

SPECIAL MEETING OF THE BOARD OF REGENTS

May 29, 1946

10:00 a.m.

Magnolia Building, Oklahoma City

A special meeting of the Board of Regents of the University of Oklahoma was held in the office of the President of the Board, Magnolia Building, Oklahoma City, Oklahoma, at 10:00 a.m. on Wednesday, May 29, 1946.

There were present at the meeting the following: W. R. Wallace, President of the Board, presiding; Regents Deacon, Shepler, Dr. White.

Absent; Regents Emery, Noble, McBride.

Roscoe Cate and Dr. Cheadle also were present.

The meeting was called to consider the Bond resolutions for the 500 pre-fabricated units. Copies of the resolution were distributed. Mr. Cate stated he and Dr. Cheadle had gone over the document and that they recommended adoption. Dr. Cheadle stated he felt the resolution is in good order.

In discussing the schedule of maturities and the interest, attention was called to the interest rate on bonds from 4% to 1 $\frac{1}{2}$ %. Mr. Cate stated the average rate for the life of the bonds is 2 $\frac{1}{2}$ % as provided in the contract with Mr. Edwards.

It was moved by Regent Deacon, seconded by Shepler, and unanimously voted that the resolution provide "that under no circumstances shall the bonds bear a greater interest rate than an average of 2 $\frac{1}{2}$ % for the life of the bonds."

Mr. Fagin stated he would make provision for the above and submit the same to Dr. Cheadle for approval, and that this would be made a part of the resolution.

Regent Deacon moved, seconded by Regent Shepler, and it was unanimously voted that the resolution as amended be approved and it is as follows:

RESOLUTION

IT IS HEREBY RESOLVED that \$1,300,000.00 Dormitory Bonds of the University of Oklahoma to be dated June 1, 1946 be hereby ordered sold for par and accrued interest to R. J. Edwards, Inc., of Oklahoma City, Oklahoma, subject to approval of legality by

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Chapman and Cutler, Bond market attorneys, Chicago, Illinois.
Such bonds to mature as to principal serially in numerical
order on December 1 of each year as follows:

<u>Bond Numbers</u>	<u>Amount</u>	<u>Year</u>
1 to 97	\$ 97,000	1947
98 to 198	101,000	1948
199 to 318	120,000	1949
319 to 452	134,000	1950
453 to 588	136,000	1951
589 to 726	138,000	1952
727 to 866	140,000	1953
867 to 1008	142,000	1954
1009 to 1153	145,000	1955
1154 to 1300	147,000	1956

and to bear interest as follows: Bonds numbered 1 to 198 inclusive, 4% per annum to maturity and if not paid at maturity, at the rate of $1\frac{1}{2}\%$ per annum until paid. Bonds numbered 1154 to 1300 inclusive, shall bear interest at the rate of 4% per annum to December 1, 1948, and at the rate of $1\frac{1}{2}\%$ per annum thereafter until paid. The remainder of the bonds shall bear interest at the rate of 4% per annum to June 1, 1949 and at the rate of $1\frac{1}{2}\%$ per annum thereafter until paid. A portion of said bonds to be callable as set out in a resolution to be adopted by the Board of Regents as of this date. Such bonds to be payable from the revenues to be derived from the operation of the dormitories constructed, equipped and furnished with the proceeds thereof and in the event of a deficiency in such revenues, then from fees sufficient to make up such deficiency to be imposed on all students in attendance at the University of Oklahoma. Such interest rates above set out constitute an average rate of interest equivalent to $2\frac{1}{2}\%$ per annum for the life of the bonds.

IT IS FURTHER RESOLVED that a resolution will be enacted this day providing for the issuance of said dormitory bonds in accordance with Senate Bill No. 41 of the 20th Oklahoma Legislature.

The Bond Resolution was proposed, and on motion by Deacon, seconded by Shepler, was adopted and is as follows:

RESOLUTION

A RESOLUTION setting aside a portion of the campus of the University of Oklahoma for the construction of dormitories, authorizing the issuance of revenue bonds for paying the cost of constructing, equipping and furnishing such dormitories, confirming the sale of such

bonds, providing for the payment of principal thereof and interest thereon, and entering into certain covenants and agreements in that connection.

