

MINUTES—OHIO UNIVERSITY, Board of Trustees- Meeting May 7, 1964

A regular meeting of the Board of Trustees of Ohio University was held in Athens, Ohio, Thursday, May 7, 1964.

In addition to the Chairman, John Galbreath, the following members were present: Don M. Casto, Jr., Wayne E. Brown, Fred H. Johnson, Joseph B. Hall, C. Don McVay, and Russell P. Herrold. Mr. C. Paul Stocker and Mr. Edwin L. Kennedy were unavoidably absent.

In addition to the members of the Board of Trustees, President Vernon R. Alden, Mr. L. F. Lausche, and Mr. Paul R. O'Brien were also present.

It was moved by Mr. Hall, seconded by Mr. Brown, and unanimously passed that the minutes of the meeting of January 21, 1964, be approved as distributed by the Secretary.

There were no communications, petitions, or memorials.

There followed a discussion of the need for interim financing for Dormitories #7, 8, and 9. The Secretary presented three proposals: one from the City National Bank of Columbus, Columbus, Ohio; one from the Central National Bank, Cleveland, Ohio; and one from A. G. Becker and Co., Chicago, Illinois.

After a discussion, it was moved by Mr. Johnson, that the following Resolution be approved. This motion was seconded by Mr. Hall, and on a roll call vote the following votes were recorded: Galbreath, Yes; Johnson, Yes; Hall, Yes; McVay, Yes; Casto, Yes; Herrold, Yes; Brown, Yes; there being no negative votes, the following Resolution is adopted:

RESOLUTION APPROVING AND PROVIDING FOR
EXECUTION OF INTERIM FINANCING AGREEMENT

BE IT RESOLVED, by the Board of Trustees of The President and Trustees of the Ohio University that:

Section 1. The form of commitment letter agreement from The City National Bank of Columbus, Columbus, Ohio, dated May 1, 1964, attached hereto as Exhibit I is hereby approved and accepted in all respects, and the President of the University, the Vice President for Business Affairs, and the Treasurer of the University, and each of them, are hereby authorized to execute and deliver such agreement to said Bank.

Section 2. The form of promissory note attached to said commitment letter as Exhibit A thereto, is in all respects approved, and the President, Vice President for Business Affairs, and Treasurer, and each of them, are authorized to execute and deliver a note or notes, in substantially the form of such Exhibit A, with such changes therein not adverse to the University as the officer or officers acting shall deem advisable, to evidence the loan to be made by The City National Bank of Columbus, to the University pursuant to said commitment letter.

Section 3. The President, Vice President for Business Affairs, and the Treasurer, and each of them, are authorized to invest and reinvest the proceeds of the loan in such obligations of the United States of America, or obligations of its agencies and instrumentalities which are guaranteed by the United States, as they shall deem advisable, and to pledge and deliver such obligations to The City National Bank of Columbus, as security for the loan, and pursuant to the terms of the commitment letter to sell or redeem such obligations for the purpose of obtaining funds to pay the costs of construction of the Dormitory Project referred to in said letter.

Section 4. The officers of the Board of Trustees and the officers of the University are authorized to take any and all action necessary or proper to carry out and perform the terms and conditions set forth in the commitment letter and in any promissory note or notes delivered pursuant thereto as herein authorized.

THE CITY NATIONAL BANK & TRUST COMPANY
of Columbus

Columbus 16, Ohio

May 1, 1964

John H. Kreinbihl
Vice President

Ohio University
Athens, Ohio

Attention: Paul R. O'Brien
Vice President for Business Affairs

Gentlemen:

Confirming our recent conversations, we are pleased to advise that we are willing to loan to the President and Trustees of The Ohio University (sometimes known as Ohio University) through its Board of Trustees (herein referred to as the "University"), the principal sum of \$3,250,000 to provide interim financing required in connection with the construction

122

121

120

of the dormitory and dining hall project designated as Housing and Home Finance Agency Project No. CH-Ohio-173(D), and described in the Loan Agreement between the University and the United States of America, acting through the Housing and Home Finance Administrator, dated as of February 1, 1964, (herein referred to as the Loan Agreement), as consisting of three new dormitory buildings to provide housing and appurtenant facilities for approximately 733 men and women students, 4 supervisors and basement parking for approximately 75 cars, (herein referred to as the "Project").

Our loan is to be evidenced by a promissory note of The Ohio University in substantially the form, and containing the provisions as to interest rate, source of payment and security set forth in the form of note attached hereto and marked as Exhibit A. The obligation evidenced by said note is required to be paid only from the following sources, provided, however, that the University may pay said note of its own volition from other funds lawfully available for the purpose: (a) from the proceeds of sale (including advances of purchase price made pursuant to the Loan Agreement) of The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series E, \$3,250,000 aggregate principal amount (herein referred to as the "Bonds"), to be issued and sold as additional parity bonds under Trust Agreement, dated as of January 1, 1962 and second Supplemental Trust Agreement dated as of January 1, 1964, between the University and this Bank, as Trustee; (b) from the net receipts to be derived from the operation of the Dormitory Facilities of the University (as defined in the Trust Agreement) after providing for the reasonable and proper expenses of operation and maintenance thereof and after all payments required to be made to the Special Funds under the Trust Agreement; and (c) from the pledged obligations hereinafter mentioned. The obligation of this note is to be secured, and funds to pay costs of construction are to be provided as needed, in the following manner:

120

The principal sum of our loan is to be invested in obligations of the United States of America and other instrumentalities or agencies thereof, guaranteed by the United States of America (referred to as "Obligations") of such maturities as the authorized officers of the University shall deem appropriate to permit payment of construction costs of the Project, and said obligations are to be, and hereby are pledged to secure payment of the promissory note. We will release from such pledge to the University, from time to time, upon compliance with the terms and conditions set forth below, such of the pledged Obligations as shall be necessary to provide funds for payment of amounts due under the University's contracts for the construction of the Project. Upon such release, the University shall convert such Obligations into money which shall be used by it to pay amounts due under such contracts or for architectural, engineering or other services in connection with construction of the Project (all as shown in the architect's certificates or estimates).

