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Minutes of the Board of Directors of Southwestern Meeting September 5, 1939

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MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF SOUTHWESTERN
HELD IN THE DIRECTORS' ROOM
PALMER HALL
SEPTEMBER 5, 1939

The annual meeting of the Board of Directors of Southwestern was held in the Directors' Room, Palmer Hall, on Tuesday, September 5, 1939, at 9:00 A.M.

The Chairman, Dr. W.McF. Alexander, presided, and opened the meeting with prayer.

The roll call showed the following members present:

Chas. E. Diehl, ex officio

ALABAMA:	LOUISIANA:	MISSISSIPPI:	TENNESSEE:
W. Neely Mallory	E.B. LeMaster	J.B. Hutton	S.W. Farnsworth
	W.McF. Alexander	Warren Potts	Moore Moore
		Geo.M. Smiley	William Hume
			B.A. Patch

The Secretary presented excuses for absence from the following members: Alabama - D.C. MacGuire, J.P. Whiteside, Allen Rushton; Louisiana - Wade H. Boggs, B.B. Taylor.

Miss Erma Reese was invited to sit in the meeting as assistant to the Secretary.

The Secretary read for information the minutes of the meeting of the Board of Directors held on May 30, 1939 and June 6, 1939. Mr. William Hume made the following motion, which was adopted unanimously by the Board:

Be it resolved that the action taken at the meeting held on June 6, 1939 be made the action of this Board, and it is in all respects ratified, approved and confirmed.

Mr. B.A. Patch moved that the reading of the minutes of the Executive Committee be dispensed with, in view of the fact that copies of these minutes have been sent to all of the Board members. The minutes of the last meeting of the Executive Committee held on September 4, 1939, were read and approved. Upon motion of Mr. E.B. LeMaster, all of the minutes of the Executive Committee since the February meeting of the Board were approved.

The Secretary made the following report, which was received, and referred to the proper committees:

To the Board of Directors of Southwestern:

The Secretary's report is usually contained in the Executive Committee minutes, copies of which have been furnished each member of the Board, but I desire to call attention to several matters which ought to be considered by the Board at this time; namely, the matter of erecting faculty houses, the possible law school connection, and the advisability of entering upon an endowment campaign. The firm of Ward, Wells & Dreshman, of New York, has been consulted in this connection. At a meeting of the Executive Committee held on May 17, 1939, the attorney's fees for the Mississippi suit and for the damage suits in connection with the collapse of the North Main Street building were referred to the Board. The amendment to the By-Laws fixing the time for the annual meeting of the Board was postponed at the February meeting until this time.

In addition to this, I am herewith presenting to the Board a copy of the opinion and final decree in the suit of the Synod of Mississippi against Southwestern, the other three cooperating Synods and their Directors. At the direction of the Executive Committee our attorney applied for a partial re-hearing in this case. This re-hearing was denied, and the decree thus became final. This decree should be recorded in the minutes of this Board meeting, and should also be officially recorded on the minutes of each of the four cooperating Synods.

In view of the fact that the question of a quorum at the meeting of the Board of Directors held on June 6, 1939 might be raised, it would be well for the Board at this meeting to ratify and approve the action taken at that time with regard to the faculty houses.

Respectfully submitted,

(Signed) Moore Moore, Secretary

September 5, 1939

The Chairman appointed the following committees:

HOUSE COMMITTEE - William Hume, Chairman; J.B. Hutton and S.W. Farnsworth

FINANCE COMMITTEE - B.A. Patch, Chairman; W. Neely Mallory, Warren Potts and E.B. LeMaster

NOMINATING COMMITTEE - Moore Moore, Chairman; George M. Smiley and W.McF. Alexander

HONORARY DECREES COMMITTEE - Chas. E. Diehl

Mr. William Hume moved that the committee previously appointed by the Board to consider revising the By-Laws be asked to bring in a report on this matter at the next meeting of the Board of Directors.

(See Minutes of Executive Committee for June 16/33)

Dr. J.B. Hutton made the following motion, which was adopted:

That the Chairman of the Board, conferring with whomsoever he may desire, appoint the standing committees provided for in the By-Laws, and that the announcement of these committees be made at this meeting of the Board.

The annual report of the Treasurer was received and referred to the Finance Committee.

The President's annual report was received, and referred to the House and Finance Committees.

The annual reports of the President and the Treasurer are appended to these minutes.

The report of the Clerk of the Faculty is also appended to these minutes.

The Board recessed at 10:30 A.M. for committee work, to reconvene at 1:30 P.M., after having lunch in the Bell Room of Hugh M. Neely Hall at 12:30 P.M.

The Board reconvened at 2:00 P.M. with prayer by Rev. C.M. Smiley.

In accordance with the action taken earlier in the day, the Chairman appointed the standing committees provided for in the By-Laws as follows:

EXECUTIVE COMMITTEE - E.B. LeMaster, Chairman; S.W. Farnsworth, Vice-Chairman; Moore Moore, Secretary; W. Neely Mallory, Treasurer; B.A. Patch and Chas. E. Diehl.

FINANCE COMMITTEE - Vance J. Alexander, Chairman; R.B. Barton, Troy Beatty, R. Brinkley Snowden, Chairman Emeritus; Chas. E. Diehl, W. Neely Mallory, and E.B. LeMaster.

INSTRUCTION - William Hume, Chairman; Warren Potts, E.B. LeMaster, Allen Rushton and Moore Moore.

BUILDINGS AND GROUNDS - Chas. E. Diehl, Chairman; George M. Smiley, Wade H. Boggs, Sidney W. Farnsworth and Allen Rushton.

HONORARY DEGREES - Moore Moore, Chairman; Memphis Director from Mississippi; D.C. MacGuire, B.A. Patch and W.McF. Alexander.

AUDIT - J.B. Hutton, Chairman; B.B. Taylor and J.P. Whiteside.

The House Committee made the following report, which was adopted:

The House Committee, having read and considered the annual report of President Chas. E. Diehl, which had been mimeographed and copies sent to each member of the Board prior to the annual meeting, and having considered President Diehl's remarks thereon to the Board, reports as follows:

We are glad to note that but few changes have been made in the faculty, that the President places special emphasis on the fine teaching that has been done by the faculty, and sets up this as the strength of the program of Southwestern.

The good work of the committee to consider the matter of affiliation with the University of Memphis Law School is appreciated, and it is suggested that its report, which is as follows, be approved:

"Your Committee, with the able assistance of Mr. C.G. Siefkin, has investigated the possibilities of Southwestern's affiliation with the University of Memphis Law School. To comply with the minimum requirements of the American Bar Association for a fully accredited law school, would require an estimated minimum expenditure of \$20,000.00. Southwestern is not in position at present to provide this money. Therefore, your Committee recommends the matter be tabled for the present.

"However, your Committee recognizes the desirability of having an accredited law school in Memphis, and further recommends that Southwestern continue to cooperate with Dean S.W. Jones, of the University of Memphis Law School, in the working out of plans for the establishment of such an institution, if and when the means are available to do so.

"In the meanwhile, Dean Jones is making available for the use of our evening extension classes the facilities of his classrooms downtown, and without cost, a service which we deeply appreciate and wish to acknowledge.

"S.W. Farnsworth, Chairman,
"W. Neely Mallory
"William Hume."

We recommend that in all the churches of the respective Synods there be appointed a Sunday on which messages will be delivered upon the necessity and the imperative need of having the right appraisal made of spiritual values, and the urgent challenge given to all of our people to support with

their prayers, their patronage and their gifts our Christian schools, that there may be Christian ideals held before our youth, Christian principles instilled in them and a definite positive Christian atmosphere thrown around about them. It is the sense of this Board that the teaching of God's word and the providential happenings in the world of today make it clear that this is a supreme task of the Church.

We recommend that the degrees in course which were conferred on June 13, 1939 be approved by the Board, and recorded as a part of these minutes.

We are glad to note in the report of the President the excellent work done by Drs. F.B. Gear, R.T.L. Liston, H.J. Bassett, and others in conducting Bible classes and training schools in the City of Memphis and in other sections. The Committee desires to commend the various members of the faculty for their interest and for the sacrificial and successful work they are doing.

The President's report calls attention to the results that might be obtained in the way of financial support if a large number of people of moderate means could be induced to remember Southwestern in their wills. The Committee now commends this suggestion to the favorable consideration of all those Synods in which there is no law prohibiting such gifts. Your Committee now calls the Board's attention to the President's statement as to providing retirement insurance for the members of the faculty. We recommend that the Board express itself as approving the principle of making provision for the faculty, and recommend that this be done as soon as a satisfactory plan can be worked out and Southwestern feels that it can provide the financial outlay which such insurance would require. It is the judgment of your Committee that this insurance should be secured through private agencies rather than through government agencies.

Your Committee recommends the meeting of Federal Housing Administration requirements for the purpose of securing the necessary loans to construct not less than five faculty houses.

The Committee would recommend that the Board express itself as recognizing the need of Southwestern for increased endowment, and urges the Executive Committee to seek feasible plans for securing the same.

We recommend that the opinion of the Supreme Court of Tennessee and decree thereon in the case of the Synod of Mississippi vs Southwestern be copied in the minutes of this meeting, and that copies be transmitted to the Clerks of the Synods of Alabama, Louisiana, Mississippi and Tennessee, with the request that they be copied on their minutes.

Your Committee would suggest to the Board that the date for the annual meeting of the Board of Directors be fixed for the fourth Tuesday in September.

The Finance Committee made the following report. This report was unanimously adopted, with the exception of item No. 5, which was voted on separately. Eight members of the Board voted affirmatively, and the three Directors from the Synod of Mississippi voted negatively on this item.

1. The Finance Committee has carefully considered the report of the Treasurer, the Audit for the year 1938-39, and the budget for the year 1939-40. We feel that the Audit is very comprehensive and excellently arranged, that the Auditors should be complimented for the work they have done, and for the reasonable fee charged.

2. The proposed budget as submitted by the Executive Committee has been carefully gone over, item by item. We feel that it is evident that the revenue has been estimated on a conservative basis, that the expenses have been estimated on a reasonable basis, and it is recommended that the budget as submitted by the Executive Committee be adopted, except the item of "free tuition."

It is recommended that the administration endeavor to hold the item of "free tuition" to \$5,000, and thereby reduce the potential deficit. The Committee feels that the free tuition should be limited to \$5,000, if possible, and that it should be allocated to students on the basis of their ability to pay and on their qualifications and standing as students. The estimated deficit last year was \$4,600, but at the end of the year the actual deficit was only \$1,000.00.

3. Consideration was given by the Finance Committee for increasing the support fund, also suggestions made by the firm of Ward, Wells & Dreshman towards conducting a permanent fund campaign for the college. We feel that conditions are such that it is not wise to recommend that the college go into any campaign at this time. It is recommended that we should defer action on this until the next meeting of the Board.

4. Regarding the retirement fund plan for professors:

The Committee thinks it unwise to entertain such a plan at this time, and should defer the matter until such time as we find out what the government requirements will be on the Social Security.

Group Insurance: The Committee feels that the present financial condition of the college does not justify the payment of the premium of approximately \$1,600, in view of going into the new year with an apparent deficit.

5. The Treasurer reported on attorney fees that were paid and which are still owing covering the Mississippi lawsuit. The Finance Committee recommends that the Board approve these fees, which amount to \$2500.00.

6. Regarding the Sallie P. Williams bequest: According to present indications, after the settlement of this estate, Southwestern will come into approximately \$25,000 after deduction of the amount put aside for the education of the children, as provided for in the will.

7. The Finance Committee recommends investment of a sum up to \$10,000 into Southwestern, Incorporated for the purpose of meeting the Federal Housing Administration loan requirements. The Finance Committee recommends that this sum be invested out of the endowment fund, if necessary, for the purchase of capital stock of Southwestern, Incorporated in order that Federal Housing Administration loans for the construction of faculty houses can be consummated.

(Signed) B.A. Patch, Chairman

BUDGET FOR THE FISCAL YEAR 1939-40

Class Room Supplies	\$ 200.00
Debating	250.00
Faculty and Assistants	106,235.00
Library Expense	850.00
Librarian and Assistants	5,000.00
Religious Meetings	600.00
Spencer and Evans Funds	150.00
Board Meetings	250.00
Bulletins	700.00
Bursar's Salary	3,060.00
Catalogue	1,200.00
College Associations	500.00
Commencement	700.00
Entertainment	200.00
Office Assistants	7,120.00
Office Supplies and Printing	1,250.00
Postage	1,100.00
Publicity, Promotion and Alumni Work	11,000.00
Registrar and Assistants	3,360.00
Telephone & Telegraph	825.00
Traveling Expense	2,500.00
Truck & Automobile	650.00
Annuities	250.00
Annual Audit	350.00
Repairs and Renewals	1,500.00
Miscellaneous	500.00
Legal Expense	1,500.00
Campus Men	1,750.00
Campus Grounds	250.00
Engineer, Assistants and Watchman	1,850.00
Fuel, including freight and cartage	1,200.00
Light	1,300.00
Power	300.00
Janitors	2,600.00
Insurance	1,400.00
Janitor's supplies	350.00
Supervisor of Property	2,520.00
Water	350.00
Equipment	1,000.00
Student Aid	10,000.00
Interest Real Estate Bonds	4,500.00
Band	500.00
	<hr/>
	181,670.00

It was reported that SOUTHWESTERN, INCORPORATED, the subsidiary corporation, which was authorized by the Board of Directors of Southwestern at the meeting held on June 6, 1939, has been organized and is in existence. The Secretary was directed to copy the **charter and** by-laws of SOUTHWESTERN, INCORPORATED in the minutes of this meeting of the Board of Directors, and they are as follows:

C H A R T E R

STATE OF TENNESSEE

DEPARTMENT OF STATE

I, A.B. Broadbent, Secretary of State of the State of Tennessee, do hereby certify that the annexed Instrument with Certificate of Acknowledgment was filed in my office and recorded on the 7th day of June 1939 in Corporation Record Book Miscellaneous V page 194,

IN TESTIMONY WHEREOF, I have hereunto subscribed my Official Signature and by order of the Governor affixed the Great Seal of the State of Tennessee at the Department in the City of Nashville, this 7th day of June, A.D. 1939.

(Sgd.) A.B. Broadbent, Secretary of State

(S E A L)

STATE OF TENNESSEE)
)
SHELBY COUNTY)

The above certificate of Secretary of State, together with facsimile of the Great Seal of the State of Tennessee, was received and recorded June 8, 1939.

(Sgd.) Sam D. Campbell, Register
By P.L. Roberts D.R.

General Welfare.

STATE OF TENNESSEE

CHARTER OF INCORPORATION

BE IT KNOWN That there is hereby constituted a body politic and corporation by the name and style of

SOUTHWESTERN, Incorporated.

The address of the principal office of this corporation in the State of Tennessee is Palmer Hall, on the campus of Southwestern, North Parkway, Memphis, Tennessee.

As required by Section 4147, Code 1932, paragraph (4) of Section 4146, Code 1932, within the purview of which the objects of this corporation come, is here embodied verbatim: "The support of any literary or scientific undertaking, as, a college or university, with powers to confer degrees; an academy, a debating society; lyceum; the establishment of a library; the support of a historical society; the organization and support of battle field associations; the promotion of painting, music, or the fine arts; the organization and support of cemetery associations for the purpose of acquiring and maintaining cemeteries or burial places wherein soldiers and sailors or other persons are buried, and for the preservation and maintenance of such cemeteries other than cemetery organizations for profit; the support of boards of trades or chambers of commerce, or other objects of like nature."

The general objects of the corporation shall be to take and hold title to all real and personal property acquired either by gift or purchase, to be used for the building, establishing and maintenance of dormitories and faculty houses upon or within the environs of the campus of Southwestern, in the City of Memphis, Shelby County, Tennessee, and in furtherance of such purpose to make contracts for the erection of buildings and general improvements of the property, and to hold and transfer the real and personal property, or any part thereof, subject to the direction of the member or members of the corporation.

To borrow money to be used in payment of property bought by it, and for erecting buildings, making improvements, and for other purposes germane to the objects of its creation, and secure the repayment of the money thus borrowed by mortgage, pledge, or deed of trust, upon such property, real, personal, or mixed, as may be owned by it; and it may, in like manner, secure by mortgage, pledge, or deed of trust, ~~any existing indebtedness which it may have lawfully contracted.~~

The general powers of said corporation shall be, to sue and be sued by the corporate name; to have and use a common seal, which it may alter at pleasure; if no common seal, then the signature of the name of the corporation by any duly authorized officer shall be legal and binding; to receive property, real, personal or mixed, by gift, bequest or devise, sell the same and apply the proceeds toward the promotion of the objects for which it is created or hold any such property and apply the income and profits towards such objects, and in addition to the personal property owned by said corporation, to purchase and hold real estate necessary for the transaction of the corporate business and also to purchase or accept any real estate in payment or in part payment of any debt due to the corporation, and sell the same; to establish by-laws, and make all rules and regulations not inconsistent with the laws and constitution deemed expedient for the management of corporate affairs, and to appoint such subordinate officers and agents in addition to a President and Secretary or Treasurer, as the business of the corporation may require; designate the name of the office and fix the compensation of the officer.

