

June 28, 1933.

On this 28th day of June 1933, the Board of Trustees of the Arkansas State Teachers College met in the President's office at Conway, Arkansas at 11 a.m. with the following members present and voting: Hirst, Leonard, Humphreys, Compere, Andrews, Frauenthal and Smith

Minutes of the last meeting were read and approved.

Motion by Andrews, seconded by Smith (1) that Miss Jessie Montgomery be employed as supervisor for the junior high school in the Training School for the months of July and August at a salary of \$114.90 a month; (2) that Miss Waldron be assigned in the appropriation budget as assistant in the Department of Social Science with no change in salary; (3) that Jerry Dalrymple, Athletic Coach, be assigned as additional assistant instead of an assistant in Social Science, at a salary of \$200.00 a month beginning September 1; (4) that the salaries of Miss Lucy Torson and Miss Edith Langley be made \$1950 each for the next year in order to conform to the appropriation budget; (5) that the resolution passed April 15, 1933 asking the Governor to readjust the amounts appropriated for salaries in Items 29 and 30 for 1933-34 be rescinded

Motion carried.

Motion by Andrews, seconded by Humphreys that Guy E. Smith, Disbursing Agent, be instructed to pay for the grading of correspondence papers at the rate of \$1.50 for each term hours credit; that said payment be paid from the Extension Fund upon the completion of each correspondence course; that the payment for such work made to members of the regular faculty be in addition to salaries for teaching, provided that no member of the faculty will be paid more than \$450.00 per annum in addition to the regular salary.

Motion carried.

Motion by Leonard, seconded by Smith that the board approve the employment by the Building Committee of Archer Wheatley of Jonesboro as attorney for securing the loan from the Reconstruction Finance Corporation and carrying out the provision required at a fee of \$1000 and expenses of travel necessary in connection therewith.

Motion carried.

Mr. Hirst explained to the Board that the State Board of Education had offered to lend to the Arkansas State Teachers College the books, book cases and shipping cases, now the property of the State Board and used in the past as a free library service for the public schools of the state, no appropriation having been made to carry on this work during the next biennium.

Motion by Compere, seconded by Smith that the Board of Trustees of the Arkansas State Teachers College accept the loan of the books and the equipment and that President McAlister be instructed to work out some scheme of furnishing this library service to the public schools in the state in such a way as not to add to the budget of the college.

Motion carried.

At 11:30, according to the advertisements, bids were received for the construction of the new womens dormitory and for the remodeling of Doyne Hall.

The following bids were received for the general construction:

	Base Bid	Alt # 1	Alt # 2
George Burden	\$136,807.75	None	\$1,082.50
William Peterson	139,450.00	\$600.00	400.00
McGregor & Fickett	138,200.00	None	1,000.00
Hewitt & Russell	143,700.00	None	500.00
R.T.Higgins	143,527.00	None	875.00

The following bids were received for electric wiring:

Conway Electric Company	\$5,982.00
I.K.Electric Company	5,787.00
N.L.R. Electric Company	6,308.00
Electric Const. Company	6,835.00

Only one bid was submitted for plumbing and heating. It was not opened and those who expected to bid on the plumbing and heating were instructed to submit their sealed bids at the meeting of the board to be held at 11 a.m. Friday, June 30th.

The total bids for the entire construction and equipping exceeding the amount available for this purpose the board made a schedule of eliminations and asked the following bidders to make a schedule of cuts in their bids and present these under seal to the board at an adjourned meeting to be held in the office of the State Commissioner of Education in the State Capitol in Little Rock at 11 a.m. Friday, June 30, 1933. For general construction: George H. Burden and McGregor Pickett; Electric wiring: Conway Electric Company and I.K. Electric Company.

Motion by Compere, seconded by Leonard that upon adjournment today the board adjourn to 11 a.m. Friday June 30, 1933 to meet in the office of the State Superintendent of Public Instruction in the State Capitol, Little Rock, Arkansas to let contracts for the construction of the womens dormitory and the remodeling and re-conditioning of Doyme Hall; that modifications in the specifications be secured from the Architect early Thursday morning and that the reduction in the bid already submitted be submitted under seal to the board at 11 a.m. Friday June 30, 1933.

