Professor.....	511 67	
C. Hill, Instructor.....	271 67	
A. L. Powell, Instructor.....	333 33	1 116 67
PSYCHOLOGY		
Herbert Woodrow, Professor; Head of Department	795 83	
W. G. McAllister, Associate.....	356 67	
R. R. Sears, Instructor.....	356 67	
L. H. Stott, Assistant.....	250 00	1 759 17

## ROMANCE LANGUAGES

R. Michaud, Professor.....	850 00	
A. Hamilton, Associate Professor.....	540 83	
S. F. Will, Assistant Professor.....	512 50	
J. H. Amiel, Assistant.....	250 00	
J. B. Burner, Instructor ( $\frac{1}{2}$ time).....	150 00	
L. H. Bussard, Assistant ( $\frac{1}{2}$ time).....	128 75	
F. O. Adam, Assistant ( $\frac{1}{2}$ time).....	125 00	
G. R. Hilton, Assistant ( $\frac{1}{2}$ time).....	125 00	
C. C. Gullette, Assistant Professor ( $\frac{1}{2}$ time).....	235 00	2 917 08

## SOCIOLOGY

D. R. Taft, Professor.....	725 00	
E. T. Hiller, Professor; Acting Head of Department ( $\frac{3}{4}$ time).....	266 67	
J. W. Albig, Assistant Professor.....	441 67	
W. R. Tylor, Assistant Professor.....	441 67	
B. F. Timmons, Assistant Professor.....	441 67	2 316 68

## ZOOLOGY

H. J. Van Cleave, Professor.....	725 00	
L. A. Adams, Assistant Professor ( $\frac{1}{2}$ time).....	291 67	
F. B. Adamstone, Associate.....	427 50	
W. M. Luce, Instructor.....	356 67	
_____, Assistant ( $\frac{3}{4}$ time).....	150 00	
_____, Assistant ( $\frac{3}{4}$ time).....	150 00	
_____, Assistant ( $\frac{3}{4}$ time).....	150 00	
_____, Assistant ( $\frac{3}{4}$ time).....	150 00	
_____, Assistant ( $\frac{3}{4}$ time).....	150 00	2 550 84

## PHYSICS

W. F. Schulz, Associate Professor in Charge.....	526 67	
E. H. Williams, Associate Professor.....	555 00	
R. F. Paton, Associate Professor.....	583 33	
G. M. Almy, Associate.....	413 33	
_____, Assistant ( $\frac{1}{2}$ time).....	125 00	
_____, Assistant ( $\frac{1}{2}$ time).....	125 00	
_____, Assistant ( $\frac{1}{2}$ time).....	125 00	
_____, Assistant ( $\frac{1}{2}$ time).....	125 00	2 578 33

## THEORETICAL AND APPLIED MECHANICS

W. L. Schwalbe, Assistant Professor.....	433 33	433 33
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## ART

E. J. Lake, Professor; Head of Department.....	654 17	
C. E. Bradbury, Associate Professor.....	583 33	
C. V. Donovan, Assistant Professor.....	441 67	1 679 17

## EDUCATION

T. E. Benner, Professor; Dean, College of Education.....	850 00	
E. H. Cameron, Professor.....	377 78	
(Director, Summer Session) (12 months, 1/10 time).....	(672 00)	
(Total Salary.....)	1 049 78)	
W. S. Monroe, Professor.....	850 00	
J. A. Clement, Professor.....	725 00	
C. R. Griffith, Associate Professor.....	760 50	
O. F. Weber, Associate Professor.....	512 50	
_____, Associate Professor.....	600 00	
Nell C. B. Johnston, Assistant Professor.....	441 67	

G. W. Reagan, Assistant Professor.....	441 67	
E. W. Dolch, Assistant Professor.....	399 17	
E. F. Potthoff, Assistant Professor.....	500 00	
R. B. Browne, Associate.....	500 00	
C. W. Sanford, Associate.....	500 00	
W. W. Peters, Instructor.....	300 00	
L. W. Williams, Instructor.....	470 00	
R. T. Gregg, Instructor.....	300 00	(8 528 29)
Educational Practice.....	600 00	(600 00)
		<u>9 128 29</u>

## INDUSTRIAL EDUCATION

A. B. Mays, Professor.....	689 67	(689 67)
		<u>9 817 96</u>

## ARCHITECTURE

C. E. Palmer, Professor ( $\frac{1}{2}$ time) ; Assistant Dean of College of Fine and Applied Arts.....	376 67	376 67
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## HOME ECONOMICS

Harriet T. Barto, Assistant Professor ( $\frac{1}{2}$ time)...	159 06	159 06
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## LIBRARY SCIENCE

P. L. Windsor, Director.....	.....	
Amelia Krieg, Assistant Director.....	.....	
Ethel Bond, Assistant Professor.....	470 00	
R. H. Gjelsness, Assistant Professor.....	600 00	
_____, Associate.....	400 00	
_____, Associate.....	400 00	
Mildred Singleton, Instructor.....	300 00	
Ruth C. Krueger, Instructor.....	300 00	
Catherine McIver, Assistant.....	250 00	
Marion J. Kanak, Assistant.....	250 00	
_____, Assistant.....	250 00	
_____, Assistant.....	250 00	3 470 00

## MUSIC

F. B. Stiven, Director; Professor.....	850 00	
S. Schoonmaker, Assistant Professor ( $\frac{3}{4}$ time)...	266 11	
Kathryn J. Sutherlin, Instructor ( $\frac{3}{4}$ time).....	225 00	
R. M. Holmes, Associate.....	385 00	
M. H. Hindsley, Associate.....	411 33	
L. F. Demming, Instructor ( $\frac{3}{4}$ time).....	163 00	2 300 44

PHYSICAL EDUCATION FOR MEN  
(Six-weeks session)

S. C. Staley, Professor.....	522 50	
J. C. Ruby, Associate ( $\frac{1}{2}$ time).....	271 87	
H. D. Price, Associate.....	278 12	
W. W. Brown, Instructor ( $\frac{1}{2}$ time).....	144 38	
P. H. Derr, Instructor ( $\frac{1}{2}$ time).....	101 87	
Robert Reitsch, Instructor ( $\frac{1}{2}$ time).....	171 88	1 490 62