WHEREAS it has been determined to be necessary for the benefit of the students attending the University of Oklahoma, and particularly married students and discharged veterans of World War II, to provide for the construction of dormitories on the campus of the University which will be so constructed as to afford housekeeping facilities for such students, and authority for the construction, equipment and furnishing of such dormitories and the issuance of the bonds hereinafter authorized is afforded by the provisions of Senate Bill Number 41 of the Acts of 1945. Oklahoma Legislature (Chapter 1a, Title 70, Session Laws of 1945);

NOW, THEREFORE, Be It Resolved by the Board of Regents of Oklahoma, as follows:

Section 1. That the following described portion of the campus of the University of Oklahoma is hereby set aside for the construction thereon of the dormitories to be so constructed:

Part of Lots One (1) and Two (2) and the South Half of the Northeast Quarter of Section Six (6) in Township Eight (8) North of Range Two (2) West of the Indian Meridian (Part of NE 1/4 6-8N-2W I.M.) described as follows: Beginning at a point 880 feet West and 624 feet South of the Northeast Corner of Lot One (1) thence West 880 feet thence South 1294 feet, thence East 1149 feet, thence North 889 feet, thence West 269 feet, thence North 405 feet to point of beginning.

Section 2. That for the purpose of paying the cost of the construction, equipment and furnishing of such dormitories, there shall be borrowed on the credit of the income and revenues to be derived from the operation thereof, the sum of \$1,300,000, and that to evidence the sum so borrowed and in anticipation of the collection of such income and revenues, there be issued the negotiable bonds of the Regents of the University of Oklahoma in the total principal sum of \$1,300,000.

Section 3. That said bonds shall be known as "Dormitory Bonds of 1946," shall be dated June 1, 1946, shall be in the denomination of \$1,000 each, shall be numbered 1 to 1300, inclusive, and shall be payable as to both principal and interest at the office of the State Treasurer of Oklahoma in Oklahoma City, Oklahoma, or at the option of the holder thereof at _____, in the City of _____.

Bonds numbered 1 to 198, inclusive, shall bear interest at four per cent (4%) per annum to maturity and if not paid at maturity, at the rate of one and one-half per cent (1 1/2%) per annum until paid. Bonds numbered 1154 to 1300, inclusive, shall bear interest at four per cent (4%) per annum to December 1, 1948, and at the rate of one and one-half per cent (1 1/2%) per annum thereafter until paid. The remainder of the bonds shall bear interest at the rate of four per cent (4%) per annum to June 1, 1949, and at the rate of one and one-half per cent (1 1/2%) per annum thereafter until paid. All interest is payable semi-annually on June 1 and December 1 of each year and interest falling due on and prior to maturity shall be payable only upon presentation of appropriate semi-annual interest coupons to be attached to each bond. Interest falling due on each bond on each semi-annual interest payment date on which interest is payable at the rate of four per cent (4%) per annum, shall be represented by two interest coupons, one for \$7.50 and the other for \$12.50, either of which may be presented and will be paid apart from the other. Such bonds shall mature as to principal serially in numerical order on December 1 of each year, as follows:

<u>Bond Numbers</u>	<u>Amount</u>	<u>Year</u>
1 to 97	\$97,000	1947
98 to 198	101,000	1948
199 to 318	120,000	1949
319 to 452	134,000	1950
453 to 588	136,000	1951
589 to 726	138,000	1952
727 to 866	140,000	1953
867 to 1008	142,000	1954
1009 to 1153	145,000	1955
1154 to 1300	147,000	1956

Bonds numbered 867 to 1300, inclusive, shall be callable for redemption at the option of the Board of Regents, but only from funds accumulated in the sinking fund in the manner and from the sources for which provision is made in Section 9 hereof, at the principal amount thereof and accrued interest to the date fixed for redemption, as follows: Bonds numbered 867 to 1008, inclusive, on December 1, 1953, and any interest payment date thereafter; bonds numbered 1009 to 1153, inclusive, on December 1, 1950, and on any interest payment date thereafter, and bonds numbered 1154 to 1300, inclusive, on December 1, 1948, and on any interest payment date thereafter. If less than all of the bonds redeemable at any one time are so redeemed, the bonds to be redeemed shall be selected by lot. None of the bonds of any maturity may be so redeemed until all of the bonds of the succeeding maturity or maturities have been redeemed. Notice of redemption shall be given not less than thirty days prior to the date fixed for redemption by notice sent by registered mail to the holder or holders of the bonds to be redeemed, directed to the address shown on the

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Registrar's registration books. If any bond to be so redeemed is not registered as to principal, at least thirty days' notice shall be given through publication of an appropriate notice in a financial newspaper or journal published in the City of Chicago, Illinois, and sent by registered mail to the bank at which the bonds are payable.

Section 4. That the bonds shall be signed by the President of the Board of Regents, shall be attested by the Secretary thereof, and shall have impressed thereon the corporate seal of the Board. Interest on the bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached thereto, which coupons shall be executed with the facsimile signatures of said President and Secretary and said officers by the execution of the bonds shall be considered to have adopted as and for their own proper signatures their respective facsimile signatures appearing on said coupons.