Motion carried.

Motion by Compere, seconded by Leonard that the following resolution be adopted:

WHEREAS, pursuant to authority granted by the General Assembly of the State of Arkansas, this Board of Trustees made an application to the Reconstruction Finance Corporation for funds with which to construct a dormitory for women and to reconstruct the men's dormitory; and,

WHEREAS, the Board of Directors of the Reconstruction Finance Corporation by resolution adopted May 25, 1933, approved the purchase of \$158,000.00 principal amount of 5½% bonds of Board of Trustees of Arkansas State Teachers College of State of Arkansas at Conway, Arkansas, on certain terms and conditions more fully set forth in the said resolution, a copy of which has been submitted to this Board of Trustees; now,

THEREFORE, BE IT RESOLVED by the Board of Trustees of Arkansas State Teachers College of the State of Arkansas that it accept the loan and make a sale of its bonds to Reconstruction Finance Corporation on the terms and conditions set forth in said resolution of the Board of Directors of Reconstruction Finance Corporation above mentioned.

Resolution adopted.

Motion by Humphreys, second by Andrews that the following resolution be adopted:

WHEREAS, the Board of Directors of the Reconstruction Finance Corporation (herein called "R.F.C."), by resolutions (herein called the "R.F.C. resolutions") duly adopted on May , 1933, has authorized a loan to the Board of Trustees, Arkansas State Teachers College, of the State of Arkansas, Conway, Arkansas, (herein called the "borrower") to aid in financing a certain project (more fully described in the R.F.C. resolutions and herein sometimes called the "project"), such loan to be effected through the purchase by R.F.C. of not exceeding \$158,000 in principal amount of 5½% bonds of the borrower (such bonds being more fully described in the R.F.C. resolutions and herein called the "bonds"); and,

WHEREAS, it is one of the conditions set forth in the R.F.C. resolutions that, before R.F.C. shall submit any bid for

or purchase any of the bonds, the borrower shall give to R.F.C. assurances following substantially the text and form hereof;

NOW, THEREFORE, IT IS HEREBY RESOLVED that, in the event that R.F.C. shall bid for or purchase any of the bonds under the authority of the R.F.C. resolutions:

1. Every bid made by R.F.C. for any of the bonds shall be recognized by the borrower to be, and shall be deemed to be, subject to all the applicable terms and conditions in the R.F.C. resolutions contained, whether or not such bid shall expressly so state and whether or not such bid shall be, on its face, conditional or unconditional.

2. The borrower, and all contractors engaged in the construction of the project, will, at all times while the borrower is disbursing the proceeds of any of the bonds purchased by R.F.C., comply with the following conditions:

- (a) No convict labor shall be directly employed on such construction.
- (b) In the employment of labor directly engaged in such construction, preference shall be given, where they are qualified, first, to ex-service men with dependents and, second, to persons who are either citizens of the United States or who have filed declarations of intention to become citizens, which said declarations of intention continue valid and in good standing.
- (c) Except in executive, administrative and supervisory positions, no individuals directly employed on such construction shall be permitted to work more than thirty hours in any one week.
- (d) The rate of wage for all laborers and mechanics directly employed on such construction shall not be less than the prevailing rate of wage in the same locality for work of the same character, or, in the event that there is no work of precisely the same character in the same locality, then for work of like character.
- (e) No machinery or materials shall be used in or employed in connection with such construction except such as shall have been produced or manufactured in the United States or its territories.

3. The proceeds of every sale of the bonds to R.F.C. shall be deposited in a bank or banks which are members of the Federal Reserve System in a special account or accounts from which withdrawals and expenditures shall be made only for such purposes as shall have been previously specified in that certain statement which is to accompany the written requisition (provided for in the R.F.C. resolutions) of the borrower to R.F.C. for the purchase of such bonds. Every such deposit shall be continuously secured by United States Government securities having an aggregate market value at least equal to the sum at the time on deposit. Any part of any such deposit remaining unexpended after the completion of the project shall be paid into a sinking fund for the bonds and shall be used, in so far as permitted by law, only for the payment of the principal of the bonds, or, in the alternative, to acquire outstanding bonds by purchase at public or private sale at a price (exclusive of accrued interest) not exceeding the face amount thereof. Any bonds so acquired by purchase shall be cancelled and shall not be reissued.