Our willingness to make this loan and thereafter to release the Obligations as aforesaid is conditioned upon (1) the continued effectiveness of the Loan Agreement, between the University and the United States of America hereinbefore mentioned; (a) Receipt by us of satisfactory evidence and assurance from the University that it can and will meet all of the terms and conditions of the Loan Agreement, the Trust Agreement, and particularly the requirements thereof for issuance of additional bonds, the Supplemental Trust Agreement, this agreement and the note evidencing the loan to be made pursuant hereto; (3) receipt of certified copies of resolutions adopted by the Board of Trustees of the University relating to approval of the Bond Resolution for said Series E Bonds, the second Supplemental Trust Agreement, the Loan Agreement and this agreement and copies of such agreements; (4) that the United States, acting through the Housing and Home Finance Administrator has approved this interim financing insofar as such approval is required by the Loan Agreement; (5) receipt by us of an opinion from Bricker, Evatt, Barton, Eckler & Niehoff that the University has authority (a) to borrow, and pledge, pursuant to the terms hereof and to execute and deliver the promissory note to evidence such borrowing (b) to enter into the Loan Agreement (c) that the Loan Agreement has been validly executed and delivered pursuant to proper authority on behalf of the University (d) that under the circumstances existing at the time such opinion is rendered, and note when executed and delivered against the principal sum thereof, will constitute the valid and binding obligation of the University in accordance with its terms and (e) that the interest on said note and Bonds is exempt, under present statutes, decisions and rulings, from Federal income tax; (6) approval by us of construction contracts, the general contractor, all subcontractors, and the bonding companies issuing such bonds covering construction of the Project; (7) assurance that the University has funds available, together with the proceeds of our loan, to complete the Project; and (8) evidence satisfactory to us that funds for the purchase of the Bonds to be issued have been duly appropriated and set aside for that purpose by the United States Government acting through the Housing and Home Finance Administrator.

119

118

MINUTES—OHIO UNIVERSITY, Board of Trustees- Meeting May 7, 1964

Release of the Obligations, from time to time, to pay construction costs is further conditioned upon receipt of a certificate of the University stating that the Loan Agreement is in full force and effect, that the University is not in default under the Loan Agreement and the Trust Agreement, or any construction contract and that no events have occurred which, but for the giving of notice or the lapse of time or both, would constitute an event of default thereunder or hereunder and that payment of amounts due under the contracts to be made with the proceeds of the Obligations to be released by us have been approved by the Department of Public Works of the State of Ohio and by the Housing and Home Finance Agency. In addition, we shall expect the University to furnish us for our files, certified or executed copies of such documents as we may request which the University has issued or entered into in connection with the proposed bond issue, the construction program or the Loan Agreement. We shall also expect a signed copy of the preliminary bond opinion rendered by Bricker, Evatt, Barton, Eckler & Niehoff to the Housing and Home Finance Agency, together with evidence that the same has been approved by the Housing and Home Finance Administrator.

It is the further condition of this commitment that construction of the Project be completed not later than October 31, 1965.

If the conditions of this agreement are acceptable to you, please execute the two carbon copies of this letter enclosed herewith and return them to us.

Very truly yours,
THE CITY NATIONAL BANK & TRUST
COMPANY OF COLUMBUS

By (signed—John H. Kreinbihl)
Vice President

Accepted and approved by the University, this 7 day of May, 1964.
The President and Trustees of The Ohio University
and The Board of Trustees of The President and
Treasurer of The Ohio University

By: (Paul R. O'Brien)

and: (John F. Milar)

EXHIBIT A

_____, Ohio _____, 1964

ON OR BEFORE _____, for value received, THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY and its BOARD OF TRUSTEES (hereinafter collectively called the "University") promise to pay to the order of THE CITY NATIONAL BANK AND TRUST COMPANY OF COLUMBUS, Columbus, Ohio,

THREE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$3,250,000.00)

at the principal office of said Bank, with interest from the date hereof, payable semi-annually on each first day of March and September hereafter and at the maturity hereof, at the rate of two and sixty-five hundredths per cent (2.65%) per annum, on the unpaid principal amount hereof from time to time outstanding until the principal amount hereof becomes due and payable, and at the rate of three and one-half per cent (3-1/2%) per annum on any overdue principal and/or interest. The principal and interest hereof are payable solely from receipts from the Dormitory Facilities of said University (as defined in the Trust Agreement referred to below) located on or near the campus, after providing for the reasonable and proper expenses of operation and maintenance thereof and after all payments required to be made to the Special Funds under the Trust Agreement between the University and The City National Bank and Trust Company of Columbus, Columbus, Ohio, Trustee, dated as of January 1, 1962, from the proceeds of The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series E, to be issued by the University and sold as additional parity bonds pursuant to said Trust Agreement and second Supplemental Trust Agreement dated as of January 1, 1964, and a certain Loan Agreement between said University and the United States of America acting through the Housing and Home Finance Administrator dated as of February 1, 1964, and in the event of default as hereinafter defined, from the proceeds of certain obligations of the United States Government or instrumentalities or agencies thereof to be purchased by the University and pledged and delivered to The City National Bank and Trust Company of Columbus, Columbus, Ohio, as hereinafter provided.

The University has agreed to purchase certain obligations of the United States Government or instrumentalities or agencies thereof with the proceeds of the loan evidenced by this note and to deliver such obligations to The City National Bank and Trust Company of Columbus, Columbus, Ohio, as collateral security for the prompt payment, at maturity, of the obligations herein set

117

116

forth. If the Loan Agreement between the University and the United States of America acting through the Housing and Home Finance Administrator shall be terminated for any reason prior to the stated maturity hereof, or if the University shall fail to fulfill any of the requirements or conditions set forth in the commitment letter of The City National Bank and Trust Company of Columbus, Columbus, Ohio to the University, dated May 1, 1964, the holder of this note may declare this note to be due and payable forthwith, and may immediately reimburse itself by the sale of any and all of the aforementioned obligations that it may have in its possession at the time of such default.

This note is executed on behalf of the Board of Trustees of said University solely in their capacity as such Trustees and shall not constitute their personal obligation either jointly or severally in their individual capacities.

All endorsers whose names now appear or are hereafter written on this instrument do severally waive presentment, demand, protest and notice of protest and dishonor hereof.

IN WITNESS WHEREOF, the University and its Board of Trustees, jointly and severally, have caused this note to be signed on their behalf by the _____ and the _____ and to bear the seal of the University as of the day and year first above written.

Witnesses: _____ The President and Trustees of The Ohio University
and
_____ The Board of Trustees of The President and Trustees of The Ohio University
By: _____
and: _____

(Seal)

There followed a discussion for the need of additional housing facilities for students in September 1966, based on our estimated enrollment of 15,075 students, that we will require an additional 1500 dormitory spaces.

It was moved by Mr. Herrold, seconded by Mr. Hall, and unanimously carried, that Paul R. O'Brien be authorized to apply to the Housing and Home Finance Agency for a loan of sufficient funds to construct three or four dormitories to house an additional 1500 students; these dormitories to be available in September of 1966.

There followed a discussion of the architects to design the additional dormitory facilities authorized in the foregoing motion.

After a general discussion, it was the consensus of the Board that the designation of an architect for this project be referred to the Architectural Committee consisting of Mr. Herrold, Mr. Casto, and Mr. Galbreath.

There followed a discussion of the need to designate the Bond Counsel for the new loan authorized at this meeting.