## PHYSICAL EDUCATION FOR WOMEN

Louise Freer, Professor; Head of Department ( $\frac{1}{2}$ time).....	327 08	
Carita Robertson, Assistant Professor.....	413 33	
Ann A. Smith, Associate.....	333 33	
Dorothy Rawlings, Instructor ( $\frac{3}{4}$ time).....	225 00	
Jane Whelan, Instructor.....	250 00	
Alice Bonar, Instructor ( $\frac{3}{4}$ time).....	225 00	1 773 74

## ACCOUNTANCY

A. C. Littleton, Professor.....	725 00	
E. L. Theiss, Associate Professor.....	618 83	
W. E. Karrenbrock, Associate.....	328 33	
J. W. McMahan, Assistant.....	250 00	(1 922 16)

## BUSINESS ORGANIZATION AND OPERATION

P. D. Converse, Professor.....	725 00	
M. F. Heslip, Assistant.....	250 00	
F. M. Jones, Assistant (½ time).....	125 00	(1 100 00)

## BUSINESS LAW

P. C. Roberts, Instructor (¾ time).....	163 00	(163 00)
		3 185 16

## ECONOMICS

E. L. Bogart, Professor; Head of Department....	850 00	
M. H. Hunter, Professor (¾ time).....	318 34	
D. P. Locklin, Assistant Professor.....	512 50	
T. W. Bruce, Assistant.....	250 00	
L. E. Fitzgerald, Assistant.....	250 00	
M. C. Gay, Assistant.....	250 00	
H. W. Heckman, Assistant.....	250 00	
C. C. Stalnaker, Assistant.....	250 00	
P. H. Brown, Assistant Professor (½ time).....	256 25	3 187 09

## JOURNALISM

L. W. Murphy, Director; Professor (½ time).....	397 91	
R. R. Barlow, Associate Professor.....	555 00	952 91

## LAW

W. E. Britton, Professor (½ time).....	425 00	
G. W. Goble, Professor (½ time).....	425 00	
A. L. Hoffman, Instructor (4½ time).....	293 33	
M. I. Schnebly, Professor (½ time).....	425 00	
W. L. Summers, Professor (½ time).....	425 00	
G. B. Weisiger, Professor (9/10 time).....	716 25	2 709 58
Total Salaries.....		75 352 66
Wages (12 months).....		500 00
High School Salaries.....		1 000 00

TOTAL.....		\$76 852 66
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## LEAVE OF ABSENCE FOR PROFESSOR F. B. STIVEN

(6) A request from Professor F. B. Stiven, Director of the School of Music, for a leave of absence on full pay for the second semester of the academic year 1935-1936 for the purpose of study and travel abroad, under the statutes of the University. The School will take care of his work, or a substantial portion thereof, during his absence without additional expense to the University. The Dean of the College of Fine and Applied Arts approves this leave, and I concur in his recommendation.

On motion of Mr. Trees, this leave was granted.

At this point, Mr. Wieland took his place with the Board.

## SCHOLARSHIPS IN AGRICULTURE AND HOME ECONOMICS

(7) Mr. E. E. Barrett, Chairman of the Committee on Fees and Scholarships, has submitted a report of a conference with the officers of the Illinois Farmers' Institute concerning the scholarships in agriculture and home economics with a view to changing the regulations governing the awards of these scholarships.



The Scholarship Committee of the Board of Directors of the Illinois Farmers' Institute recommends that the regulations be revised as follows:

1. Students applying for scholarships in agriculture and home economics must be in the upper fifty per cent of their high school classes in scholastic standing. The statement of the principal of the high school on the application blank will be accepted in determining a student's scholastic standing.

2. One scholarship in agriculture and one in home economics shall be available in each county (except Cook and Lake) and one in each of the first ten Congressional Districts.

3. Scholarship applications will be received in the Farmers' Institute office beginning March 1st of each year and thereafter until the September registration is completed.

The revised regulations governing scholarships in agriculture and home economics will then read as follows:

#### AGRICULTURE AND HOME ECONOMICS SCHOLARSHIPS Revised Regulations

##### *1. Number of Scholarships:*

There are established two scholarships for each county (except Cook and Lake) and two for each of the first ten Congressional Districts, one for students in Agriculture and one for students in Home Economics.

##### *2. Eligibility for Scholarships:*

A candidate, to be eligible for either scholarship, must meet the requirements of the University for admission, either as a candidate for a degree or as an unclassified student, and must be at the time of recommendation and must have been for not less than one year prior thereto, a bona fide resident of the county or district from which he or she is recommended.

Awards to students entering the University from the high schools will be made only to those students who in scholarship stood in the upper fifty per cent of the classes with which they graduated. The standing in class must be based on the student's complete high school record in the school from which he graduates. The applicant will be required to present a statement from the principal of his high school certifying his graduation and his scholastic rank within his class.

Awards to students entering the University from other colleges or universities, will be made only to those who have achieved an average of fifteen points above the passing mark of the college or university in which they were enrolled; the student's average in such a case will be computed on the basis of his full college record. If the student has attended college less than a year before the award, he must qualify on the basis of his high school record.

No person who has been a student in the University is eligible for appointment to one of these scholarships.

##### *3. Appointments to Scholarship:*

Appointments to scholarships in Agriculture and Home Economics are made on recommendation of the Illinois Farmers' Institute. Scholarship applications will be received in the Farmers' Institute office at Springfield beginning March 1st of each year and thereafter until the September registration is completed.

It is provided, also, that the President of the University may appoint suitable candidates where the Illinois Farmers' Institute has failed to make recommendations.

In making recommendations the Institute will enforce the scholarship requirement as indicated under eligibility above and will consider the character and energy of the candidate. In counties from which there is more than one candidate the Institute, in order to assist it in arriving at a conclusion with reference to the most acceptable candidate, shall require all candidates to take the County Scholarship Examination, which is held each year in each county on the first Saturday in June. It will not recommend candidates unless, with the

concurrence of their parents, they express it to be their purpose to enter the University at the opening of the semester and to remain at least one year.

Application blanks for recommendation can be obtained by addressing the Secretary of the Illinois Farmers' Institute, Springfield, Illinois.

*4. Awarding of Scholarships:*

The first nominee from each county, if found to be duly qualified, will be awarded the scholarship at the time of registration. The scholarship becomes void unless the nominee registers in the University for the proper curriculum at the opening of the semester or summer session when the scholarship becomes effective.