4. Supervising Engineer. R.F.C. at any time may designate a supervising engineer as its representative at the site of the construction work. If R.F.C. shall so request, the Borrower will accept no work or materials nor disburse any of the proceeds of the bonds except with that approval of such supervising engineer, and will comply and cause all contractors and materialmen to comply with the reasonable instructions of such supervising engineer respecting the Project.

5. As long as any of the bonds purchased by R.F.C. shall be outstanding, it shall have access to, and the right and privilege to inspect by its duly authorized representative or representatives, from time to time and at any time during usual business hours, the project and any and all plans, specifications, contracts, records, documents, and other papers pertaining thereto and/or pertaining to the financial and other affairs of the borrower, and, during such period, the borrower (at its own expense) shall furnish to R.F.C. from time to time upon request and in such form and detail as R.F.C. may require, full and satisfactory reports, audits, statements and other information respecting all such matters.

6. R.F.C. may assign any and all the rights and privileges granted to it by the last two preceding paragraphs hereof to any purchaser from it of not less than \$40,000 in principal amount of the bonds. Such rights and privileges shall not lapse by reason of the resale by such purchaser of all or any of such bonds. Such rights and privileges shall not, however, be again assignable by such purchaser.

7. The borrower agrees to pay, or cause to be paid, the cost of preparing and executing all documents and the cost of printing and engraving or lithographing the bonds, and to cause to be reimbursed to R.F.C. promptly upon request all out of pocket expense paid or incurred by R.F.C. in connection with the issuance and delivery of the bonds, including, without limiting the generality of the foregoing, all expenses of investigation and inspection of the project by the duly authorized representative or representatives of R.F.C. and all traveling expenses, if any, of any representative of R.F.C. in connection with any of the foregoing matters.

8. As long as any of the bonds are outstanding, the borrower will observe and perform the following terms and conditions, all of which shall inure to the benefit of and be enforceable by any holder of any of the bonds:

- (a) The borrower will apply to the payment of principal of and interest on the bonds when due, the gross tolls, fees, rents and other charges (or such part thereof as may be necessary therefor) to be derived from the operation of the project;
- (b) in the event that the gross revenues described in paragraph (a) above shall at any time be insufficient for the purpose, the borrower will apply to the payment of principal of and interest on the bonds when due the gross revenues (or such part thereof as may be necessary therefor) to be derived from the operation of its dining hall and from matriculation, library, laboratory and other incidental fees or charges;
- (c) the borrower will fix, and use its best efforts to collect, such rates for use of the project as shall be adequate at all times to provide funds to pay the principal of and interest on the bonds when due;
- (d) (notwithstanding whatever other facilities may at the time be available for the housing of students) the borrower will require a sufficient number of students to occupy the dormitories comprising the project that each of them shall be at all times during the regular and summer scholastic terms at least 95% occupied;
- (e) The borrower will issue no additional securities, the principal of and interest on which are payable from revenues of the project, unless the rights of the holders of such securities are expressly made subordinate to all rights of the holders of the bonds.
- (g) The gross revenues from operation of the project shall be paid into a special fund (herein referred to as the "Sinking Fund"), from which there shall be paid the principal of, and interest on, as the same shall become due, the bonds. Any balance remaining in such Sinking Fund after such payment of principal of and interest on the bonds shall be promptly set aside and held as a reserve fund (herein referred to as the "Reserve Fund"), to be applied only to the payment of principal of, and interest on, the bonds when such payments cannot be met from the Sinking Fund; provided that the borrower shall not be required to make any contribution to the Reserve Fund at any time when such fund is not less in amount than the aggregate of the next two following interest payments due on the bonds. Out of any balance remaining after such payments to the Reserve Fund there shall be paid first the expenses of operation

