

Add to the above outstanding old accounts of nearly Three Thousand (\$3,000.) Dollars and the current liabilities in excess of the income up to July 1, 1911, amounts to over Ten Thousand, Seven Hundred and Fifty (\$10,750) Dollars, and we have a full explanation of how the deficiency, which amounts to approximately \$66,000., was created. The above tabulation approximately outlines the items which make the deficiency and are approximately correct.

It will thus be seen that the foregoing indebtedness was made by the Trustees in order to carry forward the work of the University. I believe it can be truthfully said that under the circumstances the Trustees did what was for the best interests of the State, although this large indebtedness was thereby created. In the meantime, our credit is good in the bank and we will have no trouble in renewing our outstanding notes and in July we will receive nearly Fifty Thousand Dollars (\$50,000) from the several resources of the University. It is not believed that the University will have any trouble in carrying this debt, or that the next Legislature will hesitate to appropriate sufficient funds to pay it off.

It seems to me that in the interest of economy the office of Monitress should be abolished. This position has been filled long, faithfully and honorably by the present incumbent, Mrs. Lucy Blackburn; but she is now more than seventy-five years of age and for this reason alone she is not equal to the efficient discharge of the duties of the office. Besides, we now have a most competent Dean of Women and I see no reason why her constant supervision is not sufficient to make the services of a Monitress unnecessary.

I feel deeply impressed with the duty of calling your attention to what, in my opinion, is an unlawful diversion of the funds of the State in granting to President Emeritus Patterson a pension of Three Thousand (\$3000.) Dollars per annum. For the original error in granting this pension, I am perhaps more largely responsible than any other member of the Board of Trustees, and I desire to acknowledge that responsibility to the full, but having looked into the question carefully, I think there is no