Section 5. That the bonds shall be registerable as to principal only on books to be kept for such purpose by the State Treasurer of Oklahoma as Registrar, in the manner and with the effect more specifically provided in the form of bond set out in the following section hereof.

Section 6. That said bonds and the coupons to be thereto attached, and the endorsements to appear on the back thereof, shall be in substantially the following form:

(Form of Bond)
UNITED STATES OF AMERICA

STATE OF OKLAHOMA

REGENTS OF THE UNIVERSITY OF OKLAHOMA

DORMITORY BOND OF 1946

Number _____

\$1,000

KNOW ALL MEN BY THESE PRESENTS, that the Board of Regents of the University of Oklahoma, a body corporate under the name of Regents of the University of Oklahoma, hereby acknowledges itself indebted to and for value received promises to pay to bearer, or if this bond is registered as to principal then to the registered owner hereof, solely from the revenues hereinafter recited, the sum of One Thousand Dollars (\$1,000) on the first day of December, 19____, and to pay interest thereon from the date hereof until paid, solely from said revenues, at the rate of four per cent (4%) per annum to _____, 19____, and at the rate of _____ per cent (____%) per annum thereafter until paid. Such interest is payable semi-annually on June 1 and December 1 of each year and as to interest falling due on and prior to maturity, only

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upon surrender of the interest coupons hereto attached as they severally become due. Each semi-annual installment of interest due hereon in the amount of \$20 is represented by two interest coupons, either of which will be paid apart from the other. Both principal of and interest on this bond are payable in lawful money of the United States of America at the office of the Treasurer of the State of Oklahoma in Oklahoma City or at the option of the holder at _____ in the City of _____.

Bonds numbered 867 to 1300, inclusive, of the issue of which this bond is one are callable for redemption at the option of the Board of Regents, but only from funds accumulated in the sinking fund in the manner and from the sources for which provision is made in the resolution mentioned below, at the principal amount thereof and accrued interest to the date fixed for redemption, as follows: Bonds numbered 867 to 1008, inclusive, on December 1, 1953, and any interest payment date thereafter; bonds numbered 1009 to 1153, inclusive, on December 1, 1950 and on any interest payment date thereafter, and bonds numbered 1154 to 1300, inclusive, on December 1, 1948 and on any interest payment date thereafter. If less than all of the bonds redeemable at any one time are so redeemed, the bonds to be redeemed are to be selected by lot. None of the bonds of any maturity may be redeemed until all of the bonds of the succeeding maturity or maturities have been redeemed. Notice of redemption is to be given not less than thirty days prior to the date fixed for redemption by notice sent by registered mail to the holder or holders of the bonds to be redeemed, directed to the address shown on the Registrar's registration books. If any bond to be so redeemed is not registered as to principal, at least thirty days' notice is to be given through publication of an appropriate notice in a financial newspaper or journal published in the City of Chicago, Illinois, and sent by registered mail to the bank at which the bonds are payable.

This bond is registerable as to principal in the manner and with the effect recited on the back hereof.

This bond is one of an issue of \$1,300,000 of like date and tenor, except as to maturity, rate of interest, and option of redemption, issued for the purpose of constructing, equipping and furnishing dormitories on the campus of the University of Oklahoma, under and pursuant to the Constitution and Statutes of Oklahoma, and particularly Chapter 1 a of Title 70, Session Laws of 1945, and pursuant to a resolution duly adopted by the Board of Regents of the University of Oklahoma, on May 29, 1946, to which resolution reference is hereby made for a statement of the funds and revenues from which said issue of bonds is payable.

This bond and the issue of which it is one are payable from the revenues to be derived from the operation of the dormitories constructed, equipped and furnished with the proceeds thereof, and

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in the event of a deficiency in such revenues then from fees sufficient to make up such deficiency to be imposed on all students in attendance at the University of Oklahoma. This bond is not an indebtedness of the State of Oklahoma or the University of Oklahoma or the Regents of the University of Oklahoma, but is a special obligation payable solely from the aforesaid revenues.

This bond is fully negotiable and is not subject to taxation by the State of Oklahoma or by any county, municipality or political subdivision therein.

It is hereby certified and recited that all acts, conditions, and things required to be done precedent to and in the issuance of this bond have been properly done, happened and performed in regular and due form as required by law, and that the Board of Regents has agreed and does hereby agree to fix rents, charges and fees for the use of the aforesaid dormitories and the facilities supplied thereby, fully sufficient to assure the prompt payment of principal of and interest on this bond and the other bonds of the issue of which it is one, promptly as such principal and interest become due, and to create and maintain a reserve for such payment.