*5. Period of Scholarship:*

An Agriculture or Home Economics scholarship is good for four years, but the nominee's right to its continuance for each succeeding year after the first is subject to his having achieved an average of 3.5 in his work in the University during the previous year.

*6. Perquisites of Scholarship:*

The perquisites of these scholarships are exemption from all matriculation, incidental, and tuition fees during the period of the scholarship, except fees for the purchase of laboratory supplies and similar fees for supplies and materials.

*7. Removal from State of Holders of Scholarships:*

These scholarships are awarded only to students whose legal residence is in the State of Illinois. If the legal residence of the holder of a scholarship is changed from Illinois to some other State, his scholarship is thereby forfeited.

On motion of Mr. Karraker, the revised regulations were adopted, and the special committee was requested to continue its consideration of the matter of scholarships and fees.

**PROPOSED LEGISLATION TO INCREASE THE NUMBER OF  
GENERAL ASSEMBLY SCHOLARSHIPS**

(8) A statement concerning a bill for an Act, introduced in the Fifty-Ninth General Assembly, to amend the law in relation to General Assembly Scholarships by providing for additional scholarships beginning in the years 1935-36 and 1936-37.

On motion of Mr. Trees, this matter was referred to the Committee on General Policy, for study and recommendation to the Board.

**REQUIREMENTS FOR GRADUATION AND FOR TRANSFER TO  
PROFESSIONAL SCHOOLS**

(9) A recommendation that the following be authorized as official statements of the requirements for the bachelor's degree and for transfer of registration from the undergraduate colleges to any of the professional schools:

"Each candidate for a bachelor's degree must meet the general requirements of the University with respect to registration, residence, military science, hygiene, and physical education; must pass in the subjects marked prescribed in his curriculum; must conform to the directions of that curriculum in regard to electives and the total number of hours required for graduation; and must meet the minimum scholarship requirements which the University has approved for his college or school."

"An undergraduate student will not be permitted to transfer his registration to any of the professional schools while his record shows a deficiency in any of the subjects which, as general requirements of the University, are a part of his curriculum."

These do not involve any changes in the requirements for graduation, but it is desirable to have an official statement of policy covering these matters.

On motion of Mr. Barr, these regulations were adopted.

### AGREEMENT WITH PORTLAND CEMENT ASSOCIATION FOR INVESTIGATION OF RIGID FRAME STRUCTURES

(10) A recommendation for the authorization of an agreement with the Portland Cement Association for a cooperative investigation of rigid frame structures by the Engineering Experiment Station. A similar agreement approved by the Board on October 13, 1933 (Minutes, page 397), was never executed. This new agreement is the same as the previous one with the exception that the materials to be used will be purchased out of the funds provided for the investigation instead of being contributed by the Association. The agreement is drawn for a period of one year from January 1, 1935, and the Association agrees to contribute the sum of \$8,000, in quarterly installments, to cover the expense of the investigation.

On motion of Mr. Trees, the execution of this agreement was authorized.

### EXTENSION OF AGREEMENTS FOR COOPERATIVE INVESTIGATIONS

(11) A report of the renewal or extension of agreements for cooperative investigations as follows:

Utilities Research Commission, Incorporated, agreements extended to December 31, 1935, the amount of additional funds which the Commission proposes to contribute being indicated in each case:	
Case 23—Methods of eliminating the stretching of lead sheaths of high voltage cables (Original agreement approved by the Board October 13, 1928, Minutes page 58).....	\$3 300
Case 31—Solubility studies of boiler waters (Original agreement approved by the Board March 11, 1930, Minutes page 540).....	5 000
Case 34—Stack gases (Original agreement approved by the Board July 23, 1930, Minutes page 2).....	7 500
Warm Air Heating and Air Conditioning Association, agreement for cooperative investigation of warm air furnaces and furnace heating which has been under way for sixteen years, extended for one year from April 16, 1935.....	3 800
The Grasselli-R. & H. Chemicals Department of E. I. duPont de Nemours & Company, for a cooperative investigation to study the evaluation of the toxicity of various insecticides, extended to February 1, 1936. (Original agreement approved by Board, February 4, 1934, Minutes page 452. The extension provides \$500 more than the sum mentioned in the original agreement.).....	5 000

This report was received for record.

### LEASE OF LAND FROM MRS. ETTA L. PERCIVAL

(12) A report that the Comptroller and the Secretary of the Board have been authorized to execute an agreement with Mrs. Etta L. Percival, owner of a tract of land adjoining the University farms, for the use by the Department of Dairy Husbandry of approximately a 40-acre tract during the year 1935 for the purpose of producing and harvesting such crops as the University may elect. It is necessary either to raise feed for University livestock or to purchase it, and this arrangement saves the University considerable money. Under the terms of the lease, Mrs. Percival will receive two-fifths of the crop in lieu of cash for the use of the land and the University has first option on the purchase of her share if she desires to sell. This is a renewal of a lease originally approved by the Board on June 6, 1933 (Minutes, page 229), and renewed on June 15, 1934 (Minutes, page 595).

On motion of Dr. Meyer, this action was confirmed.

### TITLE TO GREEN STREET

(13) In accordance with the action of the Board on December 15, 1934 (Minutes, page 81), in discussing the proposed survey of Green Street, the University Counsel submits the following report concerning the title and suggestions on how the University may acquire title:

"On May 1, 1869, one Joseph Nelson executed a plat, filed for record in Champaign County on June 26, 1869, which dedicated to the public—the city of Urbana—as a highway that part of Green Street to which, according to our records, the University does not have title at the present time. The lots on which this portion which in 1869 was dedicated as a public highway abuts on the north were not acquired by the University until 1905, and then, of course, the rights of the public in the dedicated portion had been fixed for over thirty-five years.

"The University may acquire title to this strip in either of the following modes: (1) vacation thereof by the city of Urbana through action formally taken by the Council in conformity with the statutes governing the vacation of streets and alleys by cities and villages; (2) through action by the General Assembly vacating the strip as a highway."

On motion of Mr. Trees, this matter was referred to the President of the University and the University Counsel, to take whatever action may be necessary for the protection of the interests of the University and to report progress to the Board from time to time.