- and maintenance of the project, and any operating revenues thereafter remaining may be disposed of by the borrower without limitation.
- (g) The expenses of operation and maintenance, as referred to in the preceding sub-section (e) shall include, among other things, the cost of any insurance carried in accordance with the provisions of the following sub-sections (i) and (j).
- (h) The borrower will, if so requested by the Treasurer of R.F.C., furnish to R.F.C. a surety bond, satisfactory to the Treasurer of R.F.C. as to surety and amount, for the completion and construction of the project. The borrower will proceed with such construction in accordance with plans and specifications, or modifications thereof, which have been (or which prior to the first purchase of bonds of the borrower shall have been) submitted to and approved by R.F.C., and will carry such construction to completion with such diligence as may be requested by R.F.C.
- (i) The borrower, after completion of construction of the project, will at all times efficiently maintain and carry on the operations and business of the project and will keep the same, and every part thereof, in good condition, repair and working order. Nothing herein contained shall be held to prevent the borrower from discontinuing the use and operation of any property or equipment forming a part of the project, if, in the judgment of its proper governing body, it is no longer advisable to use and operate the same, or if the borrower intends to sell or dispose of such property or equipment within a reasonable time and shall endeavor to effectuate such sale.
- (j) The borrower will at all times keep all the property, equipment and furnishings of the project, which are of an insurable nature, insured with insurers of good standing against loss or damage by fire, wind and other hazards customarily insured against by owners of similar properties.
- (k) The borrower will at all times carry with insurers of good standing such insurances covering the loss of use and occupancy of the project as is customarily carried by owners of similar properties and businesses.
- (l) Any moneys realized by the borrower upon the sale of any property or equipment of the project or upon any insurance (exclusive of loss of use and occupancy insurance) covering the same, shall be used, in so far as permitted by law only for (1) replacements, repairs, betterments, improvements, extensions or additions to the project or (2) the acquisition of outstanding bonds by purchase at public or private sale at a price (exclusive of accrued interest) not exceeding the face amount thereof or (3) if no outstanding bonds are available for purchase at public or private sale at such prices, investment in direct obligations of the United States Government which shall be held until such time as such bonds or any thereof may be so available for purchase and then sold and the proceeds applied to such purchases as aforesaid. Any bonds so acquired by purchase shall be cancelled and shall not be reissued.
- (m) The proceeds of any insurance covering loss of use and occupancy shall be applied, first, to the payment of such installments of principal or interest as may be or become due, during the period of loss of use and occupancy on the bonds and, second, to the payment of such current operating expenses as may be required to be paid during such period. Any of such proceeds not required for the above purposes shall be applied in accordance with the provisions of sub-divisions (2) or (3) of the preceding sub-section (l).

- (n) The borrower will at all times keep proper books of record and account (separate entirely from all other records and accounts of the borrower) in which full and correct entries shall be made of all dealings or transactions of or in relation to the properties, business and affairs of the project. The borrower, not later than three months after the close of any fiscal year, will prepare a balance sheet and an income and surplus account, showing respectively, in reasonable detail, the financial condition of the project at the close of such preceding fiscal year and the results of operations thereof during such year. Said balance sheets and income and surplus accounts shall at all reasonable times during usual business hours be open to examination and inspection by any holder of any of the bonds, and a copy of each such statement, certified correct by the Treasurer of the borrower, shall be furnished to R.F.C. forthwith upon its preparation.

Resolution unanimously adopted.

Motion by Humphreys, second by Compere that the following resolution be adopted:

WHEREAS, The Arkansas State Teachers College of the State of Arkansas, Conway, Arkansas, is a state supported educational institution, and this Board of Trustees, as the governing authority thereof, is by Act Number 47 of the Acts of the General Assembly of the State of Arkansas, approved February 21, 1933, authorized and empowered as a public agency of the state to construct, reconstruct, equip, maintain and operate dormitories and acquire sites therefor, which are of the character described as self-liquidating projects under the Federal Reconstruction Finance Corporation laws, and is further authorized in connection therewith to enter into the necessary contracts with the Reconstruction Finance Corporation of the United States; and,