IN WITNESS WHEREOF, the Board of Regents of the University of Oklahoma has caused this bond to be signed by its President and attested by its Secretary and its corporate seal to be hereunto affixed, and the interest coupons hereto attached to be signed by the facsimile signatures of said officials, all as of this first day of June, 1946.

President

Attest:

Secretary

(Form of Coupon)

Number _____ \$ _____

On the first day of _____, 19____, the Regents of the University of Oklahoma, unless the hereinafter mentioned bond is then callable for redemption and has been called and provision for the payment thereof duly made, will pay to bearer the sum of _____ Dollars (\$ _____) at the office of the Treasurer of the State of Oklahoma, or at the option of the holder at _____,

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in the City of _____, solely from the revenues mentioned in and for interest to that amount then due on its Dormitory Bond of 1946, dated June 1, 1946, and numbered _____.

President

Attest:

Secretary

(Endorsements for Back of Bond)

UNITED STATES OF AMERICA)
) ss
STATE OF OKLAHOMA)

We, the undersigned Attorney General of Oklahoma and State Auditor of the State of Oklahoma, do hereby certify that the within bond is issued pursuant to law and is within the debt limit provided by law.

Dated this _____ day of _____, 1946.

Attorney General

State Auditor

UNITED STATES OF AMERICA)
) ss
STATE OF OKLAHOMA)

I, the undersigned State Treasurer, hereby certify that I have registered the within bond in my office this _____ day of _____, 1946.

State Treasurer

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STATE OF OKLAHOMA
OFFICE OF THE ATTORNEY GENERAL
BOND DEPARTMENT

_____, 1946

I hereby certify that I have examined a certified copy of the record of the proceedings taken preliminary to and in the issuance of the within bond; that such proceedings and such bond show lawful authority for the issuance and are in accordance with the provisions of Senate Bill Number 41 of the 20th Oklahoma Legislature, and said bond is a valid and binding obligation according to its tenor, and under the provisions of said Senate Bill Number 41 of the 20th Oklahoma Legislature requiring the approval of the Attorney General, this bond is incontestable in any court in the State of Oklahoma unless suit thereon shall be brought in a court having jurisdiction of the same within thirty (30) days from the date of the approval of this bond appearing in the caption hereof.

Attorney General

(Provision for Registration)

The within bond may be registered as to principal on books to be kept for such purpose by the State Treasurer of Oklahoma, as Registrar, upon presentation hereof to such Registrar, who shall make notation of such registration on his books and in the registration blank below, and this bond may thereafter be transferred only upon written assignment of the registered owner or his attorney thereunto duly authorized, duly acknowledged or proved, which transfer shall be made on such books and endorsed hereon by the Registrar. If so registered this bond may thereafter be transferred to bearer and thereby transferability by delivery shall be restored, but this bond shall again be subject to successive registrations and transfers as before. The principal of this bond, if registered, unless registered to bearer, shall be payable only to the registered owner or his legal representatives. Notwithstanding the registration of this bond as to principal, the coupons shall remain payable to bearer and shall continue to be transferable by delivery.

Date of Registration	Name of Registered Owner	Signature of Registrar
:	:	
:	:	
:	:	

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Section 7. That for the purposes of the remainder of this resolution the dormitories to be constructed, equipped and furnished with the proceeds of the bonds herein authorized, together with all improvements, repairs and additions thereto which may be made while any of the bonds herein authorized remain outstanding are referred to as "the system". The bonds herein authorized are hereinafter sometimes referred to as "the bonds".

Section 8. That subject only to the payment of the cost of operating and maintaining the system, the gross revenues to be derived from the operation of the system are hereby irrevocably pledged to the payment of principal of and interest on the bonds. None of the bonds shall be entitled to priority one over the other in the application of the revenues of the system, regardless of the fact that some of the bonds may be delivered prior to the delivery of other bonds of the issue. So long as any of the bonds herein authorized remain outstanding the Board of Regents covenants and agrees that it will not issue any additional bonds or obligations payable from the revenues of the system. In no event while any of the bonds remain outstanding will the Board of Regents mortgage or encumber the system or any part thereof or otherwise encumber or dispose of the system or any part thereof, except that the furnishings and equipment of the dormitories may be disposed of if they are replaced with furnishings and equipment of not less than equal value; provided, however, that if at any time the system or any part thereof can be sold at a price which will produce funds sufficient to pay the principal of all the bonds then outstanding and interest thereon to accrue to maturity or first redemption date, the system or such part may be so sold, in which event the proceeds of sale must be deposited in the Bond Fund to be used solely for payment of such principal and interest.

Section 9. That from and after the completion of any part of the system, the gross revenues derived from the operation of the system shall be utilized as follows:

(a) There shall first be paid from the gross revenues to the Comptroller of the University in each month the reasonable necessary cost of maintaining and operating the system for such month.