After a general discussion, it was moved by Mr. Brown, seconded by Mr. Hall, and unanimously carried that the firm of Bricker, Evatt, Barton, Eckler, and Niehoff of Columbus, Ohio be recommended to the Attorney General for appointment as Bond Counsel, Project Counsel, and Counsel for any interim financing necessary for these dormitories.

A discussion followed of the need to designate a trustee, a paying agent, and a depository of the bond and interest sinking fund account for this new loan, and also for a depository for the construction account.

It was moved by Mr. Johnson, seconded by Mr. Hall, and unanimously carried, that the City National Bank of Columbus, Columbus, Ohio, be designated as trustee, for the new bond issue; also as paying agent and depository of the bond and inter-sinking fund account, as well as depository for the construction account.

It was moved by Mr. Johnson, seconded by Mr. Hall, and unanimously carried that the Chase Manhattan Bank of New York be designated as alternate paying agent for the additional bond issue approved at this meeting.

There followed a discussion of the necessity for the resolution approving loan agreement No. H(402)-1712 which was previously approved by unanimous written consent of the Board of Trustees.

It was moved by Mr. Brown, seconded by Mr. Johnson that the following resolution be approved. On roll call, the following members voted as follows: Galbreath, yes; Johnson, Yes; Hall, Yes; McVay, Yes; Casto, Yes; Herrold, Yes; Brown, Yes;

RESOLUTION APPROVING AND PROVIDING FOR THE EXECUTION OF A LOAN AGREEMENT AND NUMBERED CONTRACT NO. H(402)-1712 BY AND BETWEEN THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY AND THE UNITED STATES OF AMERICA

BE IT RESOLVED, by the Board of Trustees of The President and Trustees of The Ohio University as follows:

115

114

113

Section 1. The pending Loan Agreement and numbered contract No. H(402)-1712 (attached hereto as Exhibit I) and relating to the erection on the campus of The President and Trustees of The Ohio University, an educational institution of higher learning located in Athens, Ohio, of three new dormitories to provide housing and appurtenant facilities for approximately 733 men and women students, and for the parking of approximately 75 cars.

Section 2. The President, the Vice President for Business Affairs and the Treasurer of The University and each of them are hereby authorized and directed to execute the said Loan Agreement in two counterparts on behalf of The President and Trustees of The Ohio University and the Secretary of the Board of Trustees is hereby authorized and directed to impress and attest the official seal of The President and Trustees of The Ohio University on each such counterpart and to forward two such counterparts to the Housing and Home Finance Agency, together with such other documents relative to the approval and execution of such counterparts and to this resolution as may be required by the Government.

Form Approved
Budget Bureau No. 63-R1001

CFA-521
(12-62)

Project No.: CH-Ohio-173(D)

Name of Borrower: The President and
Trustees of
The Ohio University

Address: Athens, Ohio
Contract No.: H(402)-1712

LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of February 1, 1964, by and between The President and Trustees of The Ohio University, a public educational institution of higher learning located in Athens, Ohio (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 (Form CFA-520 dated 4-63), attached hereto and made a part hereof as Exhibit A, 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 \$3,250,000 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 \$3,310,000), 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: The Ohio University and its Board of Trustees Housing and Dining Revenue Bonds, Series E
- (b) Date: January 1, 1964
- (c) Principal Amount: \$3,250,000, being all of an authorized issue
- (d) Denomination: \$1,000, or such multiples thereof as specified by the original purchasers. Provided, however, that all Bonds of a single maturity must be of the same denomination.
- (e) Type: Negotiable, serial, coupon bond
- (f) Interest Rate: 3-5/8% per annum, payable semi-annually on January 1 and July 1 in each year, first interest payable July 1, 1964.
- (g) Maturities: January 1, in years and amounts as follows:

Year	Amount	Year	Amount
1967-69	\$40,000	1991-93	\$100,000
1970-75	50,000	1994-95	110,000
1976-79	60,000	1996-98	120,000
1980-83	70,000	1999-2000	130,000
1984-87	80,000	2001-2002	140,000
1988-90	90,000	2003-2004	150,000

- (h) Numbers: 1 to 3250 inclusive, in order of maturity.

113

112

111

- (i) Security: Bonds of Series E. Shall be special obligations of the Borrower equally and ratably secured, together with Borrower's Housing and Dining Revenue Bonds, Series A and B which are presently outstanding and with Borrower's Housing and Dining Revenue Bonds, Series C and D which are to be issued, by a first lien on and pledge of the net revenues derived from the operation of the Borrower's Housing and Dining System as described and defined in the Original Trust Agreement.
- (j) Place and Medium of Payment: Payable as to both principal and interest at the principal office of the Trustee in the Original Bond Indenture, or, at the option of the holder, at a bank or trust company in the Borough of Manhattan, City and State of New York, designated in the Original Bond Indenture, in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for payment of debts due the United States of America.
- (k) Registerability: Registrable, at the option of the holder, as to principal only.
- (l) Redemption Provisions:

Bonds maturing on or prior to January 1, 1974 to be uncalleable.

Bonds maturing after January 1, 1974 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 January 1, 1974, upon at least thirty 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 July 1, 1974 through January 1, 1979
 2-1/2% if redeemed July 1, 1979 through January 1, 1984
 2% if redeemed July 1, 1984 through January 1, 1989
 1-1/2% if redeemed July 1, 1989 through January 1, 1994
 1% if redeemed July 1, 1994 through January 1, 1999

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 1967 through 1974
 (2) all maturities in the years 1975 through 1979
 (3) all maturities in the years 1980 through 1984
 (4) all maturities in the years 1985 through 1989
 (5) all maturities in the years 1990 through 1994
 (6) all maturities in the years 1995 through 2004
 (7) The entire series.

In the event any of the Bonds are awarded to the Government, the Borrower shall, when they are ready, deliver all such Bonds to the Government at such time as the Government shall designate.

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 three and five-eighths (3-5/8%) per centum per annum on all or any one or more of the above blocks of Bonds. In the event any other bidder or bidders offer to purchase all of Bonds, or any portion of the Bonds in blocks as specified at an interest cost of note more than three and five-eighths (3-5/8%) per centum per annum, the Bonds or any such portion thereof shall be sold to such bidder or bidders. In the event of a sale of all the Bonds to a purchaser or purchasers 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 or bidders other than the Government within the terms herein specified, all the Bonds shall be sold to the Government.

In the event the Government is awarded all or part of the Bonds, the Borrower, at the option of the purchaser(s) shall issue single Bonds with face values in the amount of the respective purchases in lieu of individual denomination Bonds. Such single Bonds shall be registered as to principal and interest and payable as directed by the purchasers, but otherwise complying with the description set forth in Section 2 hereof. The Borrower shall covenant that, upon request of the holder of a single Bond, it shall issue, at its own expense and within 90 days from the date of such request, negotiable bearer coupon bonds in denominations of \$1,000 or multiple thereof, described in Section 2(d) hereof, in aggregate amount equal to the amount of the single Bond still outstanding. The printing of text of single Bonds shall be of type composition on paper of sufficient weight and strength to prevent deterioration throughout the life of the loan. The Bonds shall conform in size to standard practice and contain the approved maturity schedule for payment of principal.