#### PATENTABLE DISCOVERY OF DR. L. F. AUDRIETH

(14) A report from Mr. Barrett, Chairman of the Committee on Patents, transmitting a recommendation of the Faculty Committee on Patents, that the Board release to Dr. L. F. Audrieth of the Department of Chemistry any patentable discoveries which may result from researches now being conducted by him relating to methods of preparing concentrated hydrazine solutions, guanidine salts, and anhydrous metallic chlorides, where these can not be prepared by simple dehydration of the hydrated salts; and that permission be given to Dr. Audrieth to file applications for patents in his own name and for his own use covering any discoveries he may make during the course of these researches.

The Board did not concur in this recommendation.

#### LETTERS PATENT RECEIVED

(15) A report from the Secretary of the Board that he has received the following Letters Patent:

##### *Canadian Letters Patent*

No. 339021—The Removal of  $\text{SO}_2$  from Flue Gases

No. 339022—Processes for Removing  $\text{SO}_2$  from Flue Gases

(The Letters Patent listed above were issued on January 30, 1934, to the Board of Trustees of the University of Illinois, as assignee of Henry F. Johnstone.)

##### *United States Letters Patent*

No. 1,987,888—An Improvement in Sludge Digestion, issued to the Board of Trustees of the University of Illinois on January 15, 1935, as assignee of Harold E. Babbitt and Harry E. Schlenz.

This report was received for record.

#### DISTRIBUTION OF ROYALTIES FOR GRANT PATENT

Mr. Barrett, for the Committee on Patents, reported a recommendation that any royalties which may accrue as a result of the discovery by Francis R. Grant of a certain type of sewer pipe joint filler shall be shared as follows:  $37\frac{1}{2}\%$  to the University,  $37\frac{1}{2}\%$  to Mr. Grant, and  $25\%$  to the Clay Products Association, which has contributed money to pay the cost of the research. Mr. Barrett explained that while an application for a patent has been filed by Mr. Grant, to date no patent has been issued.

On motion of Mr. Barrett, this recommendation was adopted.

### REQUEST OF ILLINOIS UNION CONCERNING HEAT, LIGHT, AND WATER SERVICES

(16) The University of Illinois Union requests that it be relieved of the charges for heat, light, and water services for the months of November and December, 1934, at the rate of approximately \$325 a month for the following reasons:

1. The budget of the Illinois Union for 1934-1935 was prepared prior to the execution of the agreement authorized by the Board of Trustees on July 11, 1934, for the effective operation of the building as a student and alumni center. Previous thereto the charges for heat, light, and water supplied by the University were at a flat rate of \$163 a month. Under the terms of a supplementary agreement between the Physical Plant Department and the Business Manager of the Union, the University began to meter the steam on October 29. The charges are double the estimated cost of these services, which further complicates the difficult financial situation of the Illinois Union.

2. The work of remodeling the Illinois Union Building was delayed due to circumstances over which the Union had no control. In the remodeling work it has been necessary to have the doors and windows open a great deal, which has resulted in a considerable loss of heat.

On motion of Dr. Meyer, the charges for heat, light, and water supplied to the Union were reduced for the months of November and December, 1934, to the rate previously in effect.

### USE OF RESIDENCE BY DR. DAVID KINLEY

(17) A statement that the lease of the residence on Nevada Street occupied by Dr. David Kinley, President and Professor of Economics, *Emeritus*, expires at the end of the present academic year. The term of this lease is four years from 1931.

On motion of Mrs. Freeman, the renewal of this lease for four years, under the present terms and conditions, was authorized.

### REDUCTION IN GAS RATES IN THE CHICAGO DEPARTMENTS

(18) A report from the Director of the Physical Plant Department that, effective January 1, 1935, his Department has secured a reduction in the gas rates in the Chicago Departments of the University. The annual cost last year was \$2,912.41, and under the new rate it would have been \$2,021.57, a saving of \$890.84.

This report was received for record.

### PAYMENT ON CONTRACT FOR WELL NO. 10

(19) The Director of the Physical Plant Department reports that well No. 10, the construction of which was authorized by the Board on May 22, 1934 (Minutes, p. 580), has been completed and is ready for testing. The contract provides for the customary payment to the contractor of \$2.00 for every gallon per minute produced by the well, in addition to the charges for materials and labor. The contractor is of the opinion that the well has possibilities of producing approximately 4,000 gallons per minute, which would call for a payment of \$8,000. A test will be made to determine the productivity of the well on the basis of which payment will be made.

The special appropriation made by the Board for the water supply and fire protection system is not sufficient to cover the entire cost of the test and the payment for the well unless several items included in the recommendations of Alvord, Burdick, and Howson, such as well houses, are omitted. Therefore, authorization by the Board is necessary to change the original plans for the water supply and fire protection system in order to provide for the funds for the test and payment to the contractor. Authorization to make the latter payment is also requested.

It was the opinion of the Board that the plans for the improvement of the water supply should not be changed.

**COMPTROLLER'S REPORT OF CONTRACTS**

(20) The following report from the Comptroller of contracts executed since the last report:

**CONTRACTS EXECUTED BY THE COMPTROLLER  
JANUARY 12 TO FEBRUARY 4, 1935**

The Illinois State Board for Vocational Education to pay regular fees to the University for instruction to be rendered as follows:

<i>For whom</i>	<i>Instruction in</i>	<i>Date</i>	<i>Tenure</i>
Wayne L. Vicklund	Liberal Arts & Sciences	September 13, 1934	One year from September 19, 1934
Eleanor Mielke	Liberal Arts & Sciences	January 24, 1935	One semester from February 6, 1935

Agreement for cooperative investigation as authorized by Board of Trustees in meeting of December 15, 1934 (Minutes, page 79):

<i>Name</i>	<i>Amount to be received by University</i>	<i>Date</i>	<i>Purpose</i>
U. S. Bureau of Public Roads	\$300.00	December 21, 1934	Investigation of reinforced concrete arches.

This report was received for record.

**QUARTERLY REPORT OF THE COMPTROLLER**

(21) The quarterly report of the Comptroller to the Board of Trustees as at December 31, 1934.

This report was referred to the Finance Committee for consideration and report.

**INVESTMENT OF ENDOWMENT FUNDS**

(22) The Comptroller has reported to the Finance Committee concerning endowment funds available for investment:

Available immediately.....	\$ 2 000
Available February 15.....	10 250
Available March 1.....	14 595

On motion of Mr. Barr, the Finance Committee was authorized to invest these funds and to report its action to the Board.