WHEREAS, the dormitory facilities for said Arkansas State Teachers College are such that it is necessary at this time to construct a new dormitory for women and to reconstruct the dormitory for men, which dormitories will be of the character described as self-liquidating projects; and,

WHEREAS, the sites upon which said dormitories are to be constructed and reconstructed have been acquired without cost and it is necessary at this time that provision be made for the issuance of bonds in the total sum of \$158,000.00 to defray the cost of constructing and reconstructing such dormitories, all pursuant to the preliminary contract heretofore entered into with Reconstruction Finance Corporation; now,

THEREFORE BE IT AND IT IS HEREBY RESOLVED AND ORDERED

by the Board of Trustees of Arkansas State Teachers College of the State of Arkansas at Conway, Arkansas, as follows:

SECTION 1. That for the purpose of constructing a new dormitory for women and of reconstructing the dormitory for men, there shall be and there are hereby ordered issued the negotiable Dormitory Bonds of this Board of Trustees in the principal sum of \$158,000.00, dated April 1, 1933, numbered consecutively from 1 to 160, both inclusive, of the denomination of \$1000.00 each, except bonds numbered 2, 44, 63 and 127, which shall be of the denomination of \$500.00 each, bearing interest at the rate of five and one-half per cent per annum, payable on October 1, 1933, and semi-annually thereafter on the first day of April and October of each year. Said bonds shall mature in numerical order as follows:

Date	Amount	Date	Amount
April 1, 1934	\$1500.00	April 1, 1947	\$6500.00
April 1, 1935	3000.00	April 1, 1948	7000.00
April 1, 1936	3000.00	April 1, 1949	7000.00
April 1, 1937	3000.00	April 1, 1950	7000.00
April 1, 1938	4000.00	April 1, 1951	8000.00
April 1, 1939	4000.00	April 1, 1952	8000.00
April 1, 1940	4000.00	April 1, 1953	8000.00
April 1, 1941	5000.00	April 1, 1954	9000.00
April 1, 1942	5000.00	April 1, 1955	9500.00
April 1, 1943	5000.00	April 1, 1956	10000.00
April 1, 1944	5500.00	April 1, 1957	10000.00
April 1, 1945	8000.00	April 1, 1958	13000.00
April 1, 1946	6000.00		

Provided, however, said bonds shall be subject to the right of call and retirement at par and accrued interest by said Board of Trustees prior to maturity, in the inverse of numerical order, or any interest payment date, by notice specifying the numbers of the bonds to be retired and the date of redemption, given by registered mail to any known holders of any bonds to be redeemed, and as to the unknown holders of any bonds such notice shall be published at least once each week for at least two consecutive weeks in a newspaper having general circulation in the city of New York, New York, and shall be filed at each of the places of payment of principal and interest. The mailing, first publication, and filing as aforesaid of such notice shall be at least thirty days preceding such redemption date. All bonds so called for redemption shall cease to bear interest from and after the date so specified.

Both principal and interest shall be payable in such medium of funds as is at the time of the respective payments legal tender for the payment of debts due the United States of America, at the principal office of the Chase National Bank of the City of New York, in the City of New York, New York, or at Mississippi Valley Trust Company, in the City of St. Louis, Missouri, at the option of the holder. Said bonds shall each be signed by the Chairman of this Board of Trustees, attested by its Secretary, and the corporate seal of said Board of Trustees shall be affixed to each of said bonds. Interest on said bonds shall be evidenced by coupons thereto attached, which shall be executed with the facsimile signature of said Chairman and Secretary.

SECTION 2. That upon presentation at the office of the Secretary of said Board of Trustees of any of said bonds, same may be registered as to principal in the name of the owner on the books in his office, such registration to be noted on the reverse side of the bonds by the Secretary, and thereafter the principal of such registered bonds shall be payable only to the registered holder, his legal representative or assigns. Such registered bonds shall be transferable to another registered holder, or back to bearer, only upon presentation to the Secretary with a legal assignment duly acknowledged or approved. Registration of any of such bonds shall not effect the negotiability of the coupons thereto attached but such coupons shall be transferable by delivery merely.