The said five or more incorporators shall, within a convenient time after the registration of this charter in the office of the Secretary of State, elect from their number a President, Secretary and Treasurer or the last two officers may be combined into one; said officers and the other incorporators to constitute the first Board of Directors. In all elections each member to be entitled to one vote, either in person or by proxy, and the result to be determined by a majority of the votes cast. Due notice of any election must be given by advertisement in a newspaper, personal notice to the members, or a day stated on the minutes of the Board six months preceding the election. The Board of Directors shall keep a record of all their proceedings, which shall be at all times subject to the inspection of any member. The Corporation may establish branches in any other county in the State.

The Corporation may increase the number of Directors from five to not more than one hundred, by due and proper amendment of its by-laws, unless otherwise specifically provided. The term of all officers may be fixed by the by-laws, the said term not, however, to exceed three years. All officers hold office until their successors are duly elected and qualified.

The general welfare of society, not individual profit, is the object for which this charter is granted, and hence the members are not stockholders in the legal sense of the term, and no dividends or profits shall be divided among the members. The members may at any time voluntarily dissolve the corporation by a conveyance of its assets and property to any other corporation holding a charter from the State for purposes not of individual profit, first providing for corporate debts.

A violation of any of the provisions of this charter shall subject the corporation to dissolution at the instance of the State.

This charter is subject to modification or amendment; and in case said modification or amendment is not accepted, corporate business is to cease, and the assets and property, after payment of debts, are to be conveyed, as aforesaid, to some other corporation holding a charter for purposes not connected with individual profit. Acquiescence in any modification thus declared shall be determined in a meeting specially called for that purpose, and only those voting in favor of the modifications shall thereafter compose the corporation.

The means, assets, income or other property of the corporation shall not be employed, directly or indirectly, for any other purpose whatever than to accomplish the legitimate objects of its creation, and by implication shall it engage in any kind of trading operation, nor hold any more real estate than is necessary for legitimate purposes.

Expulsion shall be the only remedy for the nonpayment of dues by the members, and there shall be no individual liability against the members for corporate debts, but the entire corporate property shall be liable for the claims of creditors.

We, the undersigned, the incorporators above mentioned, hereby apply to the State of Tennessee for a Charter of Incorporation for the purposes declared in the foregoing instrument.

WITNESS OUR HANDS this 6th day of June, 1939

	(Sgd.) CHAS. E. DIEHL
	(Sgd.) E.B. LEMASTER
Subscribing Witness:	(Sgd.) MOORE MOORE
(Sgd.) CHAS. E. DIEHL	(Sgd.) SIDNEY W. FARNSWORTH
	(Sgd.) W. NEELY MALLORY

STATE OF TENNESSEE)
)
 COUNTY OF SHELBY)

Personally appeared before me, Erma Reese, a Notary Public within and for the State and County aforesaid, the within/Chas. E. Diehl, the subscribing witness and incorporator, with whom I am personally acquainted, and who acknowledged that he executed the within application for a charter of incorporation for the purposes therein contained and expressed; and the said Chas. E. Diehl, subscribing witness to the signatures subscribed to the within application, being first duly sworn, deposed and said that he is personally acquainted with the within named incorporators, E.B. LeMaster, Moore Moore, Sidney W. Farnsworth, and W. Neely Mallory, and that they did in his presence acknowledge that they executed the within application for a charter of incorporation for the purposes therein contained and expressed.

Witness my hand and official seal, at office in Memphis, Tennessee this 6 day of June, 1939

(Sgd.) ERMA REESE
 Notary Public

(SEAL)

My commission expires April 20, 1941.

STATE OF TENNESSEE)
 SHELBY COUNTY)

Filed for Registration June 8, 1939 at 11:15 o'clock A.M. and noted in Note Book No. 87, Page 238 and was recorded 6-8-39 in Record Book No. 42, Page 407, Fee 3.00 paid.

(Sgd.) SAM D. CAMPBELL, Register

By P.L. ROBERTS D.R.

BY-LAWS OF
SOUTHWESTERN, INCORPORATED

ARTICLE I

1. The title of this corporation is

SOUTHWESTERN, Incorporated.

2. The Principal Office of the Corporation in Tennessee shall be at Palmer Hall, on the campus of Southwestern, at Memphis, Tennessee, and the Resident Agent in charge thereof shall be Dr. Chas. E. Diehl.

3. The Corporate Seal shall be circular in form and shall have inscribed thereon the name of the Corporation and the words "Memphis, Tennessee."

ARTICLE II

1. The Board of Directors shall consist of five members, of whom one shall be chosen by the Board as the President of the Corporation, one as the Secretary and one as the Treasurer.

2. The Board of Directors shall manage and control the property and affairs of the Corporation and, at any meeting of the Board, a majority of the whole number of the Board must be present in person or by attorney-in-fact to constitute a quorum for the transaction of business. The affirmative vote of a majority of those present at any meeting where a quorum is present shall be sufficient to adopt any measure.

3. The members of the Board of Directors shall hold office for six years, or until their successors are elected and qualified.

4. In case of the death, resignation or removal of a member of the Board, or if, for any other cause, there shall be a vacancy on the Board of Directors, the remaining members of the Board at a regular or special meeting shall fill such vacancy for the unexpired term, by majority vote.

5. The annual meeting of the Board of Directors shall be held at the office of the Corporation on the last Tuesday in January of each calendar year beginning with Tuesday, January 30, 1940, at 2:30 o'clock P.M. No notice of the regular annual meetings shall be required. Special meetings may be called by the President on two days' notice in writing, which notice may, however, be waived by the Directors.

ARTICLE III

1. The Board of Directors may appoint an Executive Committee of three Directors. The Executive Committee shall not have power to amend or surrender the Certificate of Incorporation or the By-Laws but shall exercise all other powers of the Board of Directors between the meetings of the Board, except the power to fill vacancies in their own membership, which vacancies shall be filled by the Board of Directors.

2. The Executive Committee shall meet at stated times or on notice to all by any of their number. Such notice may be waived. The majority shall constitute a quorum, but the affirmative vote of a majority of the Executive Committee shall be necessary to take any action.

ARTICLE IV

1. The term of office of the officers of the Corporation shall be three years.

2. All officers shall hold office until their successors are duly elected and qualified.

3. The duties of the officers of the Corporation shall be such as are usually performed by such officers of corporations and such as are required by law, and such as may be assigned to them from time to time by the Board of Directors.

4. The officers of the Corporation shall serve without compensation, though the Board of Directors may provide for their necessary expenses in the discharge of corporate business.

ARTICLE V

1. It shall be a prerequisite to membership in the Corporation that a member pay into the treasury of the Corporation the sum of Five Thousand Dollars (\$5,000.00).

ARTICLE VI

1. The Corporation shall have its bank account at Union Planters National Bank and Trust Company, Memphis, Tennessee, and all checks drawn thereon shall be signed by the President and the Treasurer. All documents the execution of which may be authorized by the Board of Directors, including all deeds, mortgages, deeds of trust, promissory notes, bonds and other instruments of like character required to be executed under the Corporate Seal shall be signed on behalf of the Corporation by its President and the Corporate Seal shall be affixed and attested on behalf of the Corporation by its Secretary.

2. The books, records and account of the Corporation shall be open to inspection by the Directors and the member or members of the Corporation at such reasonable times and subject to such reasonable regulations as the Board of Directors may prescribe.

ARTICLE VII

1. The fiscal year of the Corporation shall be fixed by the Board of Directors and may be changed from time to time.

ARTICLE VIII

1. These By-Laws may be amended, altered, repealed or added to at any regular or special meeting of the Board of Directors by the affirmative vote of a majority of the whole Board of Directors.

The Board expressed its great appreciation for the excellent work done by Messrs. Sidney W. Farnsworth and W. Neely Mallory on behalf of Southwestern in connection with their visit to New York, and conference with officials of some of the educational foundations in New York City.

The Board also expressed appreciation to the administration for the improved condition of the campus grounds.

The Nominating Committee made the following report:

OFFICERS OF THE BOARD -

Chairman - B.A. Patch
Vice-Chairman - E.B. LeMaster
Secretary - Moore Moore
Treasurer - W. Neely Mallory

EXECUTIVE COMMITTEE -

E.B. LeMaster - Chairman
Sidney W. Farnsworth - Vice-Chairman
Moore Moore - Secretary
W. Neely Mallory - Treasurer
Chas. E. Diehl
B.A. Patch

INVESTMENT COMMITTEE -

E.B. LeMaster
W. Neely Mallory
Chas. E. Diehl
Vance J. Alexander, Chairman
R.B. Barton
Troy Beatty
Brinkley Snowden (Emeritus Chairman)

Memphis Presbyterians for the fourth director -

We recommend to the Synod of Alabama W. Neely Mallory; to the Synod of Louisiana E.B. LeMaster, and to the Synod of Tennessee Sidney W. Farnsworth.

G.M. Smiley wishes to be recorded as dissenting from making recommendations to any of the Synods.

Mr. William Hume moved that the report of the Nominating Committee be amended so that the next to the last paragraph will read as follows:

Memphis Presbyterians for the fourth director -

We recommend to the Synod of Alabama W. Neely Mallory; to the Synod of Louisiana E.B. LeMaster, and to the Synod of Tennessee Sidney W. Farnsworth, with the understanding that the Synods need not necessarily be guided by or act upon this recommendation, but shall have the unrestricted right to nominate and elect whomsoever they choose.

The report of the Nominating Committee was unanimously adopted, with the exception of the next to the last paragraph, which was voted upon negatively by the three directors from the Synod of Mississippi.

Rev. G.M. Smiley asked that the following paper be incorporated in these minutes:

Inasmuch as the Supreme Court of Tennessee has declared in its decree in the case of the Synod of Mississippi v. Southwestern that, "So much of said resolution as surrendered the power to the Board of Directors of Southwestern to nominate the additional member provided for therein is void because unauthorized by and contrary to the Charter and the Charter Act;" Decree of Supreme Court of Tennessee, December, 1938.

And inasmuch as the Board of Southwestern asked for a rehearing in this case, and the Supreme Court of Tennessee in declining to grant the rehearing said, "It is complained that the Court erred in holding the Concurrent Resolution of the Synods delegating power to the Board of Directors to nominate directors antagonistic to the Charter. The conclusion of the Court rested upon provisions of the Charter and the Act under which Southwestern was incorporated. It was declared that so much of the Resolution of the Synods as surrendered power to the Board of Directors was void because antagonistic to the Charter and the Charter Act, Chapter 98, Acts of 1923. The Act expressly declares that the Synods shall have equal representation numerically upon the Board of Directors, and shall each have the right to elect their own representatives on the Board.

"For reasons stated in the opinion filed for publication, antecedent agreements and the Plan of Union under which Southwestern Presbyterian University operated before the Act of incorporation are not controlling. The Charter and the Act of 1923 are the controlling law of the corporation and provide that each Synod shall have the right to elect its own representatives on the Board of Directors. In the opinion filed, the Court observed the clear meaning of the provision of the Act. Without more, it is a sufficient response to the petition for rehearing to say that the petition (presents) no new question, and that the Court is content with the conclusions reached upon the questions presented and disposed of upon the hearing."

And inasmuch as the Synod of Mississippi has thus successfully resisted the assumed right of the Board to nominate the fourth or any of its directors, we, therefore, deny the authority of the Board to make any nomination of any directors.

(Signed) Warren Potts
" J.B. Hutton
" G.M. Smiley

In view of the fact that the selection of the recipients of honorary degrees is usually passed on at the February meeting of the Board of Directors, the Chairman of the Committee simply reported that, in addition to those candidates previously mentioned, the names of the following persons had been recommended for consideration:

President S.C. Garrison, George Peabody College for Teachers,
Nashville, Tennessee - LL.D.
President R.L. McLeod, Jr., Centre College, Danville, Kentucky - LL.D.

Reverend T.T. Williams, '12-'13; '15-'17, Tunica, Mississippi - D.D.
Reverend Robert M. McGehee, '17, Alexandria, Louisiana - D.D.

Miss Anna I. Mahler, Memphis, Tennessee - D.Ed.

The President was authorized to invite Lord Lothian, the British Ambassador to this country, to be the commencement speaker for Southwestern on June 11, 1940, and to express the desire of Southwestern to confer upon him at that time the degree of Doctor of Laws.

The minutes of this meeting were read and approved.

The meeting adjourned at 5:50 P.M., with prayer by President Diehl.



Secretary

ANNUAL REPORT OF THE PRESIDENT

To the Board of Directors of SOUTHWESTERN:

The following report on the conditions and needs of the college is presented by the President, in accordance with the requirement of the By-Laws.

Despite the fact of a somewhat decreased enrollment over that of the preceding year, which was the largest in the history of the institution, the work of the past year has gone forward smoothly and efficiently. The reduced enrollment may possibly be accounted for by the fact that the tuition fees were raised slightly, and by the further fact that more exacting entrance requirements were enforced. However, the annual report of the president of any college in this day is bound to have in it many minor strains. This is true even of the tax-supported institutions, and it is especially true of the privately controlled colleges. The confiscatory tax laws, which discourage large gifts, the declining interest rate on endowments, the government aid granted to publicly controlled institutions, which widens the gap between the costs at the two types of institutions, thus making the competition between them keener—these and other difficulties which might be mentioned make the going hard for our colleges.

Of course, there are too many colleges, but every one has its friends who consider it indispensable. There are today about three hundred colleges and universities in the eleven Southern States (from Virginia to Texas) included within the territory of the Southern Association of Colleges and Secondary Schools. Nor is this the whole story. Additional institutions continue to be established, and the end is not yet. Secondary schools are being blown up into junior colleges, and, here and there, in those rare cases where an effort is being made to reduce the number by making combinations of colleges, the vacated plant is taken over by the state or exploited by some local group, and the number of institutions is not lessened. Further, practically all of the institutions aspire to be liberal arts colleges, and, however mongrel the curriculum or mediocre the work, they desire to send forth their product decorated with the bachelor's degree. It has been suggested that perhaps we do not have too many institutions, but only too many of the same kind. If it is true that young people, because of unemployment, must be cared for until they are twenty or twenty-one years old, various types of institutions should be provided. Some of these institutions should be vocational, technical, commercial, and it is also possible to increase the number of CCC camps. Certainly not all of our young people are fitted for a liberal arts education.

Amid the great confusion with regard to the objective and method of college education, the almost purely utilitarian standard for measuring its value, it is encouraging to note that there are still some colleges which have not bowed the knee to Baal. Institutional self-criticism instead of self-glorification is not yet a habit, but there

are some institutions which are subjecting themselves to searching scrutiny and thorough-going reforms. Probably the most significant development in the field of modern college education is the individualization of instruction for students, and the effort which is being made to stimulate the student's wholehearted and interested participation in his own education, the effort to get rid of mass production and lock step methods. These institutions which set and maintain the educational standards of this country are vital to the welfare of our nation, and SOUTHWESTERN must be numbered among this group. The essential elements of the world problem are moral and intellectual, and SOUTHWESTERN is among those institutions which are deliberately and purposefully endeavoring to meet these primary needs. The greatest need of this section is not economic or political or social, great as these needs are. The greatest need is for spiritual leadership, for men and women who have the intellectual and moral qualities necessary to lead our people forward. We believe profoundly in the value of and the necessity for Christian education. We believe with Woodrow Wilson that "Moral efficiency is the fundamental argument for liberal culture." In view of these facts the apathy of our people, the indifference shown towards the great cause of Christian education is appalling. Of course, one great difficulty is the fact that the church college is supported by the Synods, and is not an Assembly's cause. As a result, Christian education does not receive the same publicity as, for example, does foreign missions, nor does it receive its fair proportion of the benevolences. If the church college receives enough money to care for its needs, it must appeal for funds over and above the regular apportionments.