(b) All gross revenues of the system not required to be paid to the Comptroller of the University for maintenance and operation of the system shall be paid into the Bond Fund.

(c) There is hereby created for the purpose of paying principal of and interest on the bonds and establishing a reserve for such purpose, a fund to be known as the "Dormitory Bonds of 1946 Principal and Interest Fund", which fund is hereinafter sometimes referred to as the "Bond Fund". The minimum amount to be paid into the Bond Fund from the revenues of the system available therefor under the foregoing provisions of this section in each twelve months' period ending on December 1 of each year, beginning

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with the twelve months' period ending on December 1, 1947, while any of the bonds remain outstanding, shall be an amount equal to one hundred twenty-five per cent (125%) of the average annual amount required for the payment of principal and interest during the life of the bonds. In determining such average amount, there shall be considered the absolute maturities of the bonds and it shall be assumed that none of the bonds will be retired prior to their stated maturities. Provided that all net revenues of the system from time of occupancy to December 1, 1946, shall be paid into the Bond Fund.

The money in the Bond Fund shall be used first in each such twelve months' period for the payment of principal of and interest on the bonds falling due in such period. Until the amount in such reserve shall be \$125,000, and thereafter whenever such payment shall be necessary to restore money paid out of the reserve for the purpose for which it is created, there shall be paid from the next remaining money in the Bond Fund in such twelve months' period into a separate account in said fund referred to as the "Reserve", the sum of \$31,250. The money in the Reserve shall be used solely for the payment of principal of and interest on the bonds as to which there would be a default if the money were not so used. The money remaining in the Bond Fund in each twelve months' period after current principal and interest requirements have been so met and after any required payments into the Reserve shall have been made, shall be used to retire bonds prior to maturity, either through the purchase thereof on the open market at not more than par and accrued interest or, as to such bonds as may then be redeemable under the option hereinabove reserved, through the calling of bonds for redemption. It is the intention hereof that the Bond Fund shall be so handled that on December 2 of each year there shall remain in the Bond Fund only the amount required to be held in the Reserve Account, and such amount not greater than \$2,000 as it shall have been impossible to use in the purchase or redemption of bonds as herein provided.

So far as is practicable the payments to be made into the Bond Fund in each twelve months' period shall be made in approximately equal monthly installments on the fifteenth day of each month, except that when the fifteenth day of the month shall be a Sunday or a holiday, then payments shall be made on the next preceding secular day. If in any month the revenues of the system applicable thereto are insufficient to make the payment required to be made in the Bond Fund, such deficiency shall be made up and paid into the Bond Fund from the first gross revenues thereafter received and available for such purpose.

The Board of Regents expressly covenants and agrees that it will impose and collect rentals, fees and charges for the use of all facilities afforded by the system which shall be fully adequate

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and sufficient to make possible the prompt payment of all payments hereinabove required to be made.

It is recognized by the Board of Regents that the acquisition of the system will be of material benefit to all students in attendance at the University, not only because of the benefit which will be derived by the University as a whole, but also because of the availability of the additional living quarters for students and consequent greater comfort and absence of crowding for all students which will result therefrom, and because of the existence for the use of all students of certain club and recreational rooms and facilities which are to be included as a part of the system. Therefore, the Board of Regents further covenants and agrees that in every year in which it shall appear that the revenues to be derived from the direct operation of the system will be insufficient to make the payments required to be made in such year under the foregoing provisions of this section, and in every year in which the board is in default either as to the payment of principal of or interest on the bonds or in the making of the required payments into the Bond Fund, the board will impose on and collect from each student in attendance at the University in such year a uniform fee sufficient in the aggregate to make up whatever deficiency may be anticipated or may exist in the direct revenues derived and to be derived from the operation of the system, it being the intention hereof to pledge, and there being hereby expressly pledged, to the payment of principal of and interest on the bonds not only the revenues derived from the operation of the system, but also such general student fees in such amount as may be necessary to assure the prompt payment of principal of and interest on the bonds and the full payments hereinabove required to be made into the Bond Fund.

For the purpose of assuring the prompt payment of the first interest to fall due on the bonds, there shall be paid into the Bond Fund at the time the bonds are delivered to the purchasers thereof all money received from such purchasers as accrued interest and in addition thereto the sum of \$16,250.00 from the proceeds of the sale of the bonds, which sum is estimated and hereby found and declared to be the amount which will be required to pay interest on the bonds which will accrue during the period covered by the construction of the system. The making of such payments shall not diminish the amounts hereinabove otherwise required to be paid into the Bond Fund.