SECTION 3. That said bonds and coupons and provisions for registration shall be in substantially the following form, to-wit:

UNITED STATES OF AMERICA
STATE OF ARKANSAS
ARKANSAS STATE TEACHERS COLLEGE
DORMITORY BOND.

No. _____

KNOW ALL MEN BY THESE PRESENTS: That the Board of Trustees of Arkansas State Teachers College of the State of Arkansas, at Conway, Arkansas, for value received, hereby promises to pay to bearer, or if this bond be registered, to the registered holder hereof, the sum of _____ Dollars (\$ _____) on the first day of April, 19____, subject to right of prior redemption as hereinafter set out, and to pay interest on said sum from the date hereof until paid or until this bond shall have been called for redemption, at the rate of five and one-half per cent (5½%) per annum, payable October 1, 1933, and semi-

annually thereafter on the first day of April and October in each year, upon presentation and surrender of the annexed interest coupons at the same severally mature, both principal and interest being payable in such medium of funds as is at the time of the respective payments legal tender for the payment of debts due the United States of America, at the principal office of the Chase National Bank of the City of New York, in the City of New York, New York, or at Mississippi Valley Trust Company in St. Louis, Missouri, at the option of the holder hereof.

The Board of Trustees hereby reserves the right and option to call and retire this bond prior to maturity at par and accrued interest, on any interest payment date, by notice specifying the number of the bond and the date of redemption given by registered mail to the holder, if known, and as to any unknown holder, such notice shall be published at least once each week for at least two weeks in a newspaper having general circulation in the City of New York, New York, and shall be filed at each of the places of payment of principal and interest. The mailing, first publication, and filing as aforesaid of such notice shall be at least thirty days preceding such redemption as aforesaid, interest shall cease from and after the date so specified.

The bond is issued by said Board of Trustees pursuant to resolution duly adopted for the purpose of defraying the cost of constructing a dormitory for women and of reconstructing the men's dormitory for said Arkansas State Teachers College, under and in full compliance with the Constitution and statutes of the State of Arkansas, including, among others, Act Number 47 of the Acts of the General Assembly of Arkansas, approved February 21, 1933.

This bond is secured by a specific pledge of a sufficient portion of the gross tolls, fees, rents and other charges to be derived as income from the maintenance and operation of such dormitories, which income is to be set aside and used for that purpose, and in addition this bond constitutes a general obligation of said Board of Trustees for the payment of both principal and interest, but shall not be considered a debt for which the full faith and credit of the State of Arkansas is pledged.

This bond shall be fully negotiable but may be registered as to principal in the name of the holder on the books of the Secretary of said Board of Trustees, such registration to be noted hereon by the Secretary, after which no transfer hereof shall be valid unless made on said books and similarly noted hereon, but it may be discharged from such registration by being transferred to bearer, after which it shall be fully negotiable and transferable by delivery, and it may be again registered as before. Registration of this bond as to principal shall not restrain the negotiability of the coupons by delivery merely.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond, have existed, have happened and have been performed in due time, form and manner as required by law, and that the amount of this bond, together with all other obligations of said Board of Trustees, does not exceed any limit upon indebtedness prescribed by the Constitution or statutes of the State of Arkansas, and that a sufficient portion of the gross tolls, fees, rents and other charges to be derived as income from the maintenance and operation of said dormitories has been pledged to and will be set aside into said special fund by said Board of Trustees for the due and punctual payment of both principal of and interest on this bond.

IN WITNESS WHEREOF, said Board of Trustees of Arkansas State Teachers College of the State of Arkansas, at Conway, Arkansas, has caused this bond to be signed by its Chairman and its corporate seal to be hereunto affixed, attested by its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and said Secretary, which officials by the execution of this bond do adopt as and for their own proper signatures their respective facsimile signatures appearing on said coupons, and this bond to be dated the first day of April, 1933.