The Presbyterian Church which in former years could boast of its interest in education, and could point with pride to its record, can ill afford today to submit to a comparative examination. Other denominations in recent years have come to recognize the fact which we once clearly saw; namely, that Christian education is fundamental to every cause of the church and to the very existence of the church itself. The Methodist Church has forged ahead with statesmanlike plans and loyal support. The Baptist Church gives not a pittance for this cause, but as much for Christian education as it does for foreign missions. The Baptist people of one section of a state provide an annual support fund of \$30,000 for one of its institutions, which has not yet been admitted to membership in the Southern Association of Colleges and Secondary Schools, and there are two other Baptist institutions in that same state which are also liberally supported. In the Baptist Church a substantial percentage of the benevolences is apportioned for Christian education. In addition to that provision, the various churches place their institutions on their budgets for definite sums, ranging from \$100.00 to \$3600.00 a year, just as the pastor's salary and other current expenses are listed. In addition to both of the aforementioned provisions, members of the church put the institutions on their individual budget of philanthropies for fixed sums. It is difficult to understand why our thoughtful people do not seem to appreciate the unique advantages which our best church colleges offer, why they do not clamor to enroll in them the outstanding young men and women of their respective communities. Some pastors are alert and do cooperate heartily, but many seem to be utterly indifferent concerning the institutions which their young people attend. They do not seem to care

whether their most promising young people, and in some cases even their own children, go to politically controlled institutions, or whether they go to our own official colleges. This is often true when the politically controlled institution is quite inferior educationally, not to speak of the moral atmosphere and influence. SOUTHWESTERN proposes to continue to hold aloft the highest moral and intellectual standards. It feels a sense of responsibility to see that quality education is strictly maintained; and it persists in the hope and the faith that the discriminating people of this section will recognize the genuineness and the excellence of its work.

SOUTHWESTERN was represented during the course of the year at many religious and educational meetings and conferences in various parts of the country, and usually made some definite contribution to the meeting. SOUTHWESTERN was the host for a number of meetings, among which were learned societies, religious, educational and social groups. During the year several distinguished visitors were the college's guests and delivered addresses. One of the most outstanding of these visitors was Professor Walter Miller, of the University of Missouri, who served in the capacity of Visiting Professor at SOUTHWESTERN during the first semester of the session of 1938-39, and whose weekly illustrated lectures were widely attended and enthusiastically appreciated by the people of Memphis. Two prominent alumni were welcomed back in the persons of Dr. William C. Fitts, '83-'84, a member of the legal department of the Reconstruction Finance Corporation, Washington, D.C., who made the inspirational address at the opening dinner of the annual support fund campaign, and Dr. J.V. Moldenhawer, '97, pastor of the First Presbyterian Church, New York City, who was the Guest of Honor on Alumni Day. Another distinguished visitor was Professor Sandor Vas, of the Eastman School of Music, University of Rochester, who gave a piano recital, and still another was our very acceptable commencement speaker, Dr. John Rathbone Oliver, of Johns Hopkins University.

During the past year SOUTHWESTERN has been the beneficiary of grants from the General Education Board for the purpose of supplementing the salaries of three members of the faculty, and that same foundation provided a fellowship for Professor John Quincy Wolf, Jr., of our faculty, which enabled him to spend another year at Johns Hopkins University in order to prepare his thesis for the doctorate. The Carnegie Corporation is providing for SOUTHWESTERN a much needed and much desired speech recording machine. This will be a valuable aid for several departments of the college. A final distribution of the estate of Mrs. Nellie Hicks Hunter has been made, and a very generous contribution of \$1,000 was made to the endowment fund by Professor Walter Miller, our Visiting Professor of last year. SOUTHWESTERN has been notified that it is a beneficiary under the will of the late Miss Sallie P. Williams, of Madison, Tennessee. There are certain conditions connected with this bequest, and the exact amount of the residue of the estate cannot be determined at present.

There are three changes in the personnel of the Board of Directors this year. The Synod of Tennessee elected Mr. Sidney W. Farnsworth, of Memphis, to fill out the unexpired term of the late Mr. T.H. Tutwiler, of Memphis. The Synod of Alabama Personnel of elected Mr. Allen Rushton, of Birmingham, to succeed Board of Mr. R.T. Simpson, of Florence. The Synod of Louisiana Directors elected Dr. Wade H. Boggs, of Shreveport, to succeed Mr. Alfred C. Glassell, of Shreveport. The other Directors whose terms expired were reelected for another four-year term. The Board, therefore, is now constituted as follows: Alabama - W. Neely Mallory, 1939; J.P. Whiteside, 1940; Donald C. MacGuire, 1941; Allen Rushton, 1942. Louisiana - Edward B. LeMaster, 1939; Wm. McF. Alexander, 1940; Benjamin B. Taylor, 1941; Wade H. Boggs, 1942. Mississippi - _____, 1939; J.B. Hutton, 1940; Warren Potts, 1941; George M. Smiley, 1942. Tennessee - Sidney W. Farnsworth, 1939; Moore Moore, 1940; Benjamin A. Patch, 1941; William Hume, 1942.

For the session of 1939-40 there are only a few faculty changes. Professor John Quincy Wolf, Jr., will resume his position in the English Department. Professor Alexander Boeker, who was recalled during the second semester of last session for work in Faculty the social sciences, will ~~_____~~ *accept a position at Harvard University.* Changes Dr. Arno Schirokauer, whose salary has been pledged by outside sources, will serve as Visiting Lecturer in Medieval Studies. As a result of the resignation of Mr. Paul Hug, Mr. Murel Nemecek, a graduate of Centre College, has been called to the position of Director of Physical Education for Men.

SOUTHWESTERN has reason to be proud of a number of things, but its primary pride is in its teaching staff. No college is better than its faculty. Whatever the strength of the program of any college, its success will depend upon the quality of the men who are charged with the responsibility of carrying it out. Faculty Good teaching is not merely the delivery of brilliant Activities lectures. It implies the utilization of methods that will lead the student himself to do the work under competent supervision. Great teachers are those who, by their example and the stimulus of their minds, lead their students to develop individual views which each can support as his own. The members of the faculty of SOUTHWESTERN sincerely desire to render whatever service they can, and in addition to performing the exacting duties of their respective positions, have engaged in activities of various kinds as opportunity offered and their talents permitted. Some idea of the ~~wide~~ *had* variety of professional and personal activities engaged in may be ~~_____~~ from the following examples:

Mr. David M. Amacker, Professor of Political Science, delivered a course of hour lectures monthly from October to May, inclusive, before the International Relations Section of the American Association of University Women, on topics of current public interest. He also taught throughout the year a class of adult young people in the Sunday School of the Lindsay Memorial Presbyterian Church, and delivered a course of lectures to the whole adult Sunday School. He gave many other lectures and addresses to organizations of various kinds.

Dr. W.R. Atkinson, Professor of Psychology and Education, published in the Cyclopedia of Medicine, 1939, an article on "An Uncomplicated Method for Determining Degree of Feeble-mindedness"; installed testing program in local hospitals for applicants for nurses training course; made psychometric examinations for local neurologists, sanitariums, and social agencies; examined more than twenty psychopathic cases brought here from six different states; advised with the authorities at the Convent of the Good Shepherd and St. Peters Orphanage on the management of problem cases after testing; cooperated with the Psychological Corporation of New York, and delivered numerous addresses to various organizations in Memphis and in the surrounding territory.

Dr. Ogden Baine, Assistant Professor of Chemistry, spent the summer of 1938 in study at the University of Munich; published in the Journal of Chemical Education an article on "The Synthesis of Sulfanilamide"; delivered addresses to local organizations on "Chemistry in the Detection of Crime" and "Chemical Warfare", and served for one quarter as Instructor in Chemistry at the College of Medicine of the University of Tennessee in Memphis.

Dr. H.J. Bassett, Professor of Latin, spent the entire summer of last year in Europe. He spent half of his time in Italy acquainting himself with recent excavations and other matters of archaeological interest. The remaining time was spent in Switzerland, France, England and Scotland. He is the teacher of the A.B. Curry Bible Class at the Second Presbyterian Church, a class of business and professional men, and has begun a series of ten lectures on the Life of Christ before the Business Women's Circle of the Women's Auxiliary. He read a paper in March before the Tennessee Philological Association on "Mussolini, Restitutor Urbis", and attended the meeting of the Classical Association of the Middle West and South at Oberlin, Ohio. In addition, he has delivered a number of lectures to various organizations in the city.

Dr. John H. Davis, Professor of History, spent the summer of 1938 at the University of Chicago; attending some classes, and completed a paper on "The Russian Tobacco Contract of 1698" (a study of Anglo-Russian trade relations.) He attended the meeting of the Mississippi Valley Historical Association, made several talks to various local groups, and prepared some book reviews for the Journal of Modern History and the Commercial Appeal.

Dr. J. Henry Davis, Professor of Biology, continued his investigation of the mangrove vegetation of Southern Florida during the summer of 1938. Four weeks of that period were spent at the ^{he presented} ~~Portugas~~ ^{Laboratory} of the Carnegie Institution of Washington. By invitation, a report on ~~his~~ ^{his} research on the role of mangrove vegetation in land building ~~at~~ ^{at} the Annual Exhibition of the Carnegie Institution of Washington in Washington, D.C., in December. He attended the meetings of the American Association for the Advancement of Science in Richmond, Virginia, and read a paper before a section of the Botanical Society of America. He published articles in the Year Book of the American Philosophical Society, and in the Year Book of the Carnegie Institution.

Dr. Ralph C. Hon, Professor of Economics and Business Administration, read a paper before the Southern Economic Association at Birmingham in November, and has contributed book reviews to the Southern Economic Journal and to the Commercial Appeal.

Mr. C.P. Lee, Assistant Professor of English and Director of Dramatics, has lectured regularly at the Nineteenth Century Club; delivered addresses to other organizations; written several articles and short stories; served as one of the reviewers for the Commercial Appeal, and finished his novel which is to be published sometime in the fall.

Dr. A.S. McIlwaine, Associate Professor of English, has delivered a series of eight lectures on Shakespeare at the Nineteenth Century Club; made several addresses before various groups; promoted the sixth annual convention at SOUTHWESTERN of the Mississippi Valley Press Association of high school newspapers; has completed his book, "The Southern Poor-White," which will be published by the University of Oklahoma Press about the first of September.

Dr. J.R. Meadow, Professor of Chemistry, attended the fifth annual meeting of the National Farm Chemurgic Conference held at Jackson, Mississippi, in the spring of 1939; prepared by request an article entitled "Chemurgy in the Mid-South," which was issued as the SOUTHWESTERN bulletin for January, 1939; is serving as Counselor for the Memphis Section of the American Chemical Society.

Dr. Wolfgang Paulsen, Assistant Professor of Modern Languages, attended the annual meetings of the Modern Language Association of America at Columbia University in December, and the Tennessee Philological Association in Chattanooga in March; read a paper at the meeting in New York on "Der Osten und die moderne deutsche Literatur," and at the meeting in Chattanooga on "Friedrich Schlegel and the Inception of German Romanticism"; delivered addresses before various organizations, wrote several book reviews, and published the following:

- "The Publication of Rilke's Letters" in Modern Languages, London, XX,1, October, 1938.
- "Franz Werfel" in Monatshefte fur deutschen Unterricht, Wisconsin, XXX,8, December, 1938.
- "Klabund" in German Life and Letters, Oxford, England, March, 1939.

Dr. M.W. Storn, Professor of Romance Languages, spent the summer of 1938 studying at the National University of Mexico.

Dr. C.L. Townsend, Professor of Modern Languages, delivered a lecture to the Menorah Society on "The Jew in the World of Today"; made an address at the Memphis Town Meeting of the Air on "The Chances of War in Europe," and conducted the forum which followed the address.

Mrs. M.H. Townsend, Associate Professor of Sociology, helped in making a survey for Travelers Aid of professional requirements for entering this branch of social service; of methods of employing and dismissing workers; the basis of promotion; hours and wages; provisions made for further study; and suggestions for standardized requirements for personnel in this field of social service.

Mr. Burnet C. Tuthill, Director of Music, continues to serve as Secretary and Examiner of the National Association of Schools of Music, and Treasurer of the Society for the Publication of American Music. He contributed a biographical and critical essay on the life and music of Mrs. H.H.A. Beach, published by the Musical Quarterly; completed a sonata for violin and piano, and scherzo for trumpet and piano, issued by the White-Smith Publishing Company, of Boston. His "Bethlehem," Pastorale for orchestra, was rendered by the Sioux City Symphony Orchestra in November, 1938; by the National Symphony Orchestra in Washington in December, 1938; by the St. Louis Symphony Orchestra in Memphis in April, 1939, the latter performance under his direction. His Overture for Symphonic Band is popular with the bands of a number of colleges and universities. Probably his outstanding piece of work last year was the organization of the Memphis Symphony Orchestra, the nucleus of which was made up of student and faculty members from SOUTHWESTERN and the Memphis College of Music. The two concerts given by that organization were most creditable.

The [REDACTED] statistical report of the Registrar, which is herewith submitted, reveals the fact that the enrollment for the past year was smaller than it had been for the past three years, that there has been a slight increase in the proportion of students coming from outside of Memphis. It continues to be true that the four cooperating Synods are not taking their proportionate advantage of the exceptional opportunities offered at SOUTHWESTERN for the training of the potential leadership of this section.

GEOGRAPHICAL DISTRIBUTION OF STUDENTS - SESSION 1938-39

	<u>Regular Session</u>	<u>Extension</u>	<u>1938 Summer Session</u>	<u>Total</u>
Memphis	277	47	47	371
Tennessee Outside Memphis	38	1	6	45
Mississippi	38		4	42
Alabama	29			29
Arkansas	26		3	29
Missouri	10		1	11
Texas	8			8
Illinois	5		1	6
Louisiana	6			6
Kentucky	5			5
New York	3		1	4
Indiana	3			3
Oklahoma	3			3
Florida	2			2
Georgia	2			2
Iowa	2			2
Colorado	1			1
Connecticut	1			1
Minnesota	1			1
Rhode Island	1			1
South Carolina	1			1
West Virginia	1			1
Austria	1			1
	<u>464</u>	<u>48</u>	<u>63</u>	<u>575</u>

ENROLIMENT BY CLASSES FOR THE PAST FIVE YEARS

	<u>1934-35</u>	<u>1935-36</u>	<u>1936-37</u>	<u>1937-38</u>	<u>1938-39</u>
Senior Class	48	73	63	69	86
Junior Class	92	85	88	121	77
Sophomore Class	94	112	143	135	119
Freshman Class	148	218	197	207	162
Special Students	<u>4</u>	<u>9</u>	<u>11</u>	<u>17</u>	<u>20</u>
Total	386	497	502	549	464
Extension Students		23	33	57	48

ANNUAL ENROLIMENT AT SOUTHWESTERN SINCE 1925

	<u>Men</u>	<u>Women</u>	<u>Total</u>
Session 1925-26	299	107	406
Session 1926-27	307	171	478
Session 1927-28	272	196	468
Session 1928-29	276	174	450
Session 1929-30	288	181	469
Session 1930-31	286	175	461
Session 1931-32	246	166	412
Session 1932-33	256	149	405
Session 1933-34	236	168	404
Session 1934-35	222	164	386
Session 1935-36	307	190	497
Session 1936-37	310	192	502
Session 1937-38	336	213	549
Session 1938-39	293	171	464

FIVE YEAR STUDY OF DEGREES CONFERRED BY SOUTHWESTERN

	<u>Bachelor of Arts</u>			<u>Bachelor of Science</u>			<u>Total</u>		
	<u>Men</u>	<u>Women</u>	<u>Total</u>	<u>Men</u>	<u>Women</u>	<u>Total</u>	<u>Men</u>	<u>Women</u>	<u>Total</u>
June, 1935	26	15	41	3	1	4	29	16	45
June, 1936	30	33	63	13		13	43	33	76
June, 1937	28	19	47	10	2	12	38	21	59
June, 1938	20	31	51	6		6	26	31	57
June, 1939	44	16	60	6	3	9	50	19	69

STUDENTS GRADUATING WITH HONORS AND WITH DISTINCTION

	<u>Number in Class</u>	<u>Honors</u>	<u>Distinction</u>
June, 1935	45	4	
June, 1936	76	2	19
June, 1937	59	2	15
June, 1938	57	1	15
June, 1939	69	9	12

STUDENTS ACCORDING TO RELIGIOUS DENOMINATIONS FOR THE PAST
FIVE YEARS (Membership or Preference)

	<u>1934-35</u>	<u>1935-36</u>	<u>1936-37</u>	<u>1937-38</u>	<u>1938-39</u>
Baptist	41	56	64	63	76
Catholic	16	17	24	35	16
Church of Christ and Christian	11	23	17	23	15
Christian Science	2	5	8	10	5
Congregational	2	1	1	2	2
Episcopal	52	49	52	77	57
Evangelical			1		
Greek Orthodox	1	1	4	4	2
International Bible Student		1			
Jewish	7	8	10	15	17
Lutheran	1	3	5	3	4
Methodist	99	140	122	122	90
Presbyterian	152	190	191	192	177
Seventh Day Adventist			1	1	1
Unitarian	1	2	2	2	1
Unknown		1			
	<u>386</u>	<u>497</u>	<u>502</u>	<u>549</u>	<u>464</u>

PERCENTAGE LOSS OF STUDENTS DURING THE SESSIONS 1934-38

	<u>Enrollment</u>	<u>Number Lost</u>	<u>Percentage Loss</u>
Session 1938-39	464	52	11
Session 1937-38	549	103	19
Session 1936-37	502	56	11
Session 1935-36	497	81	16
Session 1934-35	386	48	12

FRATERNITY AND SORORITY AVERAGES -1938-39

	<u>First Semester</u>	<u>Second Semester</u>
Kappa Sigma	2.59	2.31
Sigma Alpha Epsilon	2.14	2.33
Alpha Tau Omega	2.09	2.32
Sigma Nu	2.07	2.44
Kappa Alpha	2.01	2.36
Pi Kappa Alpha	1.78	1.62
All Fraternity Average	2.17	2.29
All Fraternity Pledges' Average	1.69	1.66
Non-Fraternity Men's Average	2.01	2.23
All Men's Average	1.99	2.15
Chi Omega	2.66	2.66
Zeta Tau Alpha	2.50	2.17
Alpha Omicron Pi	2.43	2.34
Delta Delta Delta	2.40	2.58
Kappa Delta	1.75	2.01
All Sorority Average	2.38	2.42
All Sorority Pledges' Average	2.18	1.53
Non-Sorority Women's Average	2.33	2.43
All Women's Average	2.30	2.33
All College Average	2.10	2.21

Key: A-4; B-3; C-2; D-1; E-0; F-0.