The money in the Reserve Account in the Bond Fund may be by direction of the Board of Regents invested in obligations of the United States of America. If need for the money so invested shall arise for the payment of principal or interest, the obligations so purchased shall be sold to the extent necessary to make such payments and the proceeds of sale applied to such payments.

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The Bond Fund shall be kept in a separate fund in the State Treasury and shall be held as a special trust account for the benefit of the holders of the bonds. The State Treasurer shall in due season prior to the dates on which principal and interest fall due, make proper arrangements with the bank which is serving as the additional paying agent for the bonds, pursuant to which all bonds and coupons will be paid promptly upon presentation at either place of payment.

Section 10. That the sale of the bonds to R. J. Edwards, Inc., of Oklahoma City, Oklahoma, at par and accrued interest to the date of delivery is hereby confirmed. So much of the proceeds of the sale of the bonds as is not hereinabove required to be paid into the Bond Fund shall, upon the delivery of the bonds, be paid into a separate fund to be used solely for the construction of the system. Said fund shall be held in the State Treasury to the credit of the Board of Regents and shall be paid out from time to time solely in payment of the cost of constructing, equipping and furnishing the system, pursuant to warrants issued by the State Auditor for such amounts as he may from time to time find to be due upon audited, itemized estimates and claims which bear the approval of the President of the Board of Regents and the President of the University of Oklahoma. Any money remaining in said fund after the completion of the payment of the cost of constructing, equipping and furnishing the system, shall be transferred to the Bond Fund, but shall not decrease the amounts otherwise required to be paid into that fund.

Section 11. That it is hereby covenanted and agreed by the Board of Regents that, notwithstanding other facilities which may be at any time available for the housing of students in attendance at the University, the board will require a sufficient number of students to occupy the facilities which make up the system, so that said facilities shall at all times during the regular and summer scholastic terms be occupied as nearly as possible to one hundred per cent of their capacity. It is further covenanted and agreed that the rates and charges imposed for the use of other similar facilities owned or operated by the board will be not less and no more favorable to the occupants thereof than the rates and charges imposed for the use of the facilities which comprise the system; that as to any living facilities which may be erected by the Federal Government for the use of former members of the armed forces in attendance at the University, students will be permitted to occupy such government erected facilities only if the facilities afforded by the system are fully occupied, and that at any time at which it appears that there is no need for both the government erected facilities and the system, the use of such government erected facilities by students shall be discontinued; that if at any time it shall appear that there are not sufficient married couples in attendance at the University to occupy the system to one hundred per cent capacity, the board will either encourage the occupancy thereof by a sufficient number of members of the faculty to bring

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the occupancy up to as nearly as possible one hundred per cent, or will convert the facilities of the system into rooms suitable for occupancy by unmarried students and will require a sufficient number of such students to occupy the facilities in preference to other living quarters available, to assure as nearly as possible one hundred per cent occupancy of the system, and that it will be required that the system be so located and constructed as to make possible proper and adequate supervisions of the buildings comprising the system in the event they shall be converted for use by unmarried students.

Section 12. That the Board of Regents agrees to keep the buildings comprising the system, including their furniture and equipment, continuously insured against fire, windstorm, and other hazards, in an amount at least equal to the face value of all bonds outstanding payable from the revenues of the system, provided however, that in case the amount of such bonds shall be greater than the insurable value of the buildings, then the board shall insure to their insurable value. In case of loss, the proceeds of insurance shall be applied to the repair or restoration of the building or buildings and contents thereof to their former condition, or in such manner as will make the building or buildings tenantable. If the funds received from said insurance policies or otherwise on account of any loss, shall be insufficient to make the building or buildings suffering such loss tenantable, then and in that event, the board shall hold the funds paid to it by reason of such loss for the benefit of the holders of the outstanding bonds payable from the revenues of such building or buildings, as their respective interests may appear. The board agrees also to carry on the buildings of the system use and occupancy insurance in an aggregate amount equal at all times to the highest annual amount due for principal of and interest on all of the outstanding bonds payable from the revenues thereof in any year covered by the term of such policies. All proceeds derived from such use and occupancy policies shall be treated as revenues derived from the system, and shall be applied as other revenues of the system are required to be applied under the provisions of this resolution, except that none of such proceeds shall be used in the operation or maintenance of the system.

Section 13. That the board further covenants and agrees to keep proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the operation and maintenance of the system and the allocation and application of the revenues thereof, and that such books shall be available for inspection by the holder of any of the bonds at reasonable hours and under reasonable conditions. Not more than six months after the close of each fiscal year the board agrees to furnish to each holder of any of the bonds who may so request, a complete operating and income statement covering the operation of the system for such fiscal year, certified by auditors employed by the Board of Regents for the auditing of the accounts of the University, or, if so requested in writing by the holders of not less than forty per cent of the bonds then outstanding,

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certified by independent auditors.