C.M. Hirst
Chairman

ATTEST:
Roy Leonard

(FORM OF COUPON)

NO. T

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On the first day of , 19 , the Board of Trustees of Arkansas State Teachers College of the State of Arkansas at Conway, Arkansas, will pay to bearer, unless the bond to which this coupon is attached shall have been duly called for redemption as herein provided, Dollars (\$) in such medium of funds as is at said time legal tender for the payment of debts due the United States of America, at the principal office of the Chase National Bank of the City of New York, New York, or at Mississippi Valley Trust Company in the City of St. Louis, Missouri, at the option of the holder, for interest then due on its Dormitory Bond, dated April 1, 1933, NO. .

C. M. Hirst
Chairman

Roy Leonard
Secretary

(FORM FOR REGISTRATION)

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Secretary</u>
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SECTION 4. That said bonds as hereinbefore authorized by executed as herein provided as soon after the adoption of this resolution as may be and thereupon they shall be sold and delivered upon requisition for bids to be made consistent and in accordance with the resolution adopted by the Board of Directors of said Reconstruction Finance Corporation on May 25, 1933. The sale and award of said bonds as aforesaid are hereby in all respects ratified and confirmed. The proceeds derived from the issuance of said bonds shall be used solely and only for the purpose of reconstructing the men's dormitory and of constructing a new dormitory for women.

SECTION 5. That said bonds shall be and are hereby recognized and declared to constitute general obligations of the Board of Trustees of Arkansas State Teachers College, State of Arkansas, at Conway, Arkansas, but shall not in any event ever be considered a debt for which the full faith and credit of the State of Arkansas are pledged. As and when the dormitories shall have been constructed and equipped they shall thereafter, so long as any of said bonds remain outstanding and unpaid, be maintained and operated as a self-liquidating project, and a sufficient portion of the gross income derived from the maintenance and operation thereof shall be and is hereby pledged to, and shall be set apart as a special fund for, the payment of principal of and interest on the bonds hereinbefore authorized as the same will respectively become due. Notwithstanding whatever other facilities may at the time be available for the housing of students, said Board of Trustees covenants and agrees to require a sufficient number of students to occupy the dormitories to be constructed and equipped from the proceeds of said bonds so that each of said dormitories shall from and after the date of completion be, at all times during the regular and summer scholastic terms, at least ninety-five per cent occupied. The rates to be charged for services furnished by such dormitories shall be fixed and revised from time to time, and the best efforts of said Board of Trustees shall at all times be exerted to collect sufficient income to pay the principal of and interest on the bonds as the same will become due, and in addition said Board of Trustees hereby pledges and obligates itself to pay from any other funds available, any deficiency in realized income, in order to promptly pay the principal and interest of said bonds as the same will become due.

The gross revenues from operation of the project shall be paid into a sinking fund from which there shall be paid the principal of and interest on, as the same shall become due, the bonds. Any balance remaining in such sinking fund after such payment of principal of and interest on the bonds shall be promptly set aside and held as a reserve fund to be applied only to the payment of principal and interest on the bonds when such payments cannot be met from the sinking fund; provided that no contribution to the reserve fund shall be required at any time when such fund is not less in amount than the aggregate of the next following installment of principal and the next two following interest payments due on the bonds. Out of any balance remaining after such payments to the reserve fund there shall be paid first the expenses of operation and maintenance of the project and any operating revenues thereafter remaining may be disposed of by the Board of Trustees without limitation.

SECTION 6. That the bonds hereby authorized shall not be entitled to priority, one over the other, in the application of the income to the payment of principal and interest, it being the intention that there shall never be any such priority notwithstanding that the bonds may have been actually issued and delivered at various times. So long as any of the bonds hereby authorized remain outstanding and unpaid, no additional securities shall be issued payable from the income from such dormitories, unless the rights of the holders of such subsequently issued securities are expressly made subordinate to all rights of the holders of the bonds hereby authorized.

SECTION 7. That it is hereby covenanted and agreed that no funds shall be used to call and retire bonds prior to maturity pursuant to the option hereinbefore reserved except such funds as may be in excess of principal and interest requirements otherwise due on or prior to such redemption date, and whenever bonds shall have been designated and called for retirement, the amount of funds necessary for such retirement shall be set apart to be used for that purpose and shall not be regarded as excess funds for thereafter accomplishing retirement of additional bonds. Except for the retirement of the last outstanding bonds, no part of the reserve fund called for by Section Five hereof shall be used to retire bonds before maturity.