FACULTY TEACHING LOAD

First Semester Session 1938-39

Professor	Teaching Hours per Week Exclusive of Time with T. and H.S.		No. Students Exclusive of T. and H. Stud.		Tutorials Jr.-Sr. Soph.		Honors Students	Total Hours per Week Class, T., H.S.	
	Lec.	Lab.	Lec.	Lab.				Lec.	Lab.
Amacker	13		77		5		3	18 $\frac{1}{2}$	
Atkinson	15		116		1		1	16 $\frac{1}{2}$	
Baine	6	9 $\frac{1}{2}$	17	17		1	1	7 $\frac{1}{2}$	9 $\frac{1}{2}$
Baker	5	13	69	69	3		1	7 $\frac{1}{2}$	13
Bassett	12		37			4		14	
Cooper	12		129		4			14	
J. Henry Davis	5	9 $\frac{1}{2}$	39	39	4			7	9 $\frac{1}{2}$
John H. Davis	12		97		5			14 $\frac{1}{2}$	
Hartley	15		81				1	16	
Hon	8		61		8		2	14	
Johnson	6		41		6		**	9**	
Junkin	10	3	60	25	2	2		12	3
Kelso	14		123		1			14 $\frac{1}{2}$	
Lee	11		82		8			15	
Liston	12		120			5		14 $\frac{1}{2}$	
McIlwaine	9		63		5		2	13 $\frac{1}{2}$	
MacQueen	15		78					15	
Meadow	5	9 $\frac{1}{2}$	50	50	1		1	6 $\frac{1}{2}$	9 $\frac{1}{2}$
Miller	6		44			5		8 $\frac{1}{2}$	
Monk	12		80		5		1	15 $\frac{1}{2}$	
Paulsen	11		46			5		13 $\frac{1}{2}$	
Pond	12		85		4			14	
Porter	14		93		3	3		17	
Rhodes	6	7	22	22		5		8 $\frac{1}{2}$	7
Shewmaker	12		91		3	3		15	
Siefkin	12	2	71	11			4	14	2
Storn	15		71				1	15 $\frac{1}{2}$	
Strickler	12		44		2			13	
C.L. Townsend	12		46			10		17	
M.H. Townsend	9		70		2	2		11	
Tuthill	15	5	34/*	*				15	5

* / 98 students in two instrumental classes, band, and choir.

** / Supervised reading for three honors students.

Note 1: T.S. - Tutorial Students; H.S. - Honors Students.

Note 2: One hour a week ordinarily allowed for honors students; one-half hour a week ordinarily allowed for tutorial students.

SIZE OF DEPARTMENTS AT SOUTHWESTERN - SESSION 1938-39

	<u>First Semester</u>	<u>Second Semester</u>
English	350	341
History	260	265
Bible	254	240
Mathematics	245	212
Economics	151	137
Biology	116	99
French	114	76
Psychology	105	87
Spanish	95	74
Chemistry	69	57
Sociology	61	59
Philosophy	60	71
Political Science	50	76
Greek	46	38
Modern Civilization	44	36
Latin	37	57
Music	34	26
German	29	24
Physics	22	18
Public Speaking	17	25
Education	13	12

The Dean, Dr. A.T. Johnson, in his annual report to the President, notes that the session of 1938-39 was comparatively uneventful, and interprets the smoothness of operation and the absence of crises, ^{the} lack of friction between the student body and faculty and administration, as an indication of efficiency and stability. He Report of the Dean is under the impression that there was a better spirit than formerly among our students, a greater sense of pride in and appreciation of the high standards of SOUTHWESTERN, and the advantages it offers. In commenting on the decreased enrollment, he notes the fact that the percentage of withdrawals was only eleven per cent in 1938-39 as compared with nineteen per cent in 1937-38, and he accounts for this lessened student mortality by the improvement in the quality of the students entering in September, 1938.

Dean Johnson notes with pleasure the increase in the number of students who graduated with honors at the commencement in June, 1939, but believes that the number reading for honors is still too small, as is also the number graduating with distinction. He fears that the examinations for honors students this year were, for the most part, too long and too exhausting, and recommends that the Honors Committee should consider some sort of agreement as a result of which the length of the examination papers and the time required to take them would be more uniform. He notes the excellent work which was done by the Committee on Examinations, headed by Professor Amacker, looking towards improved examination procedure and the placing of greater emphasis on the care and preparation of examination questions. He believes, however, that the essential thing about examinations is the way in which they are graded, rather than the originality and literary quality of the questions asked. He remarks, "Some of the greatest teachers I have known gave examinations which were simple and brief, yet very difficult to pass with a high mark. Other examinations, ostensibly very difficult, nearly everyone passed. The conclusion to be drawn is, I think, that the capable, conscientious teacher is still the most important factor in education."

He notes the fact that Professor W.R. Junkin's committee, established to consider ~~the~~ more effective functioning of the adviser system, made a number of recommendations which were adopted by the faculty. ~~These~~ *These* changes should result in bringing about a closer relationship between students and advisers, and which should be of especial benefit to the weaker students. Dean Johnson points out the importance of dealing with academic difficulties before the situation becomes hopeless, and believes that this is one of the chief functions of the adviser.

The Dean of Men, Professor W.R. Cooper, notes that the total number of men enrolled during the past session was somewhat smaller than the preceding session, but the loss during the session due to scholastic failures and other causes was much less. The quality of Report of the the freshman class was greatly improved, as is shown by Dean of Men the raised all-men's average in scholarship. The social life of the students was more normal and satisfactory. The Alpha Tau Omega and Pi Kappa Alpha fraternities have completed attractive stone lodges on the campus during the session, and all of the fraternities represented at SOUTHWESTERN now own their lodges on the campus. The Dean notes with approval the success of the program of intra-mural athletics, under the leadership of Director Paul Hug, and believes that SOUTHWESTERN is approaching a program comparable with that at the English universities. He recommends that the efforts along this line should be continued and the program be further developed. His comments on the practical working of the adviser system are timely, and the whole matter will be further considered by the faculty.

The Dean of Women, Professor M.H. Townsend, reports an enrollment at SOUTHWESTERN for the session of 1938-39 of one hundred and seventy-one women students, of whom only nineteen were dormitory students. She notes again that the all-women's average in scholarship Report of the is higher than the all-men's average, the all-women's Dean of Women average for the second semester ~~was~~ *being* 2.33 as compared with the all-men's average of 2.15. Of nine students graduating with honors, two were women; of twelve students graduating with distinction, three were women. She refers to the special attention which is paid to the health of women students, the provision which is made for their physical development, the course given in corrective gymnastics and health projects, and the various activities of the Women's Athletic Association. The women students engaged in intra-mural tournaments in archery, riflery, golf, badminton, basketball, volley ball and tennis.

The Y.W.C.A., in addition to its religious and philanthropic work, carried out a program for vocational guidance for women. It had several prominent professional women address the students, and discuss with them vocational problems. The Torch Society, organized in 1937 to recognize women students who have attained a high standard of leadership in extra-curricular activities combined with good scholarship, has proved itself a useful organization during the session of 1938-39. It sponsored study halls for freshmen girls in all classes between the first report period and mid-semester examinations. It gave a supper party for women of the sophomore and junior classes who had a B average. It cooperated in the campaigns for SOUTHWESTERN, the Community Fund and the Red Cross.

The Independents had a tea and picnics for the young women not affiliated with the sororities on the campus. They entered teams in all athletic events, aided in various campaigns, and had a member to represent them on the Elections Committee. This organization enables the non-sorority women to take their share in extra-curricular activities.

The Women's Panhellenic Council has decided to continue the quota system for another year. While this system may discourage from entering college a few young women who come especially to join a particular sorority, rather than to secure an education, yet on the whole it seems to have a beneficial effect in that it has brought about a more equitable distribution of pledges among the five sorority groups. The Council has shown a fine spirit of cooperation with the college, and has done away with closed rushing for the summer, since it was thought that the restrictions placed on students in their friendly relations with high school graduates did not seem to be wise.

The Women's Undergraduate Society gave a tea at the opening of the session for all women students, cooperated in handling freshman orientation for women, and was in charge of all student regulations for freshmen women. The president of the group now has a seat on the Student Council, and thereby keeps in touch with all student government activities. The work of the students receiving NYA aid has been varied, helpful, and satisfactory. The work of Miss Rachel Beasley, '39, at the Travelers Aid Society has been so satisfactory that she has already secured a permanent position with that agency. The annual scholarship of \$50.00 furnished by the American Association of University Women was awarded to Miss Katherine McCulloch, '40.

The S.T.A.B., an intersorority group, gave a prize of \$25.00 to be awarded by the Dean of Women to an outstanding woman in the freshman class. The award went to Miss Dorothy Daniel, of Memphis.

The Alumnae Society confined its efforts last year to helping in the campaign for funds for SOUTHWESTERN.

Thirty women graduated in 1938. Of these, three are teaching; three are studying at graduate schools; three have entered business schools; seven have secured business positions; three are engaged in social work; one is a technician, but is planning to enter medical school next fall; one is doing newspaper work, and four are married.

The Dean of Freshmen, Dr. R.P. Strickler, reports that there were enrolled at SOUTHWESTERN during the 1938-39 session one hundred and sixty-two freshmen. Of this number, seventeen (a much smaller number than last session) withdrew from college for various reasons,

Report of the leaving one hundred and forty-five present at the close
Dean of Freshmen of the session. He conducted the usual interviews with
the members of the class, and has begun a study of the
comparative grades of the freshmen, a study which will be continued in the
future. By a comparison of these averages from year to year we should be
able to obtain ^{some} idea of the caliber of the various freshmen
classes. His study of one hundred and fifty students, for whom grades were
recorded at the end of the first semester, showed that there were 58 A's;
208 B's; 229 C's; 131 D's; and 112 F's. Among the F's are included E's and
X's that have not been removed, and so count as F's. The average for the
class is 7.9% A's; 28.2% B's; 31.0% C's; 17.8% D's, and 15.2% F's.

Two of the ten students making the honor roll at the end of first semester were freshmen. These were Robert Eugene Cogswell, with a grade of 3.8, and Martha Posten Miller, with a grade of 3.8.

The Chairman of the Committee on Tutorial Courses, Dr. John H. Davis, in reviewing the eighth year of the tutorial courses at SOUTHWESTERN, noted certain changes made in the student report blank, and made certain definite suggestions concerning the further Tutorial evaluation of the tutorial method, which has passed the experimental stage at SOUTHWESTERN and is a fundamental part of its program. At a faculty meeting in the spring, the Chairman reported in some detail on the percentages of students taking tutorial courses before and after they ceased to be compulsory. In order to get a somewhat newer slant on the tutorial courses, he cooperated with the Registrar in working out a study showing the number of majors in each department and the number of tutorial students in each. The results of this study are helpful, but do not give all the information that is desired, and the study will be continued. The Chairman remarks that the feature of the tutorial system which he likes least is the tendency on the part of some students to think too exclusively in terms of time, the number of hours of reading. Another problem which he thinks can be solved is the differentiation between the courses for distinction and the honors courses. He feels that there is still considerable need for study, analysis, and criticism in order to improve the system, that there are still problems which need solutions, but that with study and cooperation these problems can be solved.

The Chairman of the Honors Committee, Dr. A.P. Kelso, reports that a very considerable increase in interest in honors courses was shown over the preceding year. The following list of honors granted is evidence of this fact.

Honors

Courses Biology - Flurry McCarthy DeMere - Honors

Examiners - Dr. Robert C. Rhodes, Professor of Biology, Emory University; Dr. J. Henry Davis and Dr. C.L. Baker of SOUTHWESTERN.

Chemistry - Harriet S. Pond - Honors

Examiners - Dr. Harrison Hale, Department of Chemistry, University of Arkansas; Dr. J.R. Meadow and Dr. Ogden Baine of SOUTHWESTERN.

Economics - Thomas McLemore - Honors

Examiners - Dr. Earl J. Hamilton, Department of Economics, Duke University; Dr. Ralph C. Hon of SOUTHWESTERN.

English - George Gage - High Honors

H.R. Holcomb, Jr. - High Honors

Edith Kelso - Honors

Examiners - Dr. Fred B. Millett, Wesleyan University, Middletown, Connecticut; Dr. A.T. Johnson, Dr. A.S. McIlwaine and Dr. S.H. Monk of SOUTHWESTERN.

Mathematics - William N. Nakajima - Honors

Examiner - Dr. Robert W. Harley of SOUTHWESTERN.

Political Science - Herbert J. Bingham - Honors

Thomas McLemore - Honors

George Scott - Honors

Examiners - Professor David M. Amacker, Dr. John H. Davis, Professor W.R. Cooper and Professor Alexander Boeker of SOUTHWESTERN.

Dr. Rhodes, of Emory University, quotes his colleagues, who also examined the papers in biology, as saying "Such a student is worthy of honors in any man's university." Dr. Hale, of the University of Arkansas, states that "the candidate is worthy of honors in chemistry. She is especially good in the theoretical part, and in her problems, showing real ability to think chemically." Dr. Millett, in charge of the honors courses at Wesleyan University, and formerly at the University of Chicago, says, "I am tremendously impressed by how much the candidates know about the history of English literature. Neither here nor at Chicago have I encountered students crammed so full of information. I am amazed that they have been able to assimilate and reproduce so much." Of one of the candidates he says, "He seems to me to have a store of information that any one might envy."

The following members of the junior class have already been granted permission to read for honors during the session of 1939-40, and other applications are pending:

	<u>Department</u>
Thomas W. Simpson	Biology
John L. Woolsey	Chemistry
John C. Patton	Chemistry
Judson McKellar	Economics

The following students in the class of 1939 received their degrees "with distinction":

	<u>Major Subject</u>
Rachel Ann Beasley	Mathematics
Sarah Aydelott Boothe	Mathematics
Ralph Horace Brown	History
Samuel Cutter Carter	Biology
Stephen Robertson Frazier	Economics
Charles Hayden Freeburg	Economics
Charles Odell Gardner	History
Val John Huber	Mathematics
Hylton Semmes Neill	Economics
Thomas Jefferson White, Jr.	Mathematics
William Thomas Tyson, Jr.	Biology
Betty Barber Wells	Biology

The Chairman of the Committee on Religious Life, Dr. R.T.L. Liston, notes that the religious life at SOUTHWESTERN found expression in a wide range of activities during the past year. [REDACTED]

[REDACTED] The most important Report of the of these latter is the brief daily devotional chapel Committee on service, attended by the faculty and students. The four Religious Life formal vesper services, sponsored in turn by the four classes of the college, were featured by excellent musical programs by the college choir and by thought provoking addresses by members of the faculty and others. The services of the Annual Week of Prayer

for Schools and Colleges were conducted by President Charles F. Wishart, of the College of Wooster, who worthily carried on the high tradition which has been set in recent years by other ministers. SOUTHWESTERN was represented at the Tennessee Student Christian Conference in Nashville by Dr. Liston, who conducted a forum on "The Church in the Modern World," and by five students, one of whom, Mr. Herbert J. Bingham, '39, was the President of the Conference.