**STUDENT UNION BUILDING**

(23) Communications from the following concerning a new student union building for the University of Illinois:

1. Harry M. McConnell, of College Survey, an association to survey building needs for educational institutions and to plan and finance such buildings, has submitted a plan for financing a union building at the University of Illinois.
2. Otto E. Seiler, of the Class of 1912.
3. Frank A. Randall, of the Class of 1905.

On motion of Mr. Barrett, the President of the University was requested to inform Mr. McConnell that the Board did not think it advisable to enter into this proposal.

**ACQUISITION OF LAND ADJOINING UNIVERSITY  
PROPERTY IN CHICAGO**

(24) A recommendation from the Deans of the Colleges of Medicine, Dentistry, and Pharmacy that the Board of Trustees consider the following improvements of, and extensions to, its property in Chicago:

1. That at the expiration of the current lease with the tenant occupying the property owned by the University at 1758 West Polk Street on June 30, 1935, the building be razed.
2. That the University and the State Department of Public Welfare jointly consider the acquisition of adjacent property for purposes of campus, recreational, and future expansion. Arguments in favor of this are:

A. This property is now probably at an all-time low point in price. The normal enhancement of values following business recovery will undoubtedly increase the cost of these properties if their acquisition is deferred.

B. The Federal Housing Project, two blocks east, will cause certain migrations into this area.

C. Plans of the Medical Park at Chicago contemplate the creation of a public park probably two blocks to the west.

D. There are plans for a West Side Super-Highway, such as the Congress Street Project, sponsored by the Metropolitan Housing Corporation.

3. That the University immediately purchase certain lots, and that the Department of Public Welfare be asked to acquire other lots.

4. That the University dispose of the old medical building at 508 South Honore Street and, as soon as the second unit of the Medical and Dental Laboratories Building has been completed, it also dispose of the present College of Dentistry Building.

Obsolete buildings in this area are now being demolished. By adopting a program of acquiring the above properties the State of Illinois will materially assist in the reclamation of this area.

On motion of Mr. Trees, these recommendations were referred to the Finance Committee and the Committee on Chicago Departments for consideration and report to the Board.

#### **FEDERAL FUNDS FOR ARMORY ANNEX**

(25) The Professor of Military Science and Tactics recommends that an application be made to the Federal Emergency Administration of Public Works for an allotment of funds for the construction of an armory annex or riding hall as a Federal project at a total estimated cost of \$400,000. The Director of the Physical Plant Department estimates that the construction of such a building would add a minimum of \$10,000 annually to the operating expenses of his department.

The Board expressed its willingness to allow the application to be made and to accept this building under certain conditions if it should be constructed as a Federal project.

#### **CONSTRUCTION OF BUILDINGS AT UNIVERSITY AS A PART OF THE FEDERAL-STATE WORK RELIEF PROGRAM**

(26) A letter from the Chancellor's Office of the University of Nebraska suggesting a possible correlation of the needs for new buildings and other capital improvements at state universities with the work relief programs of the several states.

On motion of Mr. Barr, the President of the Board was requested to appoint a special committee to study this matter and to report to the Board. President Williams appointed the President of the University, the University Counsel, Mr. Wieland, and Mr. Barr to serve on this committee.

#### **RADIO STATION W-I-L-L**

(27) A request from the Director of Radio Station W-I-L-L for permission to make application for an increase of power to 5000 watts.

Mr. Josef F. Wright, Director of the Station, made a statement supporting his request.

On motion of Mr. Barrett, this application was authorized.

#### **RECOMMENDATIONS OF THE FINANCE COMMITTEE**

Mr. Trees presented the following recommendations of the Finance Committee.

**REVISED BUDGET OF THE ATHLETIC ASSOCIATION**

A recommendation that the revised budget of the Athletic Association for the current fiscal year be approved.

On motion of Mr. Trees, this budget was approved.

**OPINION ON TYPE OF SECURITIES FOR ENDOWMENT FUNDS**

Mr. Trees requested that the opinion recently rendered by the University Counsel on the type of securities in which endowment funds of the University may be invested, be made a matter of record.

October 29, 1934

*Judge Sveinbjorn Johnson, 250 Administration Building*

DEAR JUDGE JOHNSON:

On April 8, 1925, the Board of Trustees adopted as a policy in relation to the investment of trust funds, a provision that the investment of such funds shall be "in accordance with the Statutes of the State of Illinois for the investment of trust funds."

At a recent meeting of the Finance Committee the question was raised by an investment counsel present as to whether the Board of Trustees is bound to limit its investments in this manner. The point was made that governing boards of other universities, particularly endowed universities, do not observe such limits. I am sure the Finance Committee would appreciate it if at your convenience you would make some study of the problem and advise whether in your opinion the Board is subject to the State Statute covering the investment of trust funds with respect to the funds which the Board invests.

Cordially yours,

LLOYD MOREY  
*Comptroller*

**OPINION CONCERNING INVESTMENT  
OF TRUST FUNDS**

From the correspondence before me, including a letter to you from Mr. Trees, dated November 23, 1928, and a portion of a letter from the Harris Trust & Savings Bank, and from conversation with you, I believe an opinion is desired concerning the powers and duties of the Board of Trustees with respect to the investment of certain funds administered by it for educational purposes, but derived from private sources, as distinguished from money received from the United States Government and from legislative appropriations.

It is due you as well as myself to remind us of the fact that a general question is propounded; I am not asked about the propriety of a specific investment. Consequently, my answer will have to be somewhat general, that is, in the form of a statement of principles.

I

At the outset, I find I must make an assumption—made necessary because the question is general. The assumption is that the University may administer funds which may properly be divided into two classes. First, moneys given outright to the University, with no restrictions save perhaps that which is implied from all the circumstances, namely: that the fund shall be used for educational purposes, leaving the mode of expenditure, the determination whether principal or interest, or both, shall be exhausted, the manner of investment, and the like, to the discretion of the Board. Whether you have any such fund, I am not informed.

The second class would embrace all funds the income of which is administered by the Board for a specific purpose within the general powers of the University. I include in this class moneys left to the University, whether by will or other kind of instrument, the income of which the donor directed should be used by the Board for designated objects, such as student loans, the pur-



chase of books, the maintaining of chairs in some certain branch of research or learning, etc.