111

110

109

Section 4. Description of the Project. The Project shall consist of three new dormitory buildings to provide housing and appurtenant facilities for approximately 733 men and women students, 4 supervisors, and basement car parking for approximately 75 cars, (herein called the "Project").

Section 5. Government Field Expense. The amount of the fixed fee for Government field expense referred to in Section 30 of the attached Terms and Conditions shall be \$7,500.00.

Section 6. Special Conditions. The Government's obligation to purchase the Bonds of the Borrower is also subject to the Special Conditions attached hereto and made a part hereof as Exhibit B.

Section 7. Non-Discrimination. This agreement is subject to the provisions of Executive Order 11063 dated November 20, 1962. The Borrower covenants and agrees that it will not discriminate nor permit discrimination by its agents, lessees or any others operating housing and related facilities, in the use of occupancy of said facilities because of race, color, creed or national origin.

IN WITNESS WHEREOF, this Agreement has been executed in the name of The President and Trustees of The Ohio University by the undersigned official, and under its official seal, attested by its _____, and in the name and on behalf of the United States of America, Housing and Home Finance Administrator, Community Facilities Commissioner, by the undersigned official.

THE PRESIDENT AND TRUSTEES OF THE OHIO UNIVERSITY

By _____

(SEAL)

(Title)

ATTEST:

(Title)

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

(Date)

By _____
Regional Director of
Community Facilities

CFA-521(a)
(12-62)

EXHIBIT B

Project No.: CH-Ohio-173(D)

The following Special Conditions are made a part of the Loan Agreement for the above-numbered project, as specified in Section 6 of the Loan Agreement.

- (a) The Series E Bonds shall be issued as additional parity Bonds under the provisions of the Trust Agreement entered into by and between the Borrower and the City National Bank and Trust Company of Columbus, Columbus, Ohio, dated as of January 1, 1962 and as to be amended by a Supplemental Trust Agreement providing for the issuance of the Series C and Series D Bonds (herein collectively referred to as the "Original Trust Agreement") and the Project shall be made a part of the Housing and Dining System established pursuant to the Original Trust Agreement.
- (b) All accrued interest received from the sale of the Series E Bonds shall be deposited forthwith into the Bond and Interest Sinking Fund Account provided for in the original Trust Agreement.
- (c) The Terms and Conditions (4-63) attached hereto and made a part hereof are hereby modified as follows:

Section 11, Prerequisites to Loan Disbursement. is hereby modified by the substitution of the following for subsection (b)

"(b) It has deposited in the Construction Account the sum of \$60,000 or such greater amount as is necessary, together with the loan proceeds, to assure completion of the project; and"

109

108

107

and is further modified by the insertion in subsection (c) of "and all Dormitory Facilities (as said term is defined in the Original Trust Agreement) now under the control of the Borrower" after "site or sites" and by the addition of "other than the lien of the Original Trust Agreement on said Dormitory Facilities" after "all encumbrances".

Section 12. Construction Account. is modified by substitution of the following for the last paragraph of that Section:

"Any moneys remaining in the Construction Account after all costs of the Project have been paid, but not more than \$60,000, shall be returned to the Borrower. Any funds then remaining in the Construction Account shall be promptly used to extent possible for redemption of Series E Bonds held by the Government, and any funds then remaining shall be deposited in the Bond and Interest Sinking Fund Account."

Section 32. Retention of Title. is modified by the deletion of the last seven words and the substitution of "Original Trust Agreement" in lieu thereof.

Section 33. Insurance on Completed Project. is modified by the deletion of subsections (b) Boiler Insurance, and (c) Liability Insurance.

- (d) Except for the redemption of Series E Bonds with surplus funds in the Construction Account as provided in Section 12 of the attached Terms and Conditions, funds for the redemption of Bonds prior to maturity shall be applied, as to any Series of Bonds held by the Government at the time of such redemption on a pro rata basis (reflecting the proportion of the original amount of such Series of Bonds then held by the Government to the total amount of Bonds then outstanding under the original and supplemental Trust Indentures).
- (e) The Terms and Conditions attached hereto and made a part hereof as Exhibit A are (further) amended by deleting Section 27 thereof in its entirety and substituting the following in lieu thereof:

107

Section 27 Nondiscrimination

- (a) The Borrower shall require that there shall be no discrimination against any employee who is employed in carrying out the Project, or against any applicant for such employment, because of race, creed, color or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- (b) The Borrower hereby agrees to the following conditions:
 - (1) it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, paid for in whole or in part with funds obtained under the Loan Agreement, the provisions prescribed for Government contracts and Federally assisted construction contracts by Section 301 of Executive Order 10925, as amended;
 - (2) it will assist and cooperate actively with the Housing and Home Finance Agency and the President's Committee on Equal Employment Opportunity (the "Committee") in obtaining the compliance of contractors and subcontractors with said contract provisions and with the rules, regulations, and relevant orders of the Committee;
 - (3) it will obtain and furnish to the Housing and Home Finance Agency and to the Committee such information as they may require for the supervision of such compliance;
 - (4) it will enforce the obligations of contractors and subcontractors under such provisions, rules, regulations and orders;
 - (5) it will carry out sanctions and penalties for violation of such obligations imposed upon contractors and subcontractors by the Committee or the Housing and Home Finance Agency; and
 - (6) it will refrain from entering into any contract subject to this order, or extension or other modification of such a contract with a contractor debarred from Government contracts and Federally assisted construction contracts under Part III, Subpart D of Executive Order 10925, as amended, or who has not demonstrated his eligibility for such contracts as provided in Part III of Executive Order 10925, as amended; and
 - (7) in the event the Borrower fails and refuses to comply with its under-takings the Borrower agrees that the Housing and Home Finance Agency may cancel, terminate or suspend in

106

105

MINUTES—OHIO UNIVERSITY, Board of Trustees—Meeting May 7, 1964

whole or in part the Loan Agreement, may refrain from extending any further assistance under any of its programs subject to Executive Order 11114 until satisfactory assurance of future compliance has been received from such Borrower, or may refer the case to the Department of Justice for appropriate legal proceedings.