The Work of the Christian Union Cabinet began with the Retreat which was held prior to the opening of college. The program included addresses by President Diehl and Dr. S.E. Howie, pastor of Westminster Presbyterian Church, of Memphis, and the devotional programs were conducted by Dr. Liston. During the year the Christian Union Cabinet continued its monthly meetings, and carried on its usual activities. A new feature was inaugurated under its leadership, providing for a "Fall Sunday," an arrangement by which all the dormitory students were invited by the town students on a designated Sunday to have dinner in their homes. The student religious activity on the campus showed progress in some respects. The prayer groups in the dormitories were maintained in a way which seems to have been genuine and of real value to the students. The Y.W.C.A. found a real improvement in the attendance and interest in their meetings, as a result of the plan of having the meetings in the sorority houses, with a social hour at the close of the meetings. The Ministerial Club was active. It produced during the year a play, which was written, acted, and directed by its members. The play was given in several institutions in and around Memphis, with apparent profit to the audiences and the actors.

The Men's Bible Class was maintained throughout the year, and to this work a very real devotion was given by its leaders. The Chairman notes the absence of any large amount of religious or social service work which is carried on by the students, but points out the fact that this is to be expected, since so many of the SOUTHWESTERN students reside in Memphis, and are identified with the work in their own churches. Student reports show a surprisingly large percentage of church attendance on the part of the students of SOUTHWESTERN, and the activities of these students in the church life of Memphis are numerous and varied. It is not easy in this age to discover and to prosecute the processes by which religion shall assume its proper role in the life of a college. However, it is necessary that we lose no chance of bringing to the student, whether in formal worship, in social relations, or in the classroom, a consciousness of religious realities.

The Librarian, Miss Mary Marsk, submitted a comprehensive report on the library and its work, portions of which are here recorded. The library now contains 44,527 catalogued volumes, of which 1958 were added during the past year. Gifts of 273 volumes were received from various sources. A complete list of the donors is given, but special mention should be made of a number of donations. The largest single gift came from the Carnegie Corporation. Along with the collection of records and scores, which are housed in the music building, were received for the library 102 volumes on music history, criticism and appreciation, and biographies of musicians.

Mr. John Summerfield, Jr., gave 46 bound volumes of Memphis newspapers covering the years 1915-27. There is no space in the library for these now, but they are stored safely until we do have an adequate building and can include them in our regular collection. From the Kress

Foundation we received the elaborate three volume set of Berensen's "The Drawings of the Florentine Painters," published by the University of Chicago.

We received gifts from several other good friends of the college. Mrs. T.H. Tutwiler gave a set of the National Edition of the "Works of Theodore Roosevelt" in twenty volumes, and several other titles. Mrs. Sidney W. Farnsworth gave quite a collection of illustrative Shakespeare material which was collected by her father. Mr. A.D. Waldauer gave four more volumes on tax reform. From Dr. Hardwig Peres we received several copies of the book, "The Peres Family," by Shankman. Dr. Lillian W. Johnson gave a collection of lantern slides on Egypt. Dr. Townsend gave thirty-eight different volumes. We were particularly glad to receive from Professor Wolfgang Paulsen a copy of his dissertation "Expressionismus und aktivismus," which was published in Germany.

The library receives currently 277 magazines and journals, and seven daily and weekly newspapers. We subscribe to 245 of these, and receive 39 by gift.

The circulation figures for the past year reveal the fact that the number of volumes per student withdrawn, exclusive of the use of reference books, amounted to 63.1. The inter-library loans have been greater than ever before. We have borrowed a number of books from the libraries of Princeton, University of Chicago, University of Mississippi, Cornell, Harvard, Columbia, Library of Congress, Louisiana State University, and the U.S. Department of Agriculture. We loaned volumes also to other libraries.

Continued efforts have been made to attract student interest to the library. This has been done by displays on the bulletin boards, by the prominently featured case for new books, and by a special table in the reading room on which have been placed from time to time different groups of books. The books which have been credited with changing the modern world have been displayed. When the St. John's College plan of education was written up in TIME, the books which are used in their unique curriculum were displayed along with the article in the magazine. One display which has attracted a great deal of attention has been a revolving collection of books under a poster reading "The Faculty Recommends." Each professor was asked to recommend some ten or twelve books which he thought would be of interest to the general reader, and from the list submitted a supply of books has been kept in view, together with a colored card indicating who recommended each book. When one book was borrowed, it was replaced by another from that professor's list. In addition to this, a column "Fly Leaf Scribbles," has been contributed each week to the Sou'Wester, giving brief notes about recent additions to the library. At the instigation of Omicron Delta Kappa there was placed on one of the bulletin boards a poster announcing that the library welcomes suggestions from the students for the purchase of books. This created some interest and brought forth a few suggestions.

The professional staff has remained unchanged during the year. The Librarian spent the summer of 1938 in study and travel in England and France, taking the summer vacation course for American women at Oxford. In October, Miss Cornelia Murfree, Assistant Librarian in Charge of Cataloguing, attended the meeting of the Southeastern Library Association in Atlanta.

In April the Tennessee Library Association meeting was held in Memphis, and the Librarian was chairman of the local arrangements committee. The staff has been interested and active in organizing a Memphis Library Club, the purpose of which is to bring about a better understanding and closer cooperation between all the libraries of the city.

The most imperative item of the Librarian's report is her insistence upon the need for a separate library building. Improvements have been made and will continue to be made. A greater appreciation of the library is being shown by the students. There are probably better methods of allocating the library funds for the various departments. These are matters which will be considered and settled happily, but these do not touch the fundamental need for a library building. The physical growth of the library has reached the capacity of the present quarters, and the reading room is really not large enough for its present use, much less is it available for placing stacks in it to provide for the increase in the library. The Librarian closes her report with the following sentence. "I urge serious and immediate deliberation on the need of the library for a separate and adequate building."

Miss Mary M. Pond, '32, who has served intelligently, faithfully, and efficiently in the capacity of Alumni Secretary, has submitted an excellent report. She has been assisted in much of the work of this

office by Professor C.G. Siefkin and Dr. F.B. Gear. Report of the Alumni Secretary The officers of the Alumni Association have willingly cooperated. As a result of these combined efforts, decided progress has been made along the line of developing better public relations. The publication of "SOUTHWESTERN NEWS" began in November, under the direction of Professor Siefkin. It is published bi-monthly, incorporates alumni news and news of the college, and has brought favorable comments. The practice of sending gift calendars to alumni was continued in December, and the class correspondent plan has been revived.

On November 19th, Homecoming festivities were sponsored by the Alumni Association and the Junior Thousand Club, a newly organized group of Memphis alumni of which Charles Crump, '34, is President. At the alumni dinner, Crawford S. McGivaren, '29, Vice-President of the Association, suggested the advisability of bringing prospective students to the campus and acquainting them with the opportunities which SOUTHWESTERN offers. This suggestion materialized in February, in the form of an exhibit sponsored by the Alumni Association, in conjunction with the biology, chemistry and physics departments of SOUTHWESTERN. More than sixty outstanding high school seniors from the Tri-State area attended, the expenses being paid by the Junior Thousand Club of Memphis.

Shortly after the annual support fund campaign in Memphis, letters were sent to the alumni outside of Memphis, giving them an opportunity to contribute to the alumni fund. The response was not overwhelming, but it is hoped that as the work and needs of the college continue to be brought to the attention of the alumni the annual gifts will increase. The alumni associations of Vanderbilt University and many other institutions

are feeling the necessity for the launching of the Living Endowment Plan. Endowed colleges and universities will have to depend more largely in the future than they have in the past on support from alumni and friends. The possibility of the Plan in the long run is very great, if we are to judge by the experience of institutions that have developed it over a period of years. Some institution, such as Wellesley and Dartmouth, secure a response to the appeal for annual gifts from more than fifty per cent of their alumni. Including the Memphis alumni, who contributed in the annual support fund campaign, the response on the part of SOUTHWESTERN alumni during the past year was eight per cent.

Through the courtesy of Station WMC, thirteen weekly programs giving the history of SOUTHWESTERN were broadcast. A scholarship contest was put on in connection with these broadcasts. The expense for preparing the script was borne by the student body, and the awards of the scholarship contest were generously provided by a friend of SOUTHWESTERN.

In April the SOUTHWESTERN alumni of New Orleans organized an alumni chapter with Dr. E.Z. Browne, '15, President; Mr. Robert E. Craig, '92, Vice-President; and Miss Olga Hartman, '35, Secretary-Treasurer. Later in that month the alumni in the vicinity of New York City organized a chapter with Dr. O.W. Buschgen, '14, of Elizabeth, N.J., President; Mr. Courtenay Dinwiddie, '01, of New York, Vice-President; and Mr. Lee B. Wailes, '29, of South Orange, N.J., Secretary-Treasurer.

The program for Alumni Day at commencement was sponsored by the Alumni Association, with Mr. Walker L. Wellford, Jr., '29, in charge, assisted by an active committee of the alumni. More than three hundred alumni attended the buffet supper, which, because of rainy weather, was held in the Hugh M. Neely Hall. The Reverend J.C. Frist, '28, presided as toastmaster. Among the prominent alumni in attendance was Dr. Sterling J. Foster, of Birmingham, who was celebrating the fiftieth anniversary of his class. After the supper, Dr. J.V. Moldenhawer, '97, spoke to a capacity audience in Hardie Auditorium.

The officers of the Alumni Association were reelected for the ensuing year, and are as follows: Walker L. Wellford, Jr., '29, President; Mrs. Robert E. Carpenter, Jr., '31, Vice-President; Crawford S. McGivaren, '29, Vice-President; Mary M. Pond, '32, Secretary-Treasurer.

The Memphis Chapter of Alumnae entertained the women of the graduating class and their parents at a tea on the campus Alumni Day. Officers for the coming year are: Miss Adele Bigelow, '36, President; Miss Jane Leavell, '38, Vice-President; Mrs. J.J. Challen, '29, Secretary; Miss Betsy Fowler, '39, Treasurer.

~~Sixteen~~
Seventeen graduates of SOUTHWESTERN received advanced degrees from other institutions during the past year, and four graduates of the class of 1939 have been awarded scholarships at various institutions to enable them to continue their studies.

It is interesting to note that since June, 1926, which was the first commencement held in Memphis after SOUTHWESTERN was moved from Clarksville, nearly thirty-six per cent of SOUTHWESTERN'S graduates have entered graduate or professional schools. Twenty-three per cent have completed their graduate or professional work, and have received one or more advanced degrees. Sixty of those who have done graduate work were awarded scholarships by the institutions which they attended.

In our day men and women in increasing numbers desire to extend their education, and are unable to do so in the usual way because of the cost in time and money. For several years SOUTHWESTERN has been giving evening classes in a number of subjects. During those years there were requests for fundamental and advanced courses in business that the college was not able to satisfy. In September, 1938, however, SOUTHWESTERN offered organized, comprehensive curricula in accounting and business. The curricula were designed, after conference with a group of Memphis business men, to meet the need that they feel exists in Memphis and the surrounding territory for thorough and intensive and well-taught courses in those subjects that will train proficient accountants and business men. The work of the first year of these courses was carried on effectively last session, but the attendance was not large.

Extension
Courses

During the past year Dean S.W. Jones, of the University of Memphis Law School, has conferred with officials of the college, looking towards a cooperation with that night law school. The Supreme Court of Tennessee, in a recent ruling, requires that, after June 15, 1941, all candidates who offer themselves for the bar examination in Tennessee must have had at least two years of college training, in addition to the training of the law school. Dean Jones has for some thirty years conducted a law school here in Memphis, and the graduates of that school have been rather successful in passing the bar examination. However, he is not prepared to give the required two years of college work, and he desires the cooperation of SOUTHWESTERN in this matter. He has offered the facilities of the building which houses the law school for all the evening classes of SOUTHWESTERN. Heretofore the evening classes have been held here on the campus. There are some who believe that the classes will be more popular if they are held downtown, and the generous offer of Dean Jones has been accepted. The July bulletin is called the Extension Course Number, and lists the various courses that will be offered next session as follows: Accounting, Bible, Business Mathematics, Economics, English, French, German, History, Logic, Money and Banking, Public Speaking, Spanish and Supervised Reading.

The suggestion was made that an organic connection between the University of Memphis Law School and SOUTHWESTERN be effected, SOUTHWESTERN taking over the responsibility for the law school. The idea *has merit.* There are now only two accredited law schools in this State - the University of Tennessee Law School at Knoxville, and the Vanderbilt Law School at Nashville. Memphis offers a fine location for a first class law school. The administration of SOUTHWESTERN is not averse to having a law department in connection with the college, provided (a) that it is first class, that it does a piece of quality education similar to that which the college of liberal arts is doing, and (b) that satisfactory financial arrangements can be effected. The former condition depends upon the latter. The administration believes that it would cost about \$20,000.00 a year, in addition to tuition fees.

to conduct a first class law school on even the small scale now considered. Until such a sum is in sight over and above our other imperative needs, we do not see our way clear to establish a law department in connection with SOUTHWESTERN. It is possible, however, to cooperate with Dean Jones in the way suggested above, and we are grateful to him for his courtesy in putting his building at our disposal for the evening classes.

One of the most important, and one might say necessary, departments of a privately controlled institution, particularly in this day, is its public relations department. Some institutions which have had the foresight to adopt a comprehensive program along this line, which have been willing to spend the money necessary to acquaint its clientele and the public generally with their work and needs, are today reaping the reward of these efforts. SOUTHWESTERN has made some sporadic efforts to acquaint the people of this section with its work and its needs, but it has never felt that it could afford the expense incident to carrying out an adequate program. It is difficult, when for the past seven years it has been necessary to cut the already inadequate salaries of the faculty and staff, to provide a budget item large enough to promote an adequate public relations program. When one considers the wide territory included in the four Synods for which SOUTHWESTERN is the official college, realizes that there are in that territory six hundred and eighty churches and sixteen presbyteries, which presbyteries have stated meetings twice yearly, remembers that there are also four synodicals and sixteen presbyteries, which meet as regularly as the stated meetings of the synods and presbyteries, recalls the fact that there are almost innumerable training schools and conferences for adults and young people throughout these four synods, it is apparent that no one or two individuals can possibly cover the ground in any year by personal contacts. It should be remembered, too, that many of these meetings and conferences occur on the same dates and are held in widely distant places. It is becoming easier to arrange for the cause of SOUTHWESTERN to be presented at these meetings by the leaders in our synods, especially since the joint meetings of the cooperating Synods were held in Memphis. This experience enabled the members of the Synods to learn about the college at first hand. There seems to be, generally speaking, a deepened interest on the part of the ministers throughout the Synods. We believe, and many of the thoughtful people of this section concur in this belief, that the future of the Southern Presbyterian Church in this entire section is absolutely dependent upon SOUTHWESTERN. Individuals pass away, but institutions remain, and indifference to our institutions as evidenced by the lack of moral and financial support imperils our denominational future. If SOUTHWESTERN were unworthy, if it were not genuine and excellent, if it did not measure up to the highest academic and moral standards, indifference might be understandable. The question which the Church must face is whether it honestly believes in Christian education.

At the request of the Board of Directors, Dr. F.B. Gear, Professor of Bible, was asked to relinquish his teaching duties for the past year, in order that he might give his whole time in an effort to acquaint the Church with SOUTHWESTERN. It was hoped by this method to stimulate greater interest in the college which would eventuate in a more wholehearted support of the institution. He gave himself to that work with unremitting energy, and his work was carried on by personal contacts with individuals,

by appearing before various religious groups in the interest of the college, such groups as presbyteries, synodicals, presbyterials, young peoples' conferences, teacher training classes and local congregations. The President of the college likewise gave a great deal of time to this same work. When it was not possible for someone officially connected with the college to present the cause of SOUTHWESTERN to presbyteries and presbyterials, an effort was made to get someone else from the territory who is acquainted with the college to do this work. Dr. Gear has submitted his schedule for the past year, and this reveals the fact that he has made an amazing number of addresses. In addition to the single addresses given at numerous places, he taught for five day periods each at four training schools and at two conferences. Dr. R.T.L. Liston also taught for five day periods at two additional training schools.