Section 14. That all charges made by the paying agent banks for the payment of principal of and interest on the bonds will be paid by the Board of Regents and will not be required to be paid by the holders of the bonds or coupons.

Section 15: That all resolutions or parts thereof in conflict herewith be and the same are hereby repealed and that this resolution shall become effective immediately after its adoption.

Adopted and approved this 29th day of May, 1946.

President

Attest:

Secretary

The following resolution was proposed, and on motion by Regent Deacon, seconded by Shepler, unanimously adopted:

RESOLUTION

BE IT RESOLVED, that the Attorney General of Oklahoma be requested and directed to file an original action in the Supreme Court of the State of Oklahoma for the purpose of having \$100,000.00 Music Building Bonds of the University of Oklahoma approved, and particularly to have the Supreme Court determine the legality of pledging a supplemental general fee to be paid by all students of the University of Oklahoma in the event applied music student practice room rental fees are insufficient to pay the said bonds. That the Attorney General be requested to represent the action of the Board of Regents in issuing the said bonds and making the pledge of rentals, charges and fees in the payment of said bonds.

The following resolution was proposed, and on motion by Regent Deacon, seconded by Shepler, unanimously adopted:

RESOLUTION

BE IT RESOLVED, that the Attorney General of Oklahoma

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be requested and directed to file an original action in the Supreme Court of the State of Oklahoma for the purpose of having \$1,900,000.00 Dormitory Bonds of the University of Oklahoma approved, and particularly to have the Supreme Court determine the legality of pledging a supplemental general fee to be paid by all students of the University of Oklahoma in the event dormitory revenue is insufficient to pay the said bonds. That the Attorney General be requested to represent the action of the Board of Regents in making the said pledge for the payment of said bonds.

The contract with Hudgins-Thompson-Ball and Associates, designated as Architects on the Music Practice Building, was presented, and on motion by Deacon, seconded by White, was unanimously approved, and the President of the Board was authorized to sign the contract on behalf of the Board of Regents.

The architects, Hudgins-Thompson-Ball and Associates, on the Music Practice Buildings, submitted preliminary floor plans and the perspective of the building. Moved by Regent Deacon, seconded by Shepler, that the preliminary floor plans and the architectural design of this building be approved, and that the architects proceed with the work, with the understanding that they consult with University officials as the work progresses.

President Cross submitted an assignment to the Republic National Bank of Dallas by the General Housing Company of Dallas of their several contracts in connection with the pre-fabricated homes project.

Moved by Shepler, seconded by White, that the President of the Board of Regents be authorized to execute this assignment on behalf of the Board of Regents. The motion was unanimously adopted.

President Cross stated that he had received official notice from the trustees of the Oklahoma School of Religion, Norman, that the School of Religion had discontinued operations on account of lack of funds, and proposed the following resolutions, recommending adoption by the Board of Regents:

RESOLUTION

BE IT RESOLVED by the Board of Regents of the University of Oklahoma that all agreements between the University and the School of Religion relating to the acceptance of credit from the latter institution are terminated as of this date.

Courses in religion will no longer be carried in the University Publications and the Catalog statement regarding the

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affiliation of the School of Religion with the University will be eliminated.

On motion by Deacon, seconded by Shepler, the resolution was unanimously adopted.

RESOLUTION

BE IT RESOLVED by the Board of Regents of the University of Oklahoma that courses in religion will be accepted by the University for credit purposes only if offered in recognized universities and colleges or if offered by independent Schools of Religion affiliated with the University. Such affiliation must be in the form of a resolution of the Board of Regents.

On motion by White, seconded by Shepler, the resolution was unanimously adopted.

President Cross reported in connection with the condemnation proceedings for the two tracts of land owned by Rex Whistler and Mrs. Malcolm Oakes, formerly a part of the Bymaster tract recently purchased by the state. He stated the district court had appointed three appraisers to determine the value of the land and that the appraisers had filed a report on May 11, 1946, placing the value on each tract at \$4,500.00. This is \$1,000.00 in excess of the amount authorized by the Board of Regents at the meeting held on August 15, 1945.

Following a discussion, and on recommendation of President Cross, the following resolution was adopted on motion by Regent Shepler, seconded by White:

RESOLUTION

BE IT RESOLVED, that the Board of Regents of the University of Oklahoma accept the appraisal in the amount of \$4,500.00 made by appraisers appointed by the District Court in Norman on May 7, 1946, the report having been filed on May 11, 1946, on the following-described tract of land in Cleveland County, Oklahoma:

Part of Lots One (1) and Two (2) and the South Half of the Northeast Quarter Section Six (6) in Township Eight (8) North of Range Two (2) West of the Indian Meridian (part of NE $\frac{1}{4}$ 6-8N-2W I. M.), described as follows: Beginning at a point 880 feet West of the NE corner of Lot One (1), thence W 200 feet, thence South 174 feet, thence E 200 feet, thence North 174 feet to point of

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beginning, owned by Rex Whistler.