The Secretary then presented the following dormitory operating statement, and statement of equity:

STATEMENT OF INCOME AND EXPENSE
RESIDENCE AND DINING HALLS

Projection for Year Ending June 30, 1964
and
Comparative Figures for the Year Ending June 30, 1963

	1964		Totals	1963
	Federal	Non-Federal		Totals
Income	\$1,405,775	\$3,883,367	\$5,289,142	\$4,793,626
Direct Expense				
Food	393,665	1,292,490	1,686,155	1,702,651
Salaries & Wages	250,567	869,107	1,119,674	1,034,441
Other Expense	249,133	780,614	1,029,747	903,124
Total Direct Expense	<u>\$893,365</u>	<u>\$2,942,211</u>	<u>\$3,835,576</u>	<u>\$3,640,216</u>
Income Before Administrative Expense	\$512,410	\$ 941,156	\$1,453,566	\$1,153,410
Administrative Expenses				
Administrative and General	27,002	74,510	101,512	95,129
Director-Residence Services	15,942	43,991	59,933	53,338
Director-Student Housing	7,490	20,668	28,158	25,359
Total Administrative Expense	<u>\$50,434</u>	<u>\$139,169</u>	<u>\$189,603</u>	<u>\$173,826</u>
Income Before Other Income and Expense	\$461,976	\$801,987	\$1,263,963	\$979,584
Other Income and Expense				
Interest Income(Net)		22,000	22,000	20,133
Miscellaneous Expense (Net)		2,000	2,000	(2,753)
Fee Equalization Service Charges		16,504	16,504	13,881
Vending Machines	1,716	8,284	10,000	10,954
Washers & Dryers	200	11,800	12,000	15,647
Total Other Income	<u>\$1,916</u>	<u>\$60,588</u>	<u>\$62,504</u>	<u>\$57,862</u>
Net Income from Operations	<u>\$463,892</u>	<u>\$862,575</u>	<u>\$1,326,467</u>	<u>\$1,037,446</u>
Financial Expense				
Interest on Bonds	75,747	259,681	335,428	266,094
Sinking Fund Deposits	80,000		80,000	45,000
Bond Retirement	10,000	240,000	250,000	195,000
Total Financial Expense	<u>\$165,747</u>	<u>\$499,681</u>	<u>\$665,428</u>	<u>\$506,094</u>
Net Income After Financial Expense	\$298,145	\$362,894	\$661,039	\$531,352
Funds Applied to Capital Investment				
Equipment		78,721	78,721	321,824
Buildings				108,259
Land Purchases				1,099
Other Capital Improvements		6,266	6,266	2,745
Total Funds Applied to Capital Investment	<u>-0-</u>	<u>\$84,987</u>	<u>\$84,987</u>	<u>\$433,927</u>
Net Income to Reserves	<u>\$298,145</u>	<u>\$277,907</u>	<u>\$576,052</u>	<u>\$ 97,425</u>

105

104

MINUTES—OHIO UNIVERSITY, Board of Trustees Minutes of meeting
May 7, 1964

OHIO UNIVERSITY
Dormitories and Dining Halls
Projected Statement of Equity
June 30, 1964

Unrestricted Equity		
Balance 7/1/63		\$448,331
Projected Net Income		
Non-Federal Facilities	\$277,907	
Federal Facilities	<u>298,145</u>	<u>576,052</u>
Total Unrestricted Equity		\$1,024,433
Net Investment in Plant (bal. 7/1/63)		\$7,457,056
Balance 7/1/63		
Projected Additions		
Bond Retirement	\$250,000	
Equipment and Capital Improvements	<u>84,987</u>	<u>334,987</u>
Total Net Investment in Plant		<u>\$7,792,043</u>
Projected Total Equity		\$8,816,476

103

STATEMENT OF INCOME AND EXPENSE
RESIDENCE AND DINING HALLS
Year Ended June 30, 1963

	<u>Dining Halls</u>	<u>Residence Halls</u>	<u>Snack Bars and Gamerooms</u>	<u>Total</u>
Income	\$2,902,784	\$1,681,760	\$209,081	\$4,793,626
Direct Expense				
Food	\$1,640,851		\$ 61,800	\$1,702,651
Salaries and Wages	487,130	485,347	61,964	1,034,441
Other Expense	<u>321,696</u>	<u>543,539</u>	<u>37,889</u>	<u>903,124</u>
Total Direct Expense	<u>\$2,449,677</u>	<u>\$1,028,886</u>	<u>\$161,653</u>	<u>\$3,640,216</u>
Income Before Administrative Expense	<u>\$ 453,107</u>	<u>\$ 652,874</u>	<u>\$ 47,428</u>	<u>\$1,153,409</u>
Administrative Expenses				
Administrative and General			\$ 95,129	
Director - Residence Services			53,338	
Director - Student Housing			<u>25,359</u>	
Total Administrative Expense				<u>173,826</u>
Income Before Other Income and Expense				\$979,583
Other Income and Expense				
Interest Income (Net)			20,133	
Miscellaneous Expense (Net)			(2,753)	
Fee Equalization Service Charges			13,881	
Vending Machines			10,954	
Washers and Dryers			<u>15,647</u>	
Total Other Income				<u>57,862</u>
Net Income from Operations				\$1,037,445
Financial Expense				
Interest on Bonds			\$266,094	
Sinking Fund Deposits			45,000	
Bond Retirement			<u>195,000</u>	<u>506,094</u>
Net Income After Financial Expense				\$ 531,351
Funds Applied to Capital Investment				
Equipment			321,824	
Buildings			108,259	
Land Purchases			1,099	
Other Capital Improvements			<u>2,745</u>	<u>433,927</u>
Net Income to Reserves				\$ 97,424

102

MINUTES—OHIO UNIVERSITY, Board of Trustees—Meeting May 7, 1964

BALANCE SHEET
RESIDENCE AND DINING HALLS
June 30, 1963

Assets		
Current Assets		
- Cash (Note 1)	80,779	
Accounts Receivable	58,049	
Due From Other Funds (Note 2)	50,000	
Inventories	92,867	
Investments	<u>727,752</u>	
Total Current Assets		\$1,009,447
Plant Investment		
Land	807,654	
Buildings - Temporary	200,009	
Buildings - Permanent	16,983,478	
Equipment	1,559,466	
Other Capital Improvements	<u>212,153</u>	
Total Plant Investment		19,762,760
Total Assets		<u>\$20,772,207</u>
Liabilities and Equity		
Liabilities		
Current		
Deferred Income	\$ 711,820	
Security Deposits	7,950	
Due to Other Funds (Note 2)	185,000	
Notes Payable	<u>3,250,000</u>	
Total Current Liabilities		\$4,154,770
Other Liabilities		
Bonds Payable	<u>8,712,000</u>	
Total Liabilities		\$12,866,770
Equity		
Unrestricted Surplus	448,381	
Net Investment in Plant	<u>7,457,056</u>	
Total Equity		<u>7,905,437</u>
Total Liabilities and Equity		<u>\$20,772,207</u>

Note 1: Includes Construction Funds of \$9,280 and Sinking Funds of \$29,940

Note 2: Excludes Loan of \$382,000 From Current Funds to Construction Funds.

The Secretary then presented a recommendation from Dr. Elizabeth B. Stanton relative to the increase in correspondence study fees. He presented the following schedule which the current fees and the recommended increase, as well as the fee to be charged after July 1, 1964.