As a result of his experience during the past year Dr. Gear, in submitting his report, made several pertinent observations. He believes that it is unwise to continue the policy of trying to secure financial support in small amounts as has been done by our field representative in recent years. It is a costly method of getting money over such a wide territory, and he believes that, from the psychological point of view, it is not desirable. He is convinced that, in order to secure and maintain the interest and support of Presbyterians throughout the territory which it presumes to serve, the college must be better known as an institution of quality, that it will be necessary for some time to continue to impress upon the people the difference between Christian education as carried on in an institution like SOUTHWESTERN and education in institutions which do not have the same ideals. He recognizes the difficulty in getting individuals and churches throughout this wide territory of the four Synods to provide financial assistance over an extended period of time. However, he believes that it is not an impossible task, if we continue the effort to convince the people of the value of an institution like SOUTHWESTERN in the work of the church. He concludes his report with the following sentences: "A few churches have consented to include SOUTHWESTERN in their budget, and others have promised to do so at a later date. Some have not been willing to give a place to the college in the budget, but leave the way open to approach individuals who may be interested in supporting the college. There are others that have declined to allow SOUTHWESTERN a place in the budget and also have let it be known that they do not want us to attempt to secure support from individuals. We have been unable to arrange for the presentation of the college at some important places."

The Supreme Court of Tennessee rendered its decision in the suit of the Synod of Mississippi against SOUTHWESTERN and the other three cooperating Synods on December 17, 1938. There were three points at issue, two of which were decided in favor of SOUTHWESTERN, and the third in favor of the Synod of Mississippi. This decision declared that: (1) The fourth director must be a Memphis Presbyterian. (2) The Form of Acceptance, which the Synod of Mississippi had required the men elected by that Synod to sign before being confirmed as directors of SOUTHWESTERN, is illegal and void. (This Form of Acceptance required each man who was elected by the Synod to sign an agreement to serve as an "agent" of the Synod rather than as a "director"; to obligate himself to interpret the

charter of SOUTHWESTERN as the Synod of Mississippi by majority vote had interpreted it or would in future interpret it; that the tenure of his office should be at the will of the Synod of Mississippi). (3) The Synods need not, in the election of the fourth director, be governed by and act upon the recommendation of the Board of Directors of SOUTHWESTERN. Nevertheless we are assured by our attorneys that it is not illegal or improper for the Board to continue to make recommendations to the Synods of the man for fourth director who in its judgment is best qualified or would be most useful in that position, nor is it illegal or improper for all the Synods, or any of them, to accept the recommendation of the Board. The majority of the Synods will doubtless welcome and appreciate the continuance of such recommendations by the Board.

In the matter of this controversy about the fourth director it should be recognized that there was never any desire [redacted] *to control* [redacted] on the Synods, nor was there any effort to make the Board of Directors of SOUTHWESTERN self-perpetuating. As a matter of fact, the wisest arrangement that could probably be made would be to have the Board nominate and the Synods confirm the election of all the directors. Because of the very nature of the enterprises, no church court can directly operate a hospital, an orphanage, or a college. It can, by exercising wisdom and care, elect ideal men to the Board, putting into their hands the sole government of the institution. This is the method which the late Dr. B.M. Palmer outlined for SOUTHWESTERN, upon the basis of which it has been operated through all these years. It often occurs, as was pointed out at the last meeting of the Presbyterian Educational Association of the South at Montreat, that church courts elect men as directors of our institutions in much the same way as they elect commissioners to the General Assembly, electing men who will "put something across," or as a compliment to them.

It is impossible to exaggerate the importance of securing as directors of our institutions men who are best qualified for that work. The Presbyterian Educational Association of the South, realizing that this is a vital question, has put the general subject of "Qualifications for Trustees" on the program for its next meeting, and has asked Dr. Frazer Hood, of Davidson College, to prepare a paper on that subject. Some years ago President Charles F. Thwing, of Western Reserve University, wrote an article on "Some Qualities of a Good College Trustee," which was published in School and Society, and which is well worth reading. The president of one of the outstanding institutions of this country, writing about one of his trustees, characterized him as "distinguished for patience, courtesy, sound judgment and gentle decision. He made the finest use of wealth and leisure, devoting both to the promotion of art, charities, good government and education. Public-spirited, magnanimous, upright, and serene, he was a true type of the republican gentleman." President F.P. Keppel in his last annual report, writing about one of the Trustees of the Carnegie Corporation who had recently died, gave this memorial tribute to a man who came near to approximating the ideal as a trustee.

"Newton Diehl Baker's days of service as a Trustee of Carnegie Corporation were all too brief, but upon his colleagues and on the policies of the Corporation the influence of his membership will be lasting. A well-stored mind, a wide and honorable experience in public and professional life, quick understanding and powers of lucid expression made for him a distinguished place in our fellowship and commanded our esteem and admiration. Over and above these high qualities Newton Baker had an understanding of the hearts of men, born of keen human sympathies, and a simplicity and selflessness of character, which won as well our trust and our affection."

The primary need of the college remains the same - more endowment. Unrestricted gifts to the general funds of the institution, and special endowment for professorships are equally useful towards increasing the endowment of the college. It is imperative that

Needs of the College more money for current expenses be secured. Several buildings are needed, and the need is in the following order - a women's dormitory, a men's dormitory, a library building, and faculty houses. These are imperative needs, as are also scholarships, and loan or work funds. There is needed \$2,000,000 additional endowment; the library building will cost \$400,000 (there should be \$100,000 additional for endowment); and the dormitories will cost \$75,000 each. It is quite possible to memorialize an honored name through the erection of a building, the establishment of a professorship, or the founding of scholarships, loan or work funds. More than that, the drastic tax laws may serve as an encouragement to some people of means to establish enduring memorials in connection with institutions which will perpetuate their influence through the ages. In some cases the inheritance taxes make it possible to do this somewhat at the expense of the government. In any case, an arrangement can be made to pay the amount in several installments, thus taking advantage of the fifteen per cent reduction in the income tax allowance.

The financial situation of SOUTHWESTERN is not so acute as it was last year, but the reason for this is due to the fact that a ten per cent salary reduction was imposed upon the faculty and staff during the session of 1938-39. The wholly inadequate salaries were

Finances drastically reduced twenty-five per cent in 1932. Three years ago an attempt was made to restore approximately ten per cent of that reduction. In 1937-38 we endeavored to restore an additional ten per cent, bringing the salaries to within five per cent of normal. The resulting deficit at the close of the fiscal year on June 30, 1938, made it necessary to reduce the salaries by another ten per cent, and the salary scale at present is fifteen per cent below normal. It is of interest to note that the members of the faculty and staff through these salary cuts have made an involuntary contribution to SOUTHWESTERN of \$166,000. They have shown a loyalty and fine spirit which are most praiseworthy, and the Southern Presbyterian Church is their debtor.

The annual support fund campaign was put on in Memphis as usual in February, 1939. The announced objective was \$45,000, and the real objective for which we were striving was \$50,000. The results of the campaign struck midway between the announced objective and the real objective. The amount subscribed was \$48,358.71. One of our Directors, Mr. Sidney W. Farnsworth, was General Chairman of this campaign, and he did an excellent piece of work in this capacity. Mr. A. Van Pritchett served very effectively as Associate Chairman. The Initial Gifts Committee was again headed by Mr. T.W. Lewis, Chairman, and Mr. E.R. Barrow, Vice-Chairman. Mr. R.B. Snowden, Jr., was the leader of the women's division, and was ably assisted by Mrs. W.A. Jones and Mr. Albert H. Mallory. The leaders of the men's division were Mr. W.T. Buckner, Mr. W.F. Bowld, Mr. Wm. L. Loeb, who is also President of the SOUTHWESTERN Century Club, and Mr. Caffey Robertson. It was in connection with the promotional dinner for this campaign that Professor Walter Miller gave his address on "SOUTHWESTERN - As I See It," an address which has been rather widely distributed. The citizens of Memphis have again shown their appreciation of SOUTHWESTERN, and manifested their loyalty to the college.

The Treasurer will report in detail concerning financial matters. It is sufficient here to note that the year closed with a deficit of only \$1,068.39, as compared with a deficit on June 30, 1938 of nearly \$16,000. The sources of our funds are as follows:

Received from students	46.86%
" " invested funds	12.88%
" " contributions	33.67%
" " other sources	5.59%

Seventy-six per cent of the expenditures for the year went for salaries, leaving twenty-four per cent for all other purposes. Aid was granted last year to one hundred and sixty students. This figure includes the number employed by the college for work of various kinds, those receiving NYA aid which is furnished by the government, as well as those receiving scholarships and grants-in-aid.

One criticism which has been made concerning the financial statement of SOUTHWESTERN is that too much tuition is given away. That same criticism might be made with regard to all of our church colleges, which make concessions to candidates for the ministry and to the children of ministers and missionaries. This matter of scholarships has been seriously considered by the Presbyterian Educational Association of the South for the past two years. At its meeting in 1938 definite action was taken, which was printed in the President's report of last year. At the meeting this year there was approved a scholarship blank which asks very definite and personal questions, including one question concerning the income of the parent, a blank which requires the signature of the parent as well as that of the student. We believe that decided progress is being made along the lines of helping only those students who are in need, the income of whose parents is so small that the student really needs assistance. The Association feels that a minister whose salary is adequate should not seek to claim a remission of tuition for his children.

The selection of scholarship recipients is not exactly a simple job. There seem to be almost as many different opinions regarding the qualifications for financial aid as there are applicants. Various people, including school teachers, ministers, friends of the family, and alumni, favor selection on various grounds, such as moral rectitude, personality, family background, ministerial aspirations, expertness in wind instruments - musical and forensic, drop-kicking ability, church membership, a willing nature, or a pleasant smile. Usually there is the assurance that this candidate is "clean as a hound's tooth," concerning which statement one irreverent hard-boiled administrator remarked: "Prophylactic denture is no doubt desirable, but does not necessarily guarantee intellectual promise."

At SOUTHWESTERN we find out what we can about the student's character, personality, intellectual promise, and financial need, and we require that every holder of a scholarship, in order to remain eligible for its continuance, maintain at least an average grade of C. This applies to candidates for the ministry, the children of ministers and missionaries, and all others. For those few scholarships which provide ~~as much as \$250.00~~ ^{more than \$125.00} a year, the candidate, in order to continue to be eligible, must maintain an average grade of B.

The world-wide social and economic changes which are going forward so rapidly in such a revolutionary way are producing a damaging effect upon our free institutions. The need for our church colleges was never greater than it is today, and it is doubtful whether they have ever faced such adverse conditions. Some of us have the future faith to believe that the institutions which are essential will survive. They will without a doubt, if the people can be made to realize the facts in the present situation. To get them to understand and appreciate this is the first problem, and the second is to get them voluntarily to tax themselves doubly in order to maintain these essential institutions. The support will have to come to a large extent from the rank and file of our people, a very large number of so-called small gifts. More than that, these same people of modest means will have to remember SOUTHWESTERN in their wills, adopt perhaps the slogan of New York University - "Leave \$200.00 to New York University," only we want them to leave it to SOUTHWESTERN. Two hundred dollars is not a great sum, but it is within reach of almost every one, and those who can afford to leave more will gladly do so, if and when they are vitally interested.

The needs of our colleges will not be lessened in future, for the reason that the demands on them will be increased. Every college should make retirement provisions for the members of its faculty and staff. The most satisfactory arrangement is that provided by the Teachers Insurance and Annuity Association of America (a subsidiary of the Carnegie Corporation) by which five per cent of the salary of the individual is furnished by the college and a like five per cent is taken out of his salary, thus guaranteeing a ten per cent payment for each member of the faculty and staff. Many colleges, like SOUTHWESTERN, have not felt able to inaugurate this plan. When the social security law was passed a few years ago, churches and colleges were exempt from the requirements of this law. During the past year it seemed certain that Congress would remove this exemption, thus requiring churches and colleges to provide the amounts designated by law not only for old age pensions, but also for unemployment insurance. The passage of this proposed legislation would have placed a heavy additional burden on all these institu-

tions. Through the efforts of the Board of Directors of the Association of American Colleges, cooperating with other agencies, this threatened legislation was averted for the present. This was done, however, with the understanding that those institutions which did not have a retirement allowance plan would proceed at once to inaugurate such a plan. The better colleges have not only a retirement provision, but also arrangements for group insurance and for Sabbatical leave. There is no better investment than that which, by making provision for the faculty and staff, builds the morale of the entire group.

During the past year the Presidents of several of the institutions of our Church have discussed the advisability of launching a united campaign of publicity in an endeavor to arouse our whole Church to the need of Christian Education. The experience of the U.S.A. Presbyterian Church in having the General Assembly of that Church set aside two or three years for developing specifically an interest in this great cause and launching a campaign for \$10,000,000 for its institutions is an encouraging example. A committee of five has been appointed to cooperate with Dr. Henry H. Sweets in this matter as promptly as it is possible to act not to interfere with the completion of the Ministers' Annuity Fund campaign.

The General Education Board recognizes that SOUTHWESTERN must as soon as possible launch a capital fund campaign, and it realizes also that considerable preparation is necessary before such a campaign can be put on. Looking toward that, the General Education Board has agreed to provide for the salary of Professor C.G. Siefkin, of our faculty, who has unusual gifts, to help by personal contacts and planning to lay the foundations for this campaign. Professor Siefkin has kindly consented to relinquish his teaching duties temporarily, and has entered upon this new adventure with intelligence, enthusiasm, and faith. The generous contribution of Dr. Walter Miller has been set aside as the initial gift in this capital fund campaign which henceforth must be waged with patience, perseverance, and wholehearted devotion.

President.

ANNUAL REPORT OF THE TREASURER FOR THE FISCAL

YEAR ENDED JUNE 30, 1939

TO THE BOARD OF DIRECTORS OF SOUTHWESTERN:

The Treasurer herewith submits to the Board the annual audit of the books and accounts of the college as prepared by Oliver P. Cobb and Company, certified public accountants of Memphis, for the twelve months period ended June 30, 1939. The report is in detail and shows the financial condition of the college at the end of the period.

This report is based on the audit and the figures used in the attached statements are in agreement with the audit, but in order to conserve space, statements and tabulations are in condensed form and in some instances summaries and net figures are used. It will be noted that as a result of salary cuts of all members of the faculty and staff, ordered by the Board last September, the expenses exceeded the income by only \$1,068.39.

Attention is directed to the Condensed Balance Sheet appended hereto, setting forth Assets and Liabilities as of June 30, 1939, and also a statement of Operating Income and Expense for the twelve months period. For comparative purposes a statement of Operating Income and Expense for the previous year is also attached.

On the balance sheet under the heading "Liabilities," there appears an item of \$10,000.00, Notes Payable. This represents a temporary bank loan made in June, 1939 to meet current expenses. It is expected that this amount, plus an additional loan of \$5,000.00 made in August, 1939, can be paid in full in September out of receipts from students and from other anticipated income. The amount borrowed is the same as for last year.

Referring to the balance sheet under the heading "Due from Plant Fund," the item of \$8,629.19 represents the amount due to the Current Fund from the Plant Fund on account of the payment of interest and other plant expenses out of current funds. Until such time as we are able to collect outstanding subscriptions to the plant fund or to obtain other contributions for this purpose it will be necessary to advance funds out of the Current Account to pay these charges.

On the Income and Expense statement it will be noted that income from students was \$78,424.10, a decrease of \$5,062.71 as compared with last year. This decrease was due to the smaller average number of students enrolled for the year, the enrollment being 58 students less than last year. The Endowment Fund of \$454,800.71 produced an income of \$21,452.99, an increase of \$2,798.20 over the previous year, the over all yield being 4.71 per cent. The total operating revenue of \$111,016.08 was an increase of \$3,018.49 over last year. Total operating expenses of \$167,635.89 was a decrease of \$18,333.80. The decrease in operating expenses was occasioned by a reduction of ten per cent in the salaries of the faculty and staff effected in September, 1938, and by further economies in other expenses. Members of the faculty and staff are now receiving only eighty-five per cent of their normal salaries and it is imperative that steps be taken to make, at least, a partial restoration of these salaries at the earliest possible moment.

Contributed Income of \$56,044.92 compared with \$62,404.40 for the previous year, a decrease of \$6,852.98. Last year's statement, however, shows a non-recurring gift of \$10,000.00 which accounts for the larger total for that year. Contributed Income is listed in detail on the statement attached. Con-

tributions and benevolences from the Synods outside of Memphis amounted to \$8,052.82 or \$1,081.99 less than last year. Contributions from Memphis citizens and churches amounted to \$39,756.10, an increase of \$3,346.51 over the previous year.

It is quite apparent that the Synods outside of Memphis are not supporting the college as they should. Annual campaigns in Memphis are conducted on the basis of producing one-half of the annual operating deficit and with the understanding that the other one-half will be assumed by the four cooperating Synods. It should be recognized that the Memphis campaigns cannot be continued indefinitely and the Synods should, therefore, make every effort to build up the Endowment Fund of the college through large gifts or bequests.

The Endowment Fund was increased \$2,143.13 during the year, \$1,000.00 of which was contributed by Dr. Walter Miller, a Visiting Professor for the first semester of the past year, through the generosity of the General Education Board. This \$1,000.00 is the first contribution towards the new Endowment Fund campaign and is so set up on our books.