I also find it necessary to assume that the donors or settlors have given no instructions or directions concerning either the conversion and reinvestment of the proceeds of existing securities, or the investment of the funds, when in the form of cash or its equivalent. It is, I take it, elementary that any instructions, concerning the investment of the fund or their administration, must be followed.

Funds and securities of the first group present no problem. As to them the discretion of the Board of Trustees is virtually unrestricted. Of course, it could not, with such funds, embark upon a venture beyond its charter powers; but, within the scope of its charter authority the University could administer such funds in its discretion, invest them in such securities as ordinary persons might choose for investing their own money, exhaust the principal, or use the income, leaving the principal invested.

## II

The powers and duties of the Board concerning funds in the second group are not altogether clear; but there are certain principles which are fairly well established, and in their light we may be able to reach sound conclusions.

I suppose it is axiomatic that if A gives money to B to be held by the latter and applied for the education of a certain class of persons, B, if he accept, is a trustee and is bound by all the rules which govern the relationship of trustee and beneficiary. Such a trust is, in Illinois and generally, a charitable trust and if the trustee becomes guilty of maladministration, or diverts the fund to unauthorized uses, it is the duty of the State's Attorney or the Attorney General to institute proceedings in equity to call him to account.

The University is a public corporation. It is not technically a municipal corporation, our court has held, but it is closely akin to the latter. It is my opinion that the University may act as trustee and may take and hold property in trust for purposes which are germane to the objects for the furtherance of which the University was established, and which are calculated to aid in carrying out these objects. Courts of the highest standing have repeatedly held that towns, cities, and even the state itself may act as a trustee.

Is the University, when lawfully acting as trustee, bound by the rules of law which, in this state govern the relation of trustee and beneficiary? I am unable to find any solid reason why this question should not be answered in the affirmative. If it lawfully and properly undertake to administer a fund for specific educational purposes, neither public policy nor reason suggests that the University should not be held to the same accountability, as far as the faithful execution of the trust is concerned, as a natural person in the same situation. If, for example, a city accept a fund for a specified charitable purpose, I am aware of no authority in support of the proposition that it is not bound to use the same degree of care and good faith in administering the fund as equity would demand of any person, natural or artificial, competent to act as a trustee. The public character of the trustee affords no sanctuary to which it can flee and claim immunity from the consequences of its misconduct in the administration of the trust. It is, therefore, my opinion that the University of Illinois, while acting as the trustee of a charitable trust, is bound by the same rules respecting the conversion of trust securities and the investment of trust funds as govern that species of trust when the trustee is a natural person or a private corporation, unless there be something to the contrary in its charter or in the statute of the State of Illinois.

## III

Neither in the original charter, nor in any amendments thereof which have come to my notice, is there any provision concerning the investment of funds other than those received from the United States. See Sections 36, 37, 38, and 47, Smith-Hurd Revised Statutes, 1927. Assuming, as I do, the legal power of the University to act as a trustee of a charitable trust, the legislature has in no manner relieved it of the duties of the ordinary trustee with respect to the handling and investment of trust funds. It follows, unless the insti-

tution because of its inherent—public—nature, be absolved from such obligations, a proposition I deem unsound, that the University, when acting as a trustee, is governed by the same rules as any other kind of trustee in so far as it has custody of trust funds which must be invested.

The next inquiry, then, concerns the nature of securities in which trustees may invest trust funds. On this question the Supreme Court of this state in 1897, spoke in *White v. Sherman*, 168 Ill. 489, p. 602, as follows: "Where there are no express directions in the instrument creating the trust, and no statutory provisions, in relation to the character of the securities in which trust funds may be invested, a trustee cannot invest such funds in *stocks, bonds*, or other *securities* of private business corporations. In England, trustees are required to invest trust funds in real estate securities, or in the public securities of the British Government. In this country the same requirement, in regard to making investments in real estate securities or government securities, is generally recognized by the courts. At any rate; 'all speculative risks are forbidden.'" This statement of the rule was approved in *Penn v. Fogler*, 182 Ill. p. 103, in 1899; again impliedly in *Merchants Loan Co. v. Northern Trust Co.* in 250 Ill. p. 96, in 1911; and, lastly, there is an unequivocal approval of the rule stated in *Golden v. Cervenka*, 278 Ill. 409, at p. 444-45, decided in 1917, twelve years after the statute was enacted to which I shall shortly advert.

In 1905 the legislature enacted Sec. 32, Chap. 148, Smith-Hurd Revised Statutes of 1927. I believe the Board is familiar with this Act. Does it remove restrictions concerning trust investments? It enlarges, by specific mention of the bonds of corporations, the class of securities in which trust funds may be properly invested; but it does not let down the bars otherwise and admit generally the stocks and bonds of private corporations condemned as improper investments by prior and subsequent decisions of the court. The public securities named were well known to be proper investments before the statute. There is not present any intention to permit trustees to use their own discretion freely as to investment in securities other than those specified. I am, therefore, of the opinion that funds of the second class, administered by the University, may be properly invested only in such securities as are described in the opinion of the court, and in the statute *supra*.

#### IV

Concerning the duty of the Board to change investments, in the second group, *supra*, it follows from what has been said, that its obligation in that respect is that of the ordinary private trustee.

Upon the subject of the duty of trustees to change investments, the courts divide. The Supreme Court of Illinois has spoken on the point only indirectly as follows, in *Penn v. Fogler*, 182 Ill. at p. 104:

"Changes in investments, or re-investments, should not be made by trustees as a general thing, unless they are ordered by a chancery court; and, in such case, the trust fund may be withdrawn and re-loaned."

The facts of that case were not such as to call for a specific holding.

Speaking on this subject the courts of New York have held that the trustee must change unauthorized investments as soon as possible, and have held him liable for losses resulting from the continuance of investments which the law does not approve. On the contrary the Supreme Court of Massachusetts, and of some other states, has held that a trustee is not liable for continuing investments prudently and in good faith. Were the question presented squarely I do not know which view our court would adopt. The choice of courses, therefore, lies between changing all unauthorized investments within a reasonable time, or continuing them so long as it seems prudent to do so; and if a security be really of doubtful soundness the Board should either change it on its own motion, or apply to a court of equity for approval of the existing security, or of a change.

