

The Board of Trustees of The Arkansas State Teachers College met in the President's office, Arkansas State Teachers College, Conway, Arkansas, Tuesday, September 3, 1957 pursuant to legal call of the meeting by the Chairman. The following members were present: Dr. John W. Sneed, Jr., Chairman; Louie H. Polk, Vice-Chairman; Mrs. Rufus W. Morgan, Jr., Secretary; Sam E. Adkisson and Dr. Dee W. Halbrook. Absent: Harry S. Ashmore and Walter Priest.

President Snow met with the Board.

The Chairman, Dr. John W. Sneed, Jr., directed roll call and declared a quorum present and called the meeting into formal session.

Minutes of the last meeting of the Board were approved as read.

Chairman Sneed called for any items of old or pending business.

Trustee Adkisson moved that the Loan Agreement as submitted by the Federal Housing and Home Finance Agency be approved. This motion was seconded by Trustee Halbrook and was passed unanimously. The Loan Agreement is as follows:

Project No. Ark. 3-CH-25(D)
Arkansas State Teachers College
Conway, Arkansas
Contract No. H-502-183

L O A N A G R E E M E N T

THIS LOAN AGREEMENT, dated as of August 1, 1957, by and between the Board of Trustees of the Arkansas State Teachers College, a public non-profit educational institution of higher learning located in Conway, Arkansas (herein called the "Borrower"), and the United States of America (herein called the "Government"), WITNESSETH:

Section 1. Amount, Purchase Price and Purpose. Subject to the Terms and Conditions (8-56) as amended herein, attached hereto, and made a part hereof, and the provisions of this Agreement, the Borrower will sell and the Government, acting by and through the Housing and Home Finance Administrator (herein called the "Administrator"), will purchase \$325,000 aggregate principal amount of the obligations of the Borrower described below (herein called the "Bonds"), or such lesser amount thereof as the Administrator estimates will be required, together with the Borrower's funds provided from other sources, to pay the development cost of the Project (estimated to be \$325,000) hereinafter described, at a price equal to the principal amount thereof plus accrued interest, the proceeds of the sale of such Bonds to be used solely for the development of the said Project.

Section 2. Description of Bonds. The Bonds which the Borrower agrees to sell and the Government agrees to purchase are described as follows:

- (a) Designation: Board of Trustees of Arkansas State Teachers College Dormitory Bonds, Series 1957.
- (b) Date: October 1, 1957.
- (c) Principal Amount: \$325,000, being all of an authorized issue of such Bonds.
- (d) Denomination: \$1,000.
- (e) Type: Negotiable, serial, coupon Bonds, payable to bearer.
- (f) Interest Rate: 2-7/8 per annum, payable semi-annually on April 1 and October 1 in each year, first interest payable April 1, 1958.
- (g) Maturities: October 1, in years and amounts as follows:

<u>Year(s)</u>	<u>Principal Payment</u>	<u>Year(s)</u>	<u>Principal Payment</u>
1960-1964	\$5,000	1984-1987	\$10,000
1965-1970	6,000	1988-1990	11,000
1971-1975	7,000	1991-1993	12,000
1976-1979	8,000	1994-1997	13,000
1980-1983	9,000	1994-1997	14,000

- (h) Numbers: 1 to 325 inclusive, in order of maturity
- (i) Security: A General Obligation of the Board of Trustees of the Borrower secured by a first lien on and pledge of a sufficient amount of the gross revenues to be derived from the operation of the Project to provide debt service on the loan and the required reserves.
- (j) Place and Medium of Payment: Payable as to both principal and interest at the principal office of the Trustee to be designated in the Indenture, which shall be a bank or trust company in the State of Arkansas, which is a member of the Federal Deposit Insurance Corporation, or, at the option of the holder, at a bank or trust company in the Borough of Manhattan, City and State of New York, in any coin or currency which, on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America.
- (k) Registerability: Registerable, at the option of the holder, as to principal only.
- (l) Redemption Provisions: Bonds numbered 1 through 43, inclusive, maturing October 1, 1960 through October 1, 1967 inclusive, to be non-callable. Bonds numbered 44 through 261 inclusive, maturing October 1, 1968 through October 1, 1992 inclusive, to be callable at the option of the Borrower prior to the stated maturities thereof, in whole or in part and in inverse numerical order on any interest payment date after October 1, 1967 upon at least thirty (30) days' prior notice, at the principal amount thereof, plus accrued interest to the date of redemption and a premium for each Bond as follows:

3%	if redeemed	April 1, 1968	through	October 1, 1972	inclusive
2 1/2%	"	"	"	1, 1973	" " 1, 1977 "
2%	"	"	"	1, 1978	" " 1, 1982 "
1 1/2	"	"	"	1, 1983	" " 1, 1987 "
1%	"	"	"	After October 1, 1987	

Bonds numbered 262 through 325 inclusive, maturing October 1, 1993 through October 1, 1997 inclusive, to be callable at the option of the Borrower in whole or in part and in inverse numerical order on any interest payment date during the entire life of the loan, upon at least thirty (30) days' prior notice, at par plus accrued interest to the date of redemption.

Priority as to call shall extend to Bonds numbered 262 through 325 inclusive over Bonds numbered 44 through 261 inclusive.

Section 3. Sale of Bonds: The bonds will be sold by the Borrower at public sale, the call for bids specifying that bids will be received and considered on the following basis:

- For (1) all maturities in the years 1960 through 1974;
 (2) all maturities in the years 1975 through 1989; (3) all maturities in the years 1990 through 1997; and (4) the entire issue.

The Government will submit its bid for the Bonds and such bid will be for all of the Bonds at their par value, plus accrued interest, at the rate of two and seven-eighths per centum (2-7/8%) per annum on all of any one or more of the above blocks of Bonds.

In the event any other bidder or bidders offer to purchase all the Bonds, or any portion of the Bonds in blocks as specified at an interest cost of not more than two and seven-eighths per centum (2-7/8%) per annum, the Bonds or any

such portion thereof shall be sold to such bidder(s). In the event of a sale of all the Bonds to a purchaser(s) other than the Government, this Agreement shall terminate except with respect to obligations hereunder between the Borrower and the Government as of the date of such sale of the Bonds. In the event any of the Bonds are awarded to the Government, it is agreed that the obligations hereunder shall continue in the same manner as if all the Bonds were sold to the Government. In the event no bid is received from a bidder(s) other than the Government within the terms herein specified, all the Bonds shall be sold to the Government. It is agreed that so long as the Government owns any of such Bonds, it will waive the non-callable provisions, publication of notice, and premium for call applicable thereto.

Section 4. Description of the Project: The Project shall consist of a dormitory with appurtenant facilities to house approximately 116 men students and one counselor (herein called the "Project").

Section 5. Audit and Inspection Expenses. The amount of the fixed fee for audit and inspection expenses referred to in Section 36 of the attached Terms and Conditions shall be \$2,600.

Section 6. Special Conditions. The Government's obligation to purchase the Bonds of the Borrower is subject to the following special conditions:

- (a) The Borrower shall establish with the Trustee to be designated in the indenture and maintain so long as any of the Bonds are outstanding, a separate Bond and Interest Sinking Fund Account or Accounts which may be called the "Bond Fund," into which shall be deposited all the accrued interest received from the sale of the Bonds. Thereafter, as soon as any portion of the Project becomes revenue-producing, the Borrower shall transfer from the gross revenues of the Project and deposit to the credit of the Bond Fund on or before each March 15 and September 15, not less than \$9,500 until the funds and/or investments therein are sufficient to meet the debt service requirements on the outstanding Bonds for the then current year plus a debt service reserve in the sum of \$28,000 and, thereafter, on or before each March 15 and September 15 such sums from said sources as may be necessary to meet the then current year's debt service and to maintain the debt service reserve in the sum of \$28,000.
- (b) Subject to the foregoing, the Borrower may use the balance of excess gross revenues from the Project to redeem outstanding Bonds on the next interest payment date, in inverse numerical order or for any expenditures, including all operating and maintenance expenses of the Project, the payment of debt service in improving or restoring any existing housing and dining facilities, providing any such additional facilities, or for any other lawful purpose.