Respectfully submitted,

W.N. Mallory,

Treasurer.

SOUTHWESTERN
CONDENSED BALANCE SHEET
June 30, 1939

ASSETS

CURRENT FUNDS

Net Cash Balance	\$	4,552.84	
Notes Receivable		4,877.91	
Accounts Receivable and Suspense Items		7,791.35	
Inventories		1,861.48	
Stocks & Bonds		570.00	
Real Estate		11,100.00	
Due from Plant Fund		8,629.19	
TOTAL CURRENT FUND ASSETS	\$		39,382.77

PLANT FUNDS

Cash Fund	\$	100.00	
Subscriptions Receivable		216.00	
Stock - Par Value		200.00	
Fixed:			
Buildings	\$	1,203,540.22	
Real Estate		189,013.77	
Equipment		38,339.72	
Furniture & Fixtures		38,728.55	
Library		35,000.00	
TOTAL PLANT FUNDS		1,504,622.26	
	\$		1,505,138.26

PERMANENT FUNDS

Cash Fund	\$	6,237.37	
Acct. Rec. Southwestern, Inc.		5,000.00	
Acct. Rec. Misc.		301.00	
Stocks-Bonds-Mortgages	\$	408,136.70	
Real Estate		40,225.64	
TOTAL		448,362.34	
LESS ANNUITIES		5,000.00	
TOTAL PERMANENT FUNDS		443,362.34	
	\$		454,900.71
TOTAL ASSETS	\$		1,999,421.74

LIABILITIES AND FUNDS

CURRENT FUNDS

Reserve Funds	\$	12,050.09	
Notes Payable		10,000.00	

PLANT FUNDS

Due to Current Funds		8,629.19	
Assigned Income from Endowment		100.00	
TOTAL LIABILITIES			\$ 30,779.28
Excess of Assets over Liabilities			1,968,642.46
TOTAL LIABILITIES AND FUNDS			1,999,421.74
Excess Assets over Liabilities 6-30-38	\$	1,968,169.18	
Excess Assets over Liabilities 6-30-39		1,968,642.46	
INCREASE IN NET WORTH	\$	473.28	

CONDENSED STATEMENT OF OPERATING INCOME AND EXPENSE
OF SOUTHWESTERN
FOR FISCAL YEAR ENDED
June 30, 1939

<u>INCOME</u>		\$
Matriculation & Tuition - Net		69,202.01
Other Income from Students		<u>9,222.09</u>
TOTAL INCOME FROM STUDENTS		\$ 78,424.10
<u>OTHER OPERATING INCOME</u>		
Endowment Investments	\$ 21,452.99	
Dormitories, Dining Hall and Bookstore - net	10,030.62	
Miscellaneous Other Income	<u>614.87</u>	\$ <u>32,098.48</u>
TOTAL OPERATING INCOME		\$ 110,522.58
<u>EXPENSES</u>		
Instructional	\$ 108,180.60	
Physical Plant & Grounds	18,558.39	
General and Administrative	36,720.72	
Accounts & Suspense Items Charged Off	<u>4,176.18</u>	
TOTAL OPERATING EXPENSE		\$ <u>167,635.89</u>
OPERATING EXPENSE IN EXCESS OF INCOME		\$ 57,113.31
<u>PROVIDED FOR AS FOLLOWS:</u>		
Memphis Citizens - Contributions	\$36,953.09	
Memphis Churches - Benevolences	<u>2,803.01</u>	\$39,756.10
Synod of Tenn. - Contributions	\$ 598.50	
Synod of Tenn. - Benevolences	<u>2,436.94</u>	3,035.44
Synod of Ala. - Contributions	\$ 661.75	
Synod of Ala. - Benevolences	<u>368.20</u>	1,029.95
Synod of Miss. - Contributions	\$ 760.00	
Synod of Miss. - Benevolences	<u>1,077.87</u>	1,837.87
Synod of La. - Contributions	\$ 1,120.00	
Synod of La. - Benevolences	<u>1,029.56</u>	2,149.56
From Other Sources		<u>8,236.00</u>
TOTAL CONTRIBUTIONS AND BENEVOLENCES		\$ <u>56,044.92</u>
DEFICIT AFTER CONTRIBUTIONS		\$ 1,068.39

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

FISCAL YEARS ENDED JUNE 30, 1938 and JUNE 30, 1939

<u>INCOME</u>	<u>June 30, 1939</u>		<u>June 30, 1938</u>	
	<u>AMOUNT</u>	<u>Average per Student 467</u>	<u>AMOUNT</u>	<u>Average per Student 525</u>
Matriculation & Tuition - Net	\$69,202.01	\$	\$72,005.25	\$
Other Income from Students	9,222.09		11,481.56	
TOTAL INCOME FROM STUDENTS	78,424.10	167.93	83,486.81	159.04
Endowment Investments	21,452.99	45.94	18,654.79	35.53
Dormitories, Dining Hall and Bookstore - Net	10,030.62	21.48	4,881.11	9.29
Miscellaneous Other Income	614.87	1.31	974.88	1.85
TOTAL OPERATING INCOME	110,522.58	236.66	107,997.59	205.71
 <u>EXPENSE</u>				
Instructional	\$108,180.60	\$ 231.65	\$ 111,660.26	\$ 212.69
Physical Plant & Grounds	18,558.39	39.74	18,511.74	35.26
General and Administrative Accounts and Suspense Items Charged Off	36,720.72	78.63	44,724.25	85.18
	4,176.18	8.94	11,073.44	21.09
TOTAL OPERATING EXPENSE	167,635.89	358.96	185,969.69	354.23
OPERATING DEFICIT	57,113.31	122.30	77,972.10	148.52
 <u>CONTRIBUTED INCOME</u>				
Memphis Churches & Citizens	\$ 39,756.10		\$36,409.59	
Synod of Tennessee	3,035.44		2,610.22	
Synod of Alabama	1,029.95		2,334.81	
Synod of Mississippi	1,837.87		1,534.07	
Synod of Louisiana	2,149.56		2,655.71	
General Education Board	7,100.00		6,700.00	
Other Contributions	1,136.00		10,160.00	
TOTAL CONTRIBUTED INCOME	56,044.92	120.00	62,404.40	118.87
DEFICIT AFTER CONTRIBUTIONS	1,068.39	2.30	15,567.70	29.65

REPORT OF THE CLERK OF THE FACULTY

Statistics of Southwestern Faculty Teaching Load - Session 1938-39

Instructor	Subject	Hours per Week				Hours Credit		Number Students	
		Class		Lab.		1st	2nd	1st	2nd
		1st Sem.	2nd Sem.	1st Sem.	2nd Sem.	Sem.	Sem.	Sem.	Sem.
Amacker, D.M.	Econ. 1-2 AB	4	4	0	0	3	3	17	17
	His. 1 CD	3	-	0	0	3	-	19	--
	Pol.Sc. 21-22	3	3	0	0	3	3	30	33
	Pol.Sc. 41-42	3	3	0	0	3	3	11	10
	Pol.Sc. 44	-	3	-	0	-	3	--	27
	Tutorials J-S	2½	1½	0	0	3	3	5	3
	Honors Students	3	3	0	0	3	3	3	3
		<u>18½</u>	<u>17½</u>	<u>0</u>	<u>0</u>	<u>18</u>	<u>18</u>	<u>85</u>	<u>93</u>
Atkinson, W.R.	Educ. 32	3	-	0	-	3	-	13	--
	Psych. 1-2 A	3	3	0	0	3	3	43	25
	Psych. 1-2 B	3	3	0	0	3	3	38	31
	Psych. 15-14	3	3	0	0	3	3	14	14
	Psych. 27-28	3	3	0	0	3	3	8	10
	Tutorials J-S	½	3	0	0	3	3	1	6
	Honors Students	1	1	0	0	3	3	1	1
		<u>16½</u>	<u>16</u>	<u>0</u>	<u>0</u>	<u>21</u>	<u>18</u>	<u>118</u>	<u>87</u>
Baine, Ogden	Chem. 25-26	3	3	6	6	5	5	13	10
	Chem. 55-56	3	3	3½	3½	4	4	4	3
	Tutorials Soph.	½	1½	0	0	1	1	1	1
	Tutorials J-S	-	1	-	0	-	3	0	1
	Honors Students	1	1	0	0	3	3	1	1
		<u>7½</u>	<u>8</u>	<u>9½</u>	<u>9½</u>	<u>13</u>	<u>16</u>	<u>19</u>	<u>16</u>
Baker, C.L.	Biol. 1-2 A	3	3	7	7	4	4	63	47
	Biol. 31-22	2	2	6	6	4	4	6	8
	Tutorials J-S	1½	2	0	0	3	3	3	4
	Honors Students	1	-	0	-	3	-	1	-
		<u>7½</u>	<u>7</u>	<u>13</u>	<u>13</u>	<u>14</u>	<u>11</u>	<u>73</u>	<u>59</u>
Bassett, H.J.	Latin A-B	3	3	0	0	3	3	6	5
	Latin 1-2	3	3	0	0	3	3	20	16
	Latin 21-22	3	3	0	0	3	3	8	10
	Latin 53-54	3	3	0	0	3	3	3	3
	Myth. 55	-	3	-	0	-	3	--	23
	Tutorials Soph.	2	1½	0	0	1	1	4	1
		<u>14</u>	<u>15½</u>	<u>0</u>	<u>0</u>	<u>13</u>	<u>16</u>	<u>41</u>	<u>58</u>
Boeker, Alex.	Econ. 2 CD	-	4	-	0	-	3	--	23
	His. 2 CD	-	3	-	0	-	3	--	23
	Soc. 44	-	3	-	0	-	3	--	16
	Pub. Sp. 4	-	0	-	2	-	1	--	10
	Tutorials Soph.	-	2	-	0	-	1	--	4
		<u>-</u>	<u>12</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>11</u>	<u>--</u>	<u>76</u>

REPORT OF THE CLERK OF THE FACULTY
Session 1938-39

Instructor	Subject	Hours per Week				Hours Credit		Number	
		Class		Lab.		1st	2nd	Students	
		1st	2nd	1st	2nd	Sem.	Sem.	1st	2nd
		Sem.	Sem.	Sem.	Sem.			Sem.	Sem.
Cooper, W.R.	His. 1-2 AB	3	3	0	0	3	3	36	35
	His. 21-22	3	3	0	0	3	3	47	42
	His. 55-59	3	3	0	0	3	3	20	35
	His. 57-58	3	3	0	0	3	3	26	29
	Tutorials J*S	2	2	0	0	3	3	4	4
		14	14	0	0	15	15	133	145
Davis, J. Henry	Biol. 1-2	3	3	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4	4	26	28
	Biol. 21	2	-	6	-	4	4	13	--
	Biol. 32	-	2	-	6	4	4	--	7
	Tutorials J-S	2	2	0	0	3	3	4	4
	Honors Students	-	1	-	-	-	3	--	1
		7	8	9 $\frac{1}{2}$	9 $\frac{1}{2}$	15	18	43	40
Davis, John H.	His. 1-2 E	3	3	0	0	3	3	25	20
	His. 1-2 F	3	3	0	0	3	3	26	28
	His. 23-24	3	3	0	0	3	3	38	33
	His. 25-26	3	3	0	0	3	3	8	6
	Tutorials J-S	2 $\frac{1}{2}$	2 $\frac{1}{2}$	0	0	3	3	5	5
		14 $\frac{1}{2}$	14 $\frac{1}{2}$	0	0	15	15	102	92
Hartley, R.W.	Math. 1-2 D	3	3	0	0	3	3	25	23
	Math. 2 E-F	3	3	0	0	3	3	21	15
	Math. 21-22 C	3	3	0	0	3	3	24	15
	Math. 51-52	3	3	0	0	3	3	5	5
	Math. 61-62	3	3	0	0	3	3	6	5
	Honors Students	1	1	0	0	3	3	1	1
		16	16	0	0	18	18	82	64
Hon, Ralph C.	Econ. 3-4 B	3	3	0	0	3	3	17	19
	Econ. 25-28	3	3	0	0	3	3	30	28
	Econ. 3-4 Ext.	2	2	0	0	2	2	14	7
	Tutorials J-S	4	3	0	0	3	3	8	6
	Honors Students	2	2	0	0	3	3	2	2
		14	13	0	0	14	14	71	62
Johnson, A.T.	Eng. 21-22 B	3	3	0	0	3	3	25	30
	Eng. 61-62	3	3	0	0	3	3	16	19
	Tutorials J-S	3	3	0	0	3	3	6	6
	Honors Students	0	0	0	0	0	0	3**	3**
			9/**	9/**	0	0	9	9	50
**Supervised reading for three honors students									
Junkin, W. Ross	Econ. 3-4 A	3	3	0	0	3	3	25	15
	Econ. 23-26	3	3	0	0	3	3	10	16
	Econ. 31-32	2	2	2	2	3	3	12	9
	Econ. 31-32 Ext.	2	2	1	1	3	3	13	10
	Tutorials J-S	1	1 $\frac{1}{2}$	0	0	3	3	2	1
	Tutorials Soph.	1	0	0	0	1	0	2	--
		12	10 $\frac{1}{2}$	3	3	16	15	64	51

REPORT OF THE CLERK OF THE FACULTY

Session 1938-39

Instructor	Subject	Hours per Week				Hours Credit		Number Students	
		Class		Lab.		1st	2nd	1st	2nd
		1st Sem.	2nd Sem.	1st Sem.	2nd Sem.	Sem.	Sem.	Sem.	Sem.
Kelso, A.P.	Bible 51-52 A	3	3	0	0	3	3	43	45
	Phil. 1-2	3	3	0	0	3	3	43	42
	Phil. 21-22	3	3	0	0	3	3	4	6
	Phil. 23-24	3	3	0	0	3	3	12	21
	Soc. A-B	2	3	0	0	2	3	21	27
	Tutorials J-S	$\frac{1}{2}$	1	0	0	3	3	1	2
		<u>14$\frac{1}{2}$</u>	<u>16</u>	<u>0</u>	<u>0</u>	<u>17</u>	<u>18</u>	<u>124</u>	<u>143</u>
Lee, C.P.	Eng. 1-2 C	3	3	0	0	3	3	22	26
	Eng. 1-2 D	3	3	0	0	3	3	23	28
	Eng. 23	3	-	0	-	3	-	26	--
	Eng. 1 Ext.	2	-	0	-	2	-	11	--
	Pub. Sp. 2	-	3	-	0	-	3	--	25
	Pub. Sp. 2 Ext.	-	2	-	0	-	2	--	9
	Tutorials J-S	4	$3\frac{1}{2}$	0	0	3	3	8	7
		<u>15</u>	<u>14$\frac{1}{2}$</u>	<u>0</u>	<u>0</u>	<u>14</u>	<u>14</u>	<u>90</u>	<u>95</u>
Liston, R.T.L.	Bible 1A-2C	3	3	0	0	3	3	23	25
	Bible 1D-2E	3	3	0	0	3	3	28	29
	Bible 1F	3	-	0	-	3	-	30	--
	Bible 51-52 B	3	3	0	0	3	3	39	24
	Bible 52 C	-	3	-	0	-	3	--	11
	Tutorials J-S	-	$\frac{1}{2}$	-	0	-	3	--	1
	Tutorials Soph.	$2\frac{1}{2}$	2	0	0	1	1	5	4
		<u>14$\frac{1}{2}$</u>	<u>14$\frac{1}{2}$</u>	<u>0</u>	<u>0</u>	<u>13</u>	<u>16</u>	<u>125</u>	<u>94</u>
McIlwaine, A.S.	Eng. 1 B	3	-	0	-	3	-	22	--
	Eng. 21-22 D	3	3	0	0	3	3	24	20
	Eng. 24	-	3	0	0	-	3	--	31
	Eng. 67-68	3	3	0	0	3	3	17	19
	Tutorials J-S	$2\frac{1}{2}$	3	0	0	3	3	5	6
	Honors Students	2	2	0	0	3	3	2	2
		<u>13$\frac{1}{2}$</u>	<u>14</u>	<u>0</u>	<u>0</u>	<u>15</u>	<u>15</u>	<u>70</u>	<u>78</u>
MacQueen, M.L.	Math. 1-2 AB	3	3	0	0	3	3	23	21
	Math. 1-2 C	3	3	0	0	3	3	23	17
	Math. 21B-21	3	3	0	0	3	3	8	22
	Math. 23-24	3	3	0	0	3	3	14	12
	Math. 53-54	3	3	0	0	3	3	10	8
		<u>15</u>	<u>15</u>	<u>0</u>	<u>0</u>	<u>15</u>	<u>15</u>	<u>78</u>	<u>80</u>
Meadow, J.R.	Chem. 1-2	3	3	$3\frac{1}{2}$	$3\frac{1}{2}$	4	4	44	34
	Chem. 21-22	2	2	6	6	4	4	6	6
	Tutorials J-S	$\frac{1}{2}$	$\frac{1}{2}$	0	0	3	3	1	1
	Tutorials Soph.	-	1	-	0	-	1	--	2
	Honors Students	1	1	0	0	3	3	1	1
		<u>6$\frac{1}{2}$</u>	<u>7$\frac{1}{2}$</u>	<u>9$\frac{1}{2}$</u>	<u>9$\frac{1}{2}$</u>	<u>14</u>	<u>15</u>	<u>52</u>	<u>44</u>