On motion by Regent Shepler, seconded by White, the following resolution was unanimously adopted:

RESOLUTION

BE IT RESOLVED, that the Board of Regents of the University of Oklahoma accept the appraisal in the amount of \$4,500.00, made by appraisers appointed by the District Court in Norman on May 7, 1946, the report having been filed on May 11, 1946, on the following-described tract of land in Cleveland County, Oklahoma:

Part of Lots One (1) and Two (2) and the South Half of the Northeast Quarter of Section Six (6) in Township Eight (8) North of Range Two (2) West of the Indian Meridian (part of NE $\frac{1}{4}$ 6-8N-2W I. M.), described as follows: Beginning at a point 1560 feet West of the NE corner of said Lot One (1) and running thence South 174 feet, thence West 200 feet, thence North 174 feet, thence East 200 feet, to point of beginning, owned by Lyra B. Oakes.

Regent Deacon asked that although he was voting AYE on the motions to adopt the resolutions, the minutes show the following: "I am fully cognizant that we are being gypped in paying this price for the two tracts of land."

Mr. Fagin, Bond Attorney, stated Chapman and Cutler had asked that the Board of Regents adopt a resolution re-enacting the conditions of the Veterans' Dormitory Bonds which were authorized and issued by resolution on June 14, 1945. The Chair presented the following resolution.

It was moved by Regent White, seconded by Regent Deacon, and unanimously voted, that the resolution be adopted.

RESOLUTION

BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF OKLAHOMA ACTING FOR AND IN BEHALF OF THE UNIVERSITY OF OKLAHOMA:

1. It is hereby covenanted and agreed by the Board of Regents of the University of Oklahoma acting for and in behalf of the University of Oklahoma with respect to the apartment dormitories to be erected on the campus of the University of Oklahoma, and the \$275,000.00 Apartment Dormitory Bonds of 1946 dated March 15, 1946 to be issued by the Board of Regents of the University of Oklahoma acting for and in behalf of the University of Oklahoma, that the

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parietal rules are as follows:

(a) That all covenants and conditions set out in the resolutions enacted by the Board of Regents on June 14, 1945 and March 13, 1946 are hereby re-enacted as if herein set out in full.

(b) That so long as any of the bonds or coupons authorized to be issued are outstanding, the apartment dormitories constructed in whole or in part with the proceeds of this issue of bonds shall be maintained, preserved and kept in good repair, working order and condition and shall at all times be operated in an efficient manner and at a reasonable cost and no free use of said dormitories shall be permitted.

(c) There shall be carried on said apartment dormitories fire, tornado and explosion insurance in such an amount as will be sufficient to replace or repair the said apartment dormitories so that the payment of the interest coupons and principal of bonds will not be impaired. There shall also be carried on said apartment dormitories use and occupancy insurance sufficient in amount to protect the interest and principal payment on the Apartment Dormitory Bonds during the period of time the apartment dormitories destroyed or damaged are being rebuilt or repaired.

(d) That so long as any of the bonds or coupons are outstanding the apartment dormitories constructed in whole or in part with the proceeds of said issue of bonds shall not be sold or disposed of, mortgaged or incumbered with other indebtedness of any kind whatsoever, nor shall the revenues, charges, fees and rentals derived from the use of said dormitories be pledged to secure any other indebtedness or subjected to any liens other than that of the \$275,000.00 Apartment Dormitory Bonds of 1946.

(e) The Board of Regents shall keep proper books of records and accounts (separate and apart from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to said apartment dormitories. There shall be supplied to any bondholder on request annual financial statements on operations of the apartment dormitory project and condition of the sinking fund.

(f) Any holder of the Apartment Dormitory Bonds shall have the right at all reasonable times to inspect the said

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apartment dormitories and all records, accounts and data relating thereto.

2. This resolution is adopted by the Board of Regents of the University of Oklahoma acting for and in behalf of the University of Oklahoma as a part of the proceedings for the issuance of said Apartment Dormitory Bonds of 1946 and all of the covenants and provisions hereof shall be and remain in full force and effect so long as any of said bonds or interest coupons thereon remain outstanding and unpaid. This resolution shall be irrevocable during such period.

There being no further business, the meeting was adjourned at 11:45 a. m.

Emil R. Kraettli, Secretary.