	PRESENT FEES		INCREASE	AFTER JULY 1, 1964		
	Residents of Ohio	Non-Residents		Residents of Ohio	Non-Residents	
Registration fee each semester hr.	\$12.00	\$13.00	\$3.00	\$3.00	\$15.00	\$16.00
Transfer fee	2.00	2.00	2.00	2.00	4.00	4.00
Extension of time fee	4.00	4.00	1.00	1.00	5.00	5.00

After a discussion of this recommendation, it was moved by Mr. Hall, seconded by Mr. Casto, and unanimously carried, that the correspondence fee increase as shown in the above schedule, be approved effective July 1, 1964.

101

100

There then followed a discussion of the overhead costs of operating our branches. It was pointed out as these branches go to a daytime operation, it will be more expensive and more time will be required by the various offices of Ohio University. On all Federal contracts for research for the National Science Foundation, the Atomic Energy Commission, the Department of Health, Education and Welfare, and other Federal agencies issuing research contracts, a flat allowance of 20% is accepted as a fair overhead for conducting these operations.

100

It was moved by Mr. Johnson, seconded by Mr. Casto, and unanimously carried, that in order to cover the overhead costs of operating the branches which arise from the services rendered the branches by the President, the Academic Deans, our Data Processing Department, the Treasurer's Office, the Registrar's Office, and other educational services rendered the branches by Ohio University, including the rental, light, and heat of the Director's Office, that a flat charge of 20% of the income received from students be assessed against all branch income, retroactive to July 1, 1963, for the purposes of covering these overhead charges.

The Secretary then presented a contract submitted by the City of Athens and signed by the Mayor and the Director of Public Service, to provide fire protection for Ohio University's property outside of the City limits. This contract provided for an annual fee of \$800, plus additional charges of \$100 per unit of motorized fire equipment used for the first hour, or any part thereof, for each and every unit of equipment used in answering each emergency call at the University property, and an additional \$50 per said unit per hour or any part of an hour, in excess of the first hour.

After a discussion, it was moved by Mr. Casto, seconded by Mr. Hall, and unanimously carried, that the President and Secretary of the Board of Trustees be authorized to enter into a contract with the City of Athens to furnish fire protection to all University property outside of the City limits of Athens for an annual payment of \$800, plus \$100 per unit of motorized fire equipment used for the first hour, or any part thereof for each and every unit of equipment used in answering each emergency call to the University property; and an additional \$50 per unit per hour or any part of an hour in addition to the first hour.

99

A discussion of the availability of the Athens Post Office to be transferred to Ohio University was then brought up.

After a discussion, it was moved by Mr. Johnson, seconded by Mr. Hall, that the following Resolution be adopted, and on a roll call vote, the following votes were recorded: Galbreath, Yes; Johnson, Yes; Hall, Yes; McVay, Yes; Casto, Yes; Herrold, Yes; Brown, Yes; and no negative votes.

RESOLUTION

WHEREAS, certain real property owned by the United States, located in the County of Athens, State of Ohio, has been declared surplus and is subject to assignment for disposal for educational purposes by the Secretary of Health, Education, and Welfare, under the provisions of Section 203 (k) (1) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, and rules and regulations promulgated pursuant thereto, more particularly described as follows:

Being situated at the southwest corner of the intersection of West Union and South Congress streets in the City of Athens, County of Athens, State of Ohio,

Further described as follows: Beginning twenty-five (25) feet west of the northeast corner of inlot No. 63 and the northwest corner of inlot No. 61 in the City of Athens, Ohio; thence West one hundred sixty-five (165) feet on the south line of West Union Street to a point twenty-five (25) feet west of the northwest corner of inlot No. 63; thence South one hundred thirty-two (132) feet to a point on the south line of inlot No. 141; thence East one hundred sixty-five (165) feet on the south lines of inlot Nos. 141 and 63 to a point on the west line of Congress Street lying twenty-five (25) feet west of the southeast corner of inlot No. 63; and the southwest corner of inlot No. 61; thence North on the west line of South Congress Street one hundred thirty-two (132) feet to the place of beginning; containing an area of 0.50 acres, more or less.

WHEREAS, The President and Trustees of The Ohio University, needs and can utilize said property for educational purposes in accordance with the requirements of said Act and the rules and regulations promulgated thereunder;

98

NOW, THEREFORE, BE IT RESOLVED, that The President and Trustees of the Ohio University, shall make application to the Secretary of Health, Education, and Welfare for an secure the transfer to it of the above-mentioned property for said use upon and subject to such exceptions, reservations, terms, covenants, agreements, conditions, and restrictions as the Secretary of Health, Education, and Welfare, or his authorized representative, may require in connection with the disposal of said property under said Act and the rules and regulations issued pursuant thereto; and

97

BE IT FURTHER RESOLVED, that The President and Trustees of The Ohio University, has legal authority, is willing and is in a position to assume immediate care and maintenance of the property, and that Paul R. O'Brien, Vice President for business and Secretary of the Board of Trustees, be and he is hereby authorized, for and on behalf of The President and Trustees of The Ohio University, to do and perform any and all acts and things which may be necessary to carry out the foregoing resolution, including the preparing, making, and filing of plans, applications, reports, and other documents, the execution, acceptance, delivery, and recordation of agreements, deeds, and other instruments pertaining to the transfer of said property, and the payment of any and all sums necessary on account of the purchase price thereof or on account of fees or costs incurred in connection with the transfer of said property for surveys, title searches, appraisals, recordation of instruments, or escrow costs.

President Alden was called upon for his report. He reported that he had contacted all of the Trustees that were available relative to his acceptance of the Chairmanship of an Advisory Committee setting up the educational phase for President Johnson's Poverty Program. He had accepted this Advisory Post after declining to ask for a leave of absence from Ohio University to set up and operate the Poverty Program. President Alden indicated that he has no interest in leaving Ohio University. He believes the one or two days a week spent in Washington will be helpful to Ohio University, and should also be helpful to the Southeastern Ohio Area Development Program, as it ties in with the President's Appalachian Program. President Alden is Chairman of Governor Rhodes' Council to get the Appalachian Program off the ground for Southeastern Ohio.

The President called on Martin L. Hecht for a report on Area Redevelopment Program. Mr. Hecht reported that the Athens Community-University Hospital Fund Raising Campaign is almost ready to be started. He also reported that the Galbreath Inn should be ready for occupancy by the middle of September; that Route #33 will be a four-lane highway from the Ohio River to Columbus within the next few years; and the Athens by-pass should become a reality within the next few years.

Mr. Hecht is working with the Southeastern Ohio Regional Council in cooperation with the Appalachian Program for under-developed areas.

The United States Engineers have developed two flood control plans for Ohio University and Athens City property. It is possible appropriations for this project will be included in a June Appropriation Bill to be introduced in Congress; however, if not included in the June Bill, it definitely will be included in a January Appropriation Bill to be introduced in Congress. The flood protection should be completed two years after the appropriation has been approved by Congress.