SECTION 8. These resolutions shall be cumulative of, and shall not repeal or modify any other resolution of this Board of Trustees adopted this day, which resolutions shall continue in full force and effect.

SECTION 9. That this resolution shall become effective immediately upon its adoption, and the covenants and agreements herein set out shall inure to the holder or holders of any of the bonds or any of the interest coupons from time to time outstanding.

Resolution unanimously adopted.

Motion by Leonard, second by Humphreys that the following resolution be adopted:

BE IT RESOLVED that H. L. McAllister, the President of The Arkansas State Teachers College, be and he is hereby designated and appointed as Treasurer of the College and of this Board of Trustees, with full power and authority to receipt for any and all moneys received from the Reconstruction Finance Corporation, or any other agency of the United States, in connection with the sale of bonds for the purpose of securing funds with which to construct a dormitory for women and to reconstruct a dormitory for men, and with full power and authority to issue checks and vouchers for the disbursement of any and all such moneys for the purposes incident and necessary to the completion of said projects.

BE IT FURTHER RESOLVED: 1. That said Treasurer of the College, H. L. McAlister, be and he is hereby authorized, empowered and directed to offer to the Reconstruction Finance Corporation for such price and on such terms as it will bid \$158,000.00 par value of the bonds of this Board of Trustees issued pursuant to authority heretofore granted, and in accordance with resolutions of the Board of Directors of said Reconstruction Finance Corporation for the purpose of securing funds ~~with which to reconstruct~~ for the construction and reconstruction of said dormitories. Said Treasurer may offer said bonds in one lot or in blocks according to the requirements of said Reconstruction Finance Corporation.

2. That said Treasurer be, and he is hereby, authorized, empowered and directed to accept the bid or bids for said bonds which may be made by Reconstruction Finance Corporation, provided the price at which said bonds may be sold shall not represent a cost to this Board of Trustees over the life of such bonds in excess of six per cent. (6%) per annum.

3. That said Treasurer, be and he is hereby, authorized, empowered and directed to deliver said bonds when properly executed by the Chairman and Secretary of this Board to said Reconstruction Finance Corporation, or to such person or agency as it may direct, and to receive and receipt for the proceeds of said bonds, and to execute and deliver such documents as he may find necessary or expedient in the premises.

Resolution unanimously adopted.

Motion by Leonard, second by Humphreys that the following resolution be adopted:

BE IT RESOLVED that the President of the College, H. L. McAlister, and the attorney for the College, Archer Wheatley, be and they are hereby authorized and empowered to secure on the terms and conditions they deem most favorable the printing of such bonds as may be required to carry out the provisions of the contract with and the requirements of the Reconstruction Finance Corporation.

BE IT FURTHER RESOLVED that said attorney is hereby directed to arrange with Chapman and Cutler, attorneys of Chicago, Illinois, being the counsel selected by the Reconstruction Finance Corporation for approval of the bonds, for their services in the premises, any contract, however, to be approved by the President of the College.

Resolution unanimously adopted.

Motion by Compere, second by Smith that the following resolution be adopted:

BE IT RESOLVED, That this Board of Trustees, from an examination made by it, finds and certifies that it is in financial condition to purchase such furniture, equipment and supplies as may be needed for the operation of the new dormitory for women to be constructed and the men's dormitory to be reconstructed as provided in the plans submitted to the Reconstruction Finance Corporation, so that the said dormitories may be put into operation immediately upon the completion of the project.

BE IT FURTHER RESOLVED, That E.L. Compere, Roy Leonard and S.T. Smith be and they are hereby appointed and designated as a Purchasing Committee, to secure bids on such furniture, equipment and supplies, and, on approval by this Board, to enter into contracts for the purchase, delivery and installation thereof.

Resolution unanimously adopted.

The Board adjourned until 11 a.m. Friday June 30, 1933.

C. M. Thirt
Chairman

Secretary