There is, however, a statute which seems to authorize the retention of securities. I refer to the law of 1905, *supra*. I am unable to find that the last clause has been abrogated or held invalid. Consequently, that clause affords, it seems, a complete justification for not changing securities in ordinary circumstances. Of course, if the security should become obviously and palpably

unsound, it should be changed. I do not believe the statute should be construed as a justification for continuing an investment manifestly unwise and unsound.

SVEINBJORN JOHNSON  
*Counsel*

#### SALE OF BRITISH COLUMBIA PULP AND PAPER COMPANY BONDS

A recommendation that \$2,000 British Columbia Pulp and Paper Company, Limited, bonds be sold and the proceeds invested in other legal securities.

On motion of Mr. Trees, this recommendation was adopted.

#### STATUS OF ACCOUNT OF H. S. CAPRON, FORMER TREASURER, IN FIRST NATIONAL BANK OF CHAMPAIGN

Mr. Trees submitted a report from the Comptroller concerning the status of the University account with former Treasurer H. S. Capron, in the First National Bank of Champaign, and advised that the Finance Committee recommended that the University Counsel be instructed to confer with the principal and sureties and call attention to the fact that the Board expects them to pay the balance due the University on June 9, 1935, or to make some new arrangement which is acceptable to the Board that will protect the University from any loss.

On motion of Mr. Trees, this recommendation was adopted.

January 30, 1935

*President A. C. Willard, 355 Administration (W)*

Dear PRESIDENT WILLARD:

At the last meeting of the Board it was suggested that I report to the Board concerning the status of the Old First National Bank of Champaign, in which the account of the former Treasurer of the University, Mr. H. S. Capron, was carried. I have secured from the liquidating agent of that bank the following information:

Book value of assets, December 31, 1934

Considered good.....	\$ 310 061 39
Considered doubtful.....	369 105 50
Considered worthless.....	1 001 535 34
Total .....	\$1 680 702 23

Deposit liability represented by participating certificates.....\$ 788 092 99

It will be noted from the above that the book value of all assets is more than twice that of the outstanding liabilities on deposit balances but that the value of assets considered good is only about 40% of the deposit balances.

Two dividends of 10% each have been paid on the participating certificates and I am informed that another dividend of a similar amount is to be paid in the near future.

With respect to the balance due the University from Mr. Capron, the following is a summary of the principal facts:

Balance on deposit, First National Bank, Champaign	
at date of closing, January 16, 1932.....	\$887 558 51
Amount realized from sale of securities held by Board	
of Trustees as collateral for this account.....	794 965 59
Amount realized through opening of a new bank which	
took over 60% of the deposit liabilities.....	55 564 45
Amount received from liquidating agent of old bank.....	7 405 70
Balance due from Mr. Capron at this date.....	\$ 29 622 77

The Board of Trustees, by resolution adopted on June 11, 1932, allowed the Treasurer and the surety on his bond three years from June 9, 1932, in which to realize on the balance due from the old bank. The period of grace thus allowed expires, therefore, on June 9, 1935. The bond given by the Treasurer continues in full force with respect to this balance.

Cordially yours,

LLOYD MOREY  
*Comptroller*

#### **FINANCING RETIRING ALLOWANCES AND DEATH BENEFITS**

Mr. Trees recommended that the Board give immediate attention to the adoption of some satisfactory method of financing retiring allowances and death benefits.

On motion of Mr. Barrett, this recommendation was adopted.

At this point, Mr. Trees withdrew.

#### **PATENT ON RUEHE PROCESS OF MAKING BUTTER**

Mr. Barrett presented a recommendation of the Committee on Patents that Professor H. A. Ruehe and Mr. R. J. Ramsey be authorized to make application for a patent, to be assigned to the University, on their method of manufacturing or processing butter.

On motion of Mr. Barr, this recommendation was adopted.

The Board resumed its consideration of matters presented by the President of the University.

#### **THE UNIVERSITY OF ILLINOIS FOUNDATION**

(28) A request from the Alumni Fund Board that the Board of Trustees of the University authorize the reorganization of the Alumni Fund under the corporate title, "The University of Illinois Foundation," and that provision for an appropriation of \$10,000 a year for two years, beginning July 1, 1935, be made in the budget of the University for the next biennium to get the Foundation organized and started in its work with the understanding that further appropriations after that period would depend upon what had been accomplished. This matter has been before the Board of Trustees previously. The officers of the Alumni Fund Board request that, if funds for 1935-1936 cannot be provided, the plan be approved and the way left open for consideration of an appropriation for 1936-1937.

On motion of Mr. Armstrong, the plan to organize the University of Illinois Foundation was approved, and the President of the University was authorized to add an item of \$10,000 a year, for the Foundation, to the budget to be presented to the General Assembly.

#### **INDEPENDENT SURVEY OF UNIVERSITY BUDGET**

(29) A report that Dr. W. W. Charters, Director of Educational Research at Ohio State University, spent Monday and Tuesday, February 4 and 5, at the University organizing the proposed independent survey of the University budget for 1935-1937 and outlining the studies to be made to secure the necessary data and other information which he, as the educational member of the committee in charge of the budget survey, will require for his part of the work. Several of these studies are already under way.

In view of the limited time now available for this budget survey it will be necessary for the Board to determine at this meeting whether or not the budget survey is to be continued with Dr. Charters alone in charge or if additional experts, either those originally suggested by the Board or others, shall be engaged. If the budget survey is to be made by Dr. Charters alone it will be necessary to secure the Governor's approval for a one-man survey since the original proposal of the Board provided for a committee of three experts.

I recommend that an appropriation of \$5,000, or so much thereof as may be necessary, be made from the General Reserve Fund of the University for the survey of the University budget for 1935-37. The Governor stated that the cost of this survey would be a proper charge against the Contingent Fund in the University's appropriation and that he would make an assignment for this purpose.

On motion of Mr. Barrett, an appropriation of \$5,000 from the Contingent Fund was made to meet the expenses of this survey, by the following vote: Aye, Mr. Armstrong, Mr. Barr, Mr. Barrett, Mrs. Freeman, Mr. Karraker, Dr. Meyer, Mr. Williams; no, none; absent, Mrs. Hopkins, Mr. Horner, Mr. Trees, Mr. Wieland.

#### APPOINTMENTS MADE BY THE PRESIDENT

The Secretary presented for record a list of appointments made by the President of the University.