Mr. Hecht reported that we have established an Institute for Regional Development at Ohio University in cooperation with the Southeastern Ohio Development Council, and Mr. William Sheehan is Director of this Institute.

Mr. Hecht also reported that the President of the United States would announce this afternoon that a grant to support this institute from Area Redevelopment Administration would be made, and it is hoped that the institute will be self-supporting in the future as it has 17 requests for research studies and reports pending now for which a charge sufficient to cover the cost will be made against the organizations making the requests.

Mr. Hall inquired about the Cincinnati to Bridgeport Appalachian Highway.

Mr. Hecht reported that since Ohio is now a member of the Appalachian Region, he felt certain that this highway would be constructed.

Mr. Fenzel inquired about the development of an airport.

Mr. Hecht reported that we are looking for a new site for an airport because the location of our present airport could not be approved by F.A.A. for commercial flights.

Mr. Johnson inquired about the location of the river channel, provided the flood project is approved.

Mr. Hecht reported the new river channel would be approximately 800 feet from Dairy Lane and the south entrance to the bridge across this channel would be approximately 200 feet from Dairy Lane.

Mr. Hecht reported that Rumac, Incorporated, a local corporation that has constructed apartment houses next to the University, is in the process of constructing a Community Center facing the Ohio University golf course.

Dr. Thomas S. Smith, Academic Vice President, was called on for a report.

97

96

95

Dr. Smith reported on faculty recruitment that most faculty at this time are very mobile, and we are obtaining two faculty members from the University of Pennsylvania, one from the California Technical Institute, two from San Ferrando State College, a number from Muskingum, one from Indiana University, one from Maryland, one from Illinois, and two from Oberlin. In addition, we are obtaining eight new faculty members from business. Dr. Smith also reported that the better faculty we develop, the better chance we have of losing people as other universities attempt to raid us for our good people.

95

Dr. Smith reported that only 25 of the 50 authorized new positions have been filled at this time, because of the difficulty in obtaining good faculty members. He reported that our strong departments do not have trouble obtaining additional faculty; however, our weak departments have definite trouble obtaining satisfactory faculty.

Dr. Smith reported that we seem to have a normal turnover in our lower ranks of faculty. Some of these are encouraged to leave by control of their salary; others have been raided by other institutions. He reported that our average salary in the professors rank is low, and the maximum professorial salary is low. The salaries are determined by the department chairman, the dean of the college, the Vice President for Academic Affairs, and the President gives final approval to the amount of salary.

President Alden reported that in spite of our low professorial salaries, our associate and assistant professors salaries compared favorably with other schools.

Mr. Casto reported on the decision to establish the Belmont County Branch at St. Clairsville rather than at Martins Ferry. He reported that he was happy with the plan to meet with the interested parties in Belmont County and with the opportunity to tour both of the sites. He said that the committee was unanimous in their recommendation of St. Clairsville after touring both sites and discussing the possibilities with both interested groups.

Mr. Casto reported the luncheon meeting with the community representatives was handled very well, and he commended Mr. Johnson particularly for his remarks to the group.

94

Mr. Galbreath reported that he has received favorable comments from Belmont County on the decision.

Dr. Robert Savage, the new Director of Research for Science and Engineering, was called in for a report. Dr. Savage was formerly Vice President for Research of the North American Coal Company in Cleveland, and was formerly a professor at Case Institute of Technology in Cleveland.

Dr. Savage reported that President Alden and Dr. Smith had interviewed him and convinced him that Ohio University was definitely going to move ahead in the research field, and he was interested in becoming a member of the staff at Ohio University. He pointed out some of the problems of developing a research program: (1) The difficulty in attracting new people on our present salary schedule; however, it is still possible to get some good people if we have the right atmosphere. (2) In the past, faculty have been receiving payment for research projects as overtime pay. Dr. Savage hopes in the future to reduce the teaching load of the faculty and make their research part of the regular load. (3) Dr. Savage reported that we now have approximately \$500,000 in research projects in process. He hopes that in a few years this will be increased to \$5,000,000.

Mr. Jerry Reese, the Director of Admissions, was called in to report. Mr. Reese reported that representatives of his office had visited 518 high schools during the year and had spoken to over 18,000 high school students. They have shown the Ohio University film, "Gateway to the Future" 38 times. He further reported that we have completed applications from 5,268 students and have admitted 4,719. Of this number, 3,331 have made the \$130 deposit. He further reported that the quality of our freshman class is very good, and that 17% were in the top 10% of high school graduating classes.

93

Dr. Taylor Culbert, the Director of the Ohio University Press, was called in for a report. He reported that there was a definite need for the establishment of the Ohio University Press, as it does encourage research among the faculty and it enhances the cultural image of the University. The Ohio University Press plans to publish six books during the next year, and they have employed Cecil Henley, former editor of the Noon Day Press as editor of the Ohio University Press. It will be one of the few academic presses that is being run by a man with experience in professional publishing. They plan to run the Press as economically as possible; however, it will be a drain on the resources of the University. The type of books printed by the University Press are books that would not be printed by a commercial publication, as they will not ordinarily be profitable to print. The New York University Press will distribute the books published by the Ohio University Press, and all the printing will be done on a contract basis by professional printers.

Dr. William Butler, Dean of Students, was called in for a report. He reported that students are definitely interested in their freedom and rights; however, over all, Ohio University students have been very reasonable, and we have had no major problems during the past year. One of the problems that was anticipated was intergration. In the past, we have made roommate assignments in the dormitories on a request basis. In other words, a student may indicate a preference of a roommate, and we make every attempt to fulfill this request. If no request is made, the assignment is made on a random basis and after two weeks, if roommate assignments are not satisfactory, students may change roommates. We have approximately 3% negroes in our student body, and assigning negro and white persons as roommates has caused some problems, particularly with the parents. Two students withdrew during

92

91

MINUTES—OHIO UNIVERSITY, Board of Trustees—Meeting May 7, 1964

the past year because of the roommate assignment; however, after two weeks, 80% of the dissatisfaction is resolved and no request for a change of roommates is made by the students.

Dean Butler reported that Miami, Ohio State University, and Bowling Green assign roommates on a random basis, and they are permitted to make changes after ten days. At Kent State, students are permitted to indicate a preference for roommates; those not indicating a preference are permitted to change roommates after ten days.

President Alden reported that we have 256 negroes in our dormitory system of which 101 have white roommates. He further pointed out that the negro population on the Ohio University campus was a very fine group and he anticipated no problems.

Mr. Brown suggested that we continue our preference policy in regard to roommates.

Mr. O'Brien presented a report on the damage caused by the recent flood, totaling \$71,500. Since the Athens area has been declared a disaster area by the Federal Government, we hope to recover \$37,500 of this loss from the Federal Government, and we will have to absorb in our regular budget \$34,000.

