

3. President's Quarterly Report.

The President made his regular quarterly report which, on motion and second, was accepted and ordered recorded in the minutes.

Quarterly Report of the President

This is the third quarterly meeting of the Board of Trustees for the year 1938-1939. The membership of the Board has been changed since the last meeting by the addition of two members, the Honorable Robert P. Hobson of Louisville, Kentucky, and Mrs. Paul G. Blazer of Ashland, Kentucky. Mrs. Blazer is the first woman to hold a place on the Board of Trustees. In that respect her presence here today is the beginning of new history, that I am sure will prove to be of profit to the Board. Without question, I voice the feeling of the Board of Trustees in extending to these two new members a cordial welcome in carrying on the great work of the University of Kentucky.

The most important matter to come before the April meeting of the Board of Trustees is the budget. Some years ago the Board passed a resolution that the budget for the coming year must be presented at the April meeting. This is a wise regulation, and it has been followed now for a decade.

The amounts available for expenditure in the operation of the University and its different activities do not vary much from the previous year. The appropriations of the State are on a biennial basis, and this is the second year of the biennium. Other items of income, such as receipts from the federal government, are about the same, and in the opinion of the Business Agent and myself, it is not advisable to increase the estimate of student fees. This amount has been advanced slightly over last year. Some changes in the income statement will be found in the budget now in your hands. One is the elimination of the residence halls, cafeteria and dining halls from the general fund. These expenditures have been set up in separate budgets as will be seen in the budget arrangement. In the income an item appears this year that has not been included before. You will note, therefore, that the total receipts from the general fund amount to \$1,349,446.50, and the expenditure set up against this income is \$1,314,052.18, leaving a balance of \$35,394.32. An attempt has been made to show all the activities in which the University is engaged, so there appear in this budget the income and expenditures of the Department of Athletics, the income and expenditures of the Student Union building, the Post Office, Book Store, and commitments. The commitments under which are placed the expenditures for the payment of the amortization charges of the two bond issues, the men's dormitories, and the warehouse occupied by the Department of Buildings and Grounds, amount to \$64,700. Against this amount there are offsets amounting to \$18,773.58.