Arndt, C. O., Assistant in German, on one-half time, for five months beginning February 1, 1935, at a cash compensation at the rate of fifty-seven dollars (\$57) a month (this is in addition to his appointment as Teacher in the University High School). (February 4, 1935)<sup>1</sup>

Black, H. C., Assistant in Chemistry, on one-fourth time, for five months beginning February 1, 1935, at a cash compensation at the rate of twenty-eight dollars fifty cents (\$28.50) a month. (February 8, 1935)

Campbell, R. W., Assistant in Chemistry, on one-third time, for five months beginning February 1, 1935, at a cash compensation at the rate of thirty-eight dollars (\$38) a month. (February 8, 1935)

Cassidy, E., Assistant in History, on one-fourth time, for five months beginning February 1, 1935, at a cash compensation at the rate of twenty-eight dollars fifty cents (\$28.50) a month. (February 4, 1935)

Cowan, J. C., Assistant in Chemistry, on one-third time, for five months beginning February 1, 1935, at a cash compensation at the rate of thirty-eight dollars (\$38) a month. (February 8, 1935)

Cunningham, John Symonds, Research Assistant in Mechanical Engineering, on one-third time, for five months beginning February 1, 1935, at a cash compensation at the rate of sixty dollars (\$60) a month. (January 26, 1935)

Danner, Edwin C., Assistant in Zoology, on one-half time, and Teacher in the University High School, on one-third time, for five months beginning February 1, 1935, at a cash compensation at the rate of ninety-five dollars (\$95) a month (this supersedes his previous appointment). (February 4, 1935)

Dunnington, G. Waldo, Assistant in German, on one-fourth time, for five months beginning February 1, 1935, at a cash compensation at the rate of twenty-eight dollars fifty cents (\$28.50) a month. (February 4, 1935)

Fierke, S. S., Assistant in Chemistry, on one-half time, for the second semester of the academic year 1934-1935, at a cash compensation at the rate of fifty-seven dollars (\$57) a month. (February 4, 1935)

Geiger, G. Raymond, Assistant in Philosophy, on three-fourths time, for five months beginning February 1, 1935, at a cash compensation at the rate of one hundred fifty dollars (\$150) a month. (February 8, 1935)

Gravett, Howard L., Assistant in Zoology, on one-half time, and Teacher in the University High School, on one-third time, for five months beginning February 1, 1935, at a cash compensation at the rate of ninety-five dollars (\$95) a month (this supersedes his previous appointment). (February 4, 1935)

Gruber, E. E., Assistant in Chemistry, on one-third time, for five months beginning February 1, 1935, at a cash compensation at the rate of thirty-eight dollars (\$38) a month. (February 8, 1935)

Joseph, Louis D., Instructor in Surgery, in the College of Medicine, for seven months beginning February 1, 1935, without salary. (February 8, 1935)

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

Komarek, Joseph, Instructor in Dental Pathology and Therapeutics, in the College of Dentistry, on one-fourth time, for seven months beginning February 1, 1935, to receive exemption from tuition and laboratory fees. (February 4, 1935)

LaFuze, G. L., Assistant in History, on one-third time, beginning February 6, 1935, and continuing until July 1, 1935, at a cash compensation at the rate of thirty-eight dollars (\$38) a month. (February 8, 1935)

Lowry, W. McNeil, Assistant in English, on one-third time, for the second semester of the academic year 1934-1935, at a cash compensation at the rate of forty-seven dollars forty cents (\$47.40) a month. (January 23, 1935)

Morse, John D., Assistant in English, on one-third time, for the second semester of the academic year 1934-1935, at a cash compensation at the rate of forty-seven dollars forty cents (\$47.40) a month. (January 26, 1935)

Planitz, Karl-Heinz E., Assistant in German, on one-half time, for five months beginning February 1, 1935, at a cash compensation at the rate of fifty-seven dollars (\$57) a month. (February 4, 1935)

Portis, Bernard, Associate in Surgery, in the College of Medicine, beginning February 15, 1935, and continuing until September 1, 1935, without salary. (February 8, 1935)

Roy, M. F., Assistant in Chemistry, on one-fourth time, for five months beginning February 1, 1935, at a cash compensation at the rate of twenty-eight dollars fifty cents (\$28.50) a month. (February 8, 1935)

Rubert, S. R., Assistant in Radiology, in the College of Medicine, for seven months beginning February 1, 1935, without salary. (January 26, 1935)

Ryden, L. L., Assistant in Chemistry, on one-third time, for the second semester of the academic year 1934-1935, at a cash compensation at the rate of thirty-eight dollars (\$38) a month. (February 4, 1935)

Sapp, R. W., Assistant in Chemistry, on one-fourth time, for the second semester of the academic year 1934-1935, at a cash compensation at the rate of twenty-eight dollars fifty cents (\$28.50) a month. (February 4, 1935)

Scherer, Alfred C. F., Assistant in German, on one-half time, for five months beginning February 1, 1935, at a cash compensation at the rate of fifty-seven dollars (\$57) a month. (February 4, 1935)

Shattuck, Charles, Assistant in English, on one-third time, for the second semester of the academic year 1934-1935, at a cash compensation at the rate of forty-seven dollars forty cents (\$47.40) a month. (January 23, 1935)

Tenney, H. M., Assistant in Chemistry, on one-third time, for the second semester of the academic year 1934-1935, at a cash compensation at the rate of thirty-eight dollars (\$38) a month. (February 4, 1935)

#### RESIGNATIONS

The Secretary presented also for record the following list of resignations.

Byerley, J. Roy, Teacher in the University High School—resignation effective February 1, 1935.

Colton, E. J., Assistant in Chemistry—resignation effective February 1, 1935.

Gibbs, C. F., Assistant in Chemistry—resignation effective February 1, 1935.

Leonard, P. T. P., Assistant in Chemistry—resignation effective February 1, 1935.

Neville, R. P., Assistant in Chemistry—resignation effective February 1, 1935.

Shannon, M. Eileen, Specialist in Office Organization and Management, in the Agricultural Experiment Station, and in the Agricultural Extension Service—resignation effective April 1, 1935.

#### ADJOURNMENT TO FEBRUARY 23, 1935

The Board adjourned to meet at the Blackstone Hotel, in Chicago, at 9:30 a.m. on Saturday, February 23, 1935.

H. E. CUNNINGHAM

*Secretary*

WALTER W. WILLIAMS

*President*