Mr. Johnson commented that most of the newspapers grossly exaggerated any losses incurred by the flood, and this exaggeration of losses was sometimes embarrassing.

Mr. Hall presented a proposal for a major overhaul and conversion of our C-45 Twin Beech Airplane. 91

Mr. Hall pointed out that this C-45 was donated to the University by the United States Air Force, and after three years service, it is now due for a major overhaul. He pointed out that this would be an appropriate time to modernize and convert this plane, because it is basically a good plane of time-proven design with a remarkable safety record, and should be retained in operation. Modernization and conversion would result in an airplane with greater performance and useful load than any other current model at nearly twice the price. This overhaul would involve no state funds as this airplane could be rehabilitated from funds generated from the overhead of SAC contracts, and since the airplane would be used to visit our SAC educational facilities in Arkansas and Texas, that it would be a justifiable expense of this accumulated overhead. He further reported that the cost of this conversion and overhaul would be in the neighborhood of \$80,000; the plane would then be as good as any 1964 model plane, and since by the stipulation of the gift the plane cannot be disposed of for ten years, this seems to be the logical way to obtain good, safe, all-weather plane service for Ohio University.

After further discussion, it was moved by Mr. Casto, seconded by Mr. Brown, and unanimously carried, that the administrative officers of Ohio University be authorized to obtain at least two proposals for the complete conversion of the Beechcraft C-45 plane as soon as possible; this conversion be paid for from non-state funds.

The Chairman then called on Mr. Johnson for a report of the Insurance Committee. Mr. Johnson reported that this committee had met and unanimously voted that we continue the present Student Health Insurance with Continental Casualty Company, at the same rate as now in force, for an additional two years, and that every student paying the full time fees on the campus be required to carry this insurance, unless they show evidence that they have other satisfactory health insurance. 90

Mr. Johnson moved that the Continental Casualty Company be awarded the Student Health Insurance for another two years at the same rate as now in force, and that every student paying the full time fees on the campus be required to pay this insurance, unless they show evidence that they have other satisfactory health insurance. The motion was seconded by Mr. McVay and unanimously passed.

President Alden reported that Robert S. McNamara would be the Commencement speaker for the June 7th Commencement, and that the Honorary Degree Committee, established among the faculty and the administrative officers of Ohio University recommended that Mr. McNamara be awarded an Honorary Degree of L.H.D. at the spring Commencement.

After further discussion, it was moved by Mr. McVay, seconded by Mr. Hall and unanimously carried, that Robert S. McNamara be awarded the Honorary Degree of Doctor of Humane Letters at the spring Commencement.

The Board then recessed to meet President Lyndon E. Johnson, who was landing for a convocation here on the campus.

The Board re-convened at 3:00 p.m. and Russell Herrold presented a proposal to establish scholarships for all faculty children. This proposal was a recommendation from the Faculty Advisory Council. Mr. Herrold reported that we already have a scholarship for the non-academic employees.

Mr. Herrold moved, seconded by Mr. Johnson, and unanimously carried that effective September 1, 1964, sons and daughters of full time faculty, administrative staff, or non-academic personnel, will be entitled to a waiver of fees at Ohio University, approximately equivalent of three-fourths of the current charge. 89

MINUTES—OHIO UNIVERSITY, Board of Trustees -Meeting May 7, 1964

This will be effective for both regular sessions and for summer school; there will be no tenure requirement, nor particular class standing necessary for the original award of this scholarship, except that the student meet the admission requirements of Ohio University. The criteria for continuing this award for subsequent undergraduate work is maintenance of the minimum 2 point accumulative grade average at Ohio University. The amount to be waived on the existing tuition rate of \$225 per semester, and \$80 for summer sessions will be \$175 and \$60 respectively; subsequent changes, if any, in tuition will necessitate the portional adjustments in the amount of waiver to be applied.

The Secretary presented an option received from Mrs. F. H. Sands, President of the Alpha Pi Chapter of Zeta Tau Alpha House Corporation, offering to sell property at 46 East Union Street to Ohio University for \$44,000.

The Secretary also presented an appraisal prepared by Cecil L. Neff, of Columbus, Ohio, in which the property was appraised at \$40,000.

After a discussion of this option, it was moved by Mr. Johnson, seconded by Mr. McVay, and unanimously carried that the Secretary be authorized to offer the Alpha Pi Chapter of Zeta Tau Alpha House Corporation \$40,000 for their property located at 46 East Union Street.

The Secretary presented an option from Mary E. Maxwell, for farm land she owns on the south side of the Hocking River, adjoining the land transferred to Ohio University by the Athens State Hospital; this farm land consisting of approximately 20 acres is being offered to Ohio University for \$18,000. The Secretary also presented an appraisal of this property prepared by Cecil Neff of Columbus, Ohio, which indicated the appraised price for this property to be \$16,000.

88

After a discussion of the difference between the appraised price and the option price, it was the consensus of the Board of Trustees that this 20 acres was well worth \$18,000 option price.

It was then moved by Mr. Brown, seconded by Mr. Casto, and unanimously carried that Ohio University exercise the option to purchase for \$18,000 from Mary E. and Virgil C. Maxwell, their property located in the township of Athens, County of Athens, State of Ohio, farm land located along the Hastings Road, Athens, Ohio, bordered on the northwest by the Hocking River, and including lot #1 in Hastings Addition, and bordered on the West by the State of Ohio and containing 20 acres, more or less, and more fully described in Volume 194, Page 64, of the Athens County Deed Records, and presently owned by Mary E. Maxwell.

The Secretary then presented an option to sell approximately 6.83 acres of land located next to our service area for \$13,800, from Frank H. Miller and Dorothy K. Miller.

The Secretary also presented an appraisal prepared by Cecil Neff of Columbus, Ohio, which indicated the appraised price of this property to be \$13,800.

After a further discussion, it was moved by Mr. Johnson, seconded by Mr. McVay, and unanimously carried that the option presented by Frank H. and Dorothy K. Miller, for approximately 6.83 acres, located immediately west of our service area and to be the site of our proposed new Heating Plant for \$13,800 be accepted.

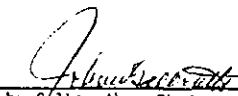
87


The Chairman then called a roll of the members of the Board for comments. There were no comments.

Mr. Fenzel thanked the members of the Board for the opportunity to meet with them during the past year.

Mr. Brown indicated his appreciation of the help President Alden has given the Federal Government in setting up the Poverty Program for President Lyndon B. Johnson.

After a discussion, it was moved by Mr. Herrold, seconded by Mr. McVay, and unanimously carried that the Board of Trustees recess this meeting now until 10:00 a.m. on June 7, 1964.


John Galbreath, Chairman, Board of Trustees


Paul R. O'Brien, Secretary, Board of Trustees