Section 7. Delete Section 19 of the attached Terms and Conditions and insert in lieu thereof: "The Borrower shall require of its contractors general compliance with all applicable state and local laws or ordinances with respect to the hours worked by laborers and mechanics engaged on the Project and with respect compensation for overtime."

Section 8. The ~~second~~ sentence of the first paragraph of Section 8 Construction Account of the attached Terms and Conditions is revised as follows: "Monies in the Construction Account shall be expended only for such purposes as are set forth in the latest approved Contract or Project Change Memorandum (Form H-917, revised)."

IN WITNESS WHEREOF, this Agreement has been executed in the name and on behalf of the United States of America, Housing and Home Finance Administrator, by the undersigned Regional Administrator, and in the name of The Board of Trustees of Arkansas State Teachers College by the undersigned Chairman of said Board, and under its official seal, attested by the Secretary of said Board.

UNITED STATES OF AMERICA
Housing and Home Finance Administrator
Community Facilities Commissioner

Date _____ By Regional Administrator

THE BOARD OF TRUSTEES OF ARKANSAS
STATE TEACHERS COLLEGE

SEAL By John W. Sneed, Jr
Chairman, Board of Trustees

ATTEST:

Mrs. Rufus W. Morgan, Jr
Secretary, Board of Trustees

The complete insurance coverage on The Arkansas State Teachers College's buildings and facilities was reviewed. After very deliberate consideration, a motion was offered by Trustee Polk and seconded by Trustee Adkisson and passed unanimously. This motion directed the business manager of the college to place all the scheduled insurance with the following nine agencies located in Conway, Arkansas:

Guy R. Farris	Walter Dunaway
Bahner and Company	Chas. B. Edwards
Sherbert Benton	Ray Price
H. L. Benton	George Shaw
Southern Realty - Ed Speaker	

These agencies have now been in business for at least three years and have submitted the names of companies which qualify for A:AA rating according to Best's Insurance Guide. All scheduled insurance policies expiring January 1, 1958 are to be divided as equally as possible among these nine agencies with the Guy R. Farris Agency being given the first ten percent for serving as manager or secretary of the group of companies. After this the nine agencies are to share and share alike. The non-scheduled insurance is to be awarded according to this plan as nearly as possible.

President Snow reported to the Board that Modification 151 has been duly received and was dated August 23, 1957. This modification approved the plan setting up Social Security retroactive to January 1, 1956.

There being no other items of old or pending business the Chairman called for any new business to be acted upon at this time.

Trustee Halbrosk made a motion which was seconded by Trustee Morgan that the following recommendations of President Snow be approved:

A. Resignation:

- (1) Frank Hancock, Instructor of Speech. This person was elected at the Board meeting on July 30, but has been informed that he will have to go into military service.

B. Election of:

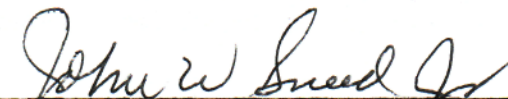
- (1) Miss Sue Lineback, Instructor of Speech, effective September 1, 1957 at a salary of \$375.00 per calendar month.
- (2) Miss Carlisle Ellis, Instructor in the Department of Economics, Sociology and Business Education, effective September 1, 1957 at a salary of \$400.00 per calendar month.

B. Salary Adjustments:

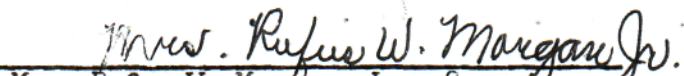
- (1) The salary of R. F. Selvidge be increased \$25.00 per calendar month so long as he is Acting Head of the Physical Science Department, effective September 1, 1957.
- (2) The salary of Miss Frances Webb be increased \$25.00 per calendar month so long as she is Acting Head of the Home Economics Department, effective September 1, 1957.

This motion was passed unanimously by the Board.

There being no further business the Board adjourned.



John W. Sneed, Jr., Chairman



Mrs. Rufus W. Morgan, Jr., Secretary