REPORT OF THE CLERK OF THE FACULTY

Session 1938-39

Instructor	Subject	Hours per Week				Hours Credit		Number	
		Class		Lab.		1st	2nd	Students	
		1st Sem.	2nd Sem.	1st Sem.	2nd Sem.	Sem.	Sem.	1st Sem.	2nd Sem.
Miller, Walter	Mod. Civ. 61	3	-	0	-	3	-	27	--
	Mod. Civ. 63	3	-	0	-	3	-	17	--
	Tutorials Soph.	$2\frac{1}{2}$	-	0	-	$\frac{1}{2}$	-	5	--
		$8\frac{1}{2}$	-	0	-	7	-	49	--
Monk, S.H.	Eng. 1-2 A	3	3	0	0	3	3	20	28
	Eng. 21-22 A	3	3	0	0	3	3	26	22
	Eng. 21-22 C	3	3	0	0	3	3	21	16
	Eng. 59-60	3	3	0	0	3	3	13	14
	Tutorials J-S	$2\frac{1}{2}$	2	0	0	3	3	5	4
	Honors Students	1	1	0	0	3	3	1	1
	$15\frac{1}{2}$	15	0	0	18	18	86	85	
Paulsen, W.	French 1-2 C	3	3	0	0	3	3	12	10
	German 1-2	3	3	0	0	3	3	19	15
	German 21-22	3	3	0	0	3	3	10	9
	German 1-2 Ext.	2	2	0	0	2	2	5	2
	Tutorials Soph.	$2\frac{1}{2}$	$2\frac{1}{2}$	0	0	1	1	5	5
		$13\frac{1}{2}$	$13\frac{1}{2}$	0	0	12	12	51	41
Pond, R.S.	Educ. 42	-	3	-	0	-	3	--	12
	Math. A	3	-	0	-	3	-	18	--
	Math. 1-2 G	3	3	0	0	3	3	27	24
	Math. 21-22 A	3	3	0	0	3	3	21	24
	Math. 59-60	3	3	0	0	3	3	19	20
	Tutorials J-S	2	$\frac{1}{2}$	0	0	3	3	4	1
	Tutorials Soph.	-	2	-	0	-	1	--	4
	14	$14\frac{1}{2}$	0	0	15	16	89	85	
Porter, M.E.	French 1-2 A	3	3	0	0	3	3	22	18
	French 1-2 B	3	3	0	0	3	3	23	8
	French 21-22 B	3	3	0	0	3	3	21	13
	Span. 1-2 C	3	3	0	0	3	3	24	13
	Eng. 2 Ext.	-	2	0	0	-	2	--	7
	Spanish 1-2 Ext.	2	2	0	0	2	2	3	2
	Tutorials J-S	$1\frac{1}{2}$	$1\frac{1}{2}$	0	0	3	3	3	3
	Tutorials Soph.	$1\frac{1}{2}$	-	0	0	1	-	3	--
	17	$17\frac{1}{2}$	0	0	18	19	99	64	
Rhodes, P.N.	Physics 1-2	3	3	$3\frac{1}{2}$	$3\frac{1}{2}$	4	4	19	15
	Physics 25-26	3	3	$3\frac{1}{2}$	$3\frac{1}{2}$	4	4	3	3
	Tutorials Soph.	$2\frac{1}{2}$	$1\frac{1}{2}$	0	0	1	1	5	3
	$8\frac{1}{2}$	$7\frac{1}{2}$	7	7	9	9	27	21	
Shewmaker, W.O.	Bible 1B-2 AB	3	3	0	0	3	3	23	32
	Bible 1C-2D	3	3	0	0	3	3	21	26
	Bible 1E-2F	3	3	0	0	3	3	31	28
	Bible 21-22	3	3	0	0	3	3	16	18
	Tutorials J-S	$1\frac{1}{2}$	3	0	0	3	3	3	6
	Tutorials Soph.	$1\frac{1}{2}$	-	0	-	1	-	3	--
	15	15	0	0	16	15	97	110	

REPORT OF THE CLERK OF THE FACULTY
Session 1938-39

Instructor	Subject	Hours per Week				Hours Credit		Number	
		Class		Lab.		1st Sem.	2nd Sem.	Students	
		1st Sem.	2nd Sem.	1st Sem.	2nd Sem.			1st Sem.	2nd Sem.
Siefkin, C.G.	Econ. 1 CD	4	-	0	-	3	-	24	--
	Pub. Sp. 1	3	-	0	-	3	-	17	--
	Soc. 43	3	-	0	-	3	-	23	--
	Pub. Sp. 3	0	-	2	-	1	-	11	--
	Pub. Sp. 1 Ext.	2	-	0	-	2	-	7	--
	Tutorials Soph.	2	-	0	-	1	-	4	--
		<u>14</u>	-	<u>2</u>	-	<u>13</u>	-	<u>86</u>	<u>--</u>
Storn, M.W.	Span. 1-2 A	3	3	0	0	3	3	17	15
	Span. 1-2 B	3	3	0	0	3	3	21	14
	Span. 21-22 A	3	3	0	0	3	3	10	13
	Span. 21-22 B	3	3	0	0	3	3	17	10
	Span. 42	-	3	-	0	-	3	--	6
	Span. 51-52	3	3	0	0	3	3	6	2
	Tutorials Soph.	$\frac{1}{2}$	-	0	-	$\frac{1}{2}$	-	$\frac{1}{2}$	0
		<u>15$\frac{1}{2}$</u>	<u>18</u>	<u>0</u>	<u>0</u>	<u>16</u>	<u>18</u>	<u>72</u>	<u>60</u>
Strickler, R.P.	Greek 1-2 A	3	3	0	0	3	3	17	12
	Greek 1-2 B	3	3	0	0	3	3	13	11
	Greek 21-22	3	3	0	0	3	3	11	10
	Greek 51-52	3	3	0	0	3	3	3	3
	Tutorials J-S	1	1	0	0	3	3	2	2
	Tutorials Soph.	0	$\frac{1}{2}$	0	0	-	$\frac{1}{2}$	--	$\frac{1}{2}$
		<u>13</u>	<u>13$\frac{1}{2}$</u>	<u>0</u>	<u>0</u>	<u>15</u>	<u>16</u>	<u>46</u>	<u>39</u>
Townsend, C.L.	Eng. 43-44	3	3	0	0	3	3	13	8
	French 21-22 C	3	3	0	0	3	3	15	10
	French 21-22 D	3	3	0	0	3	3	8	7
	French 37-38	3	3	0	0	3	3	10	7
	Mod. Civ. 62	-	3	-	0	-	3	--	6
	Tutorials J-S	-	$\frac{1}{2}$	0	0	-	3	--	1
	Tutorials Soph.	5	3	0	0	1	1	10	6
		<u>17</u>	<u>18$\frac{1}{2}$</u>	<u>0</u>	<u>0</u>	<u>13</u>	<u>19</u>	<u>56</u>	<u>45</u>
Townsend, M.H.	Eng. 1-2 E	3	3	0	0	3	3	26	26
	Eng. 1-2 F	3	3	0	0	3	3	29	28
	Soc. 1-2	3	3	0	0	3	3	15	14
	Tutorials J-S	1	1	0	0	3	3	2	2
	Tutorials Soph.	1	$\frac{1}{2}$	0	0	1	1	2	1
		<u>11</u>	<u>10$\frac{1}{2}$</u>	<u>0</u>	<u>0</u>	<u>13</u>	<u>13</u>	<u>74</u>	<u>71</u>
Tuthill, B.C.	Music 1-2	3	3	0	0	3	3	20	14
	Music 11-12	3	3	0	0	3	3	3	3
	Music 31-32	3	3	0	0	3	3	11	9
	Instrumental Class, Band, Choir	6	6	5	5	0	0	98	77
		<u>15</u>	<u>15</u>	<u>5</u>	<u>5</u>	<u>9</u>	<u>9</u>	<u>132</u>	<u>103</u>

DEGREES CONFERRED BY SOUTHWESTERN ON JUNE 13, 1939

BACHELOR OF ARTS

Rachel Ann Beasley	Springville, Tennessee
Henry Herman Bergfeld	Talladega, Alabama
Herbert Jonas Bingham	Culleoka, Tennessee
Selby Herman Bobzien, Jr.	Memphis, Tennessee
Sarah Aydelott Boothe	Memphis, Tennessee
Sara Jane Bray	Memphis, Tennessee
Ralph Horace Brown	Talladega, Alabama
Frank Merritt Campbell	Forrest City, Arkansas
Chester Cecil Carden	Atmore, Alabama
James Berry Carpenter, Jr.	Mobile, Alabama
Ewing Carruthers, Jr.	Memphis, Tennessee
William Richard Chauncey	Memphis, Tennessee
Bruce Alton Crill, Jr.	Memphis, Tennessee
Willard Dawson	Memphis, Tennessee
Marjorie Lecroy DeVall	Memphis, Tennessee
Betsy Fowler	Memphis, Tennessee
Stephen Robertson Frazier	Memphis, Tennessee
Charles Hayden Freeburg	Memphis, Tennessee
William Edward French	Water Valley, Mississippi
George Gage	Memphis, Tennessee
Charles Odell Gardner	Gantts Quarry, Alabama
* Joseph George Griesbeck, Jr.	Memphis, Tennessee
Mark Benjamine Hammond	Memphis, Tennessee
Samuel Harrison Hill, Jr.	Memphis, Tennessee
Harmon Robert Holcomb, Jr.	Tupelo, Mississippi
Val John Huber	Jamaica, New York
George Frederick Humphrey	Minneapolis, Minnesota
Walter B. Hunter	Water Valley, Mississippi
William Hathaway Kelly	Memphis, Tennessee
Edith Louise Kelso	Memphis, Tennessee
David Benjamin Lewis	Memphis, Tennessee
Mary Elaine Lipscomb	Memphis, Tennessee
Mary Kathryn McGuire	Memphis, Tennessee
Angus Randall MacInnes	East Providence, Rhode Island
Thomas Barksdale McLemore	Memphis, Tennessee
Samuel Hardwicke Mays	Memphis, Tennessee
Henry Pope Mobley, Jr.	Clarksdale, Mississippi
Robert Moss Montgomery	Clarksdale, Mississippi
Hylton Semmes Neill	Memphis, Tennessee
Harry Moore Phelan, Jr.	Trenton, Tennessee
Warren Wilson Prewitt	Memphis, Tennessee
Frances Anne Ragsdale	Memphis, Tennessee
Eli Benjamin Rogers	Sumner, Mississippi
George Brinton Scott, Jr.	Poplar Bluff, Missouri
Carl Irwin Stark	Memphis, Tennessee
Erin Gary Stewart	Memphis, Tennessee
Joseph Paul Stuart, Jr.	Memphis, Tennessee
Stonewall Shepherd Tate	Tunica, Mississippi
Fred Richard Thomas, Jr.	Memphis, Tennessee
Vera Ann Ulrich	Memphis, Tennessee
Henry Collier Walker	Memphis, Tennessee

DEGREES CONFERRED BY SOUTHWESTERN ON JUNE 13, 1939

BACHELOR OF ARTS CONTINUED

Lillie Roberts Walker	Memphis, Tennessee
Annie Rose Wallace	Memphis, Tennessee
Harry Edward Waring	Memphis, Tennessee
Robert Tyler Watts	Gadsden, Alabama
* Pinckney S. Weaver, Jr.	Tupelo, Mississippi
Waddy West, Jr.	Memphis, Tennessee
Thomas Jefferson White, Jr.	Memphis, Tennessee
Anne Williford	Memphis, Tennessee
William Alvin Wunderlich, Jr.	Memphis, Tennessee
Claudia Nash Yerger	Memphis, Tennessee
Helen Laing Young	Memphis, Tennessee

*Degrees conferred as of June 13, 1939 after the completion of work in the summer school of 1939

BACHELOR OF SCIENCE

Georgianna Awsumb	Memphis, Tennessee
Samuel Cutter Carter	Germantown, Tennessee
Flurry McCarthy DeMere	Memphis, Tennessee
James Frank Gladney, Jr.	Homer, Louisiana
William Norio Nakajima	Memphis, Tennessee
Harriet Spencer Pond	Memphis, Tennessee
Palmer Martin Simpson	Brownsville, Tennessee
William Thomas Tyson, Jr.	Memphis, Tennessee
Betty Barber Wells	Memphis, Tennessee

GRADUATING WITH HONORS

George Gage, with high honors in English
Harmon Robert Holcomb, Jr., with high honors in English
Herbert Jonas Bingham, with honors in Political Science
Flurry McCarthy DeMere, with honors in Biology
Edith Louise Kelso, with honors in English
Thomas Barksdale McLemore, with honors in Economics and honors in Political Science
William Norio Nakajima, with honors in Mathematics
Harriet Spencer Pond, with honors in Chemistry
George Brinton Scott, Jr., with honors in Political Science

GRADUATING WITH DISTINCTION

	<u>Major Subject</u>
Rachel Ann Beasley	Mathematics
Sarah Aydelott Boothe	Mathematics
Ralph Horace Brown	History
Samuel Cutter Carter	Biology
Stephen Robertson Frazier	Economics
Charles Hayden Freeburg	Economics
Charles Odell Gardner	History
Val John Huber	Mathematics
Hylton Semmes Neill	Economics
Thomas Jefferson White, Jr.	Mathematics
William Thomas Tyson, Jr.	Biology
Betty Barber Wells	Biology

DEGREES CONFERRED BY SOUTHWESTERN ON JUNE 13, 1939

DOCTOR OF DIVINITY

The Reverend William Crowe, Jr., '21
Pastor, First Presbyterian Church
The Reverend John Frank Ligon
Pastor, First Presbyterian Church

Bluefield, West Virginia
Columbia, Tennessee

DOCTOR OF EDUCATION

John Weir Kennedy, '15
President, Chamberlain-Hunt Academy

Port Gibson, Mississippi

DOCTOR OF LITERATURE

J.V. Moldenhawer, '97
Pastor, First Presbyterian Church

New York, N.Y.

DOCTOR OF LAWS

John Willard Brister
President, State Teachers College
George Alan Works
Dean of Students and University Examiner, University of Chicago

Memphis, Tennessee
Chicago, Illinois

C O P Y

IN THE CHANCERY COURT OF SHELBY COUNTY, TENNESSEE

<u>THE SYNOD OF MISSISSIPPI, ETC., ET AL</u>)	
)	
vs)	No. 41883 R. D.
)	
<u>SOUTHWESTERN, ET AL</u>)	

O P I N I O N

This is a suit by the Synod of Mississippi of the Presbyterian Church of the United States and certain individuals as Directors against Southwestern, members of the Board of Directors and the Synods of Alabama, Tennessee and Louisiana, to determine the extent of the rights of the Synod of Mississippi to elect Directors and especially the validity of the election of W.H. McIntosh to the Board of Southwestern.

Defendants filed an answer and cross-bill to have tested the validity of a Form of Acceptance which the complainant Synod requires Directors to sign as a part of the machinery of being elected and qualified as directors.

The pleadings are too voluminous to be set out here. The facts are stipulated in a document of one hundred and sixteen pages. There is left for the Court only the question of law.

Briefly stated, the principal question is whether or not the Synod of Mississippi is bound to abide by the concurrent Resolutions of 1924 and the By-Law enacted by the Board pursuant thereto, until the same be repealed by the concurrent action of all four Synods, or can the one Synod rescind same at pleasure by its sole action.

These Resolutions and By-Law provided for an increase of the number of Directors representing each Synod from three to four and that the fourth one then, and one of the four each year thereafter, would be some Presbyterian, resident of Memphis, who would be recommended by the Board to each Synod who would then be guided by such recommendation in electing such or some director so recommended.

The Court has been furnished very complete and excellent briefs in this case, the contents of which have been thoroughly examined.

After consideration of same, the Court is satisfied that the position of defendants is sound. The reasons are so clearly set out and developed in defendant's brief that it would be a work of supererogation on the part of the Court to restate the same.

The Plan of Union is the original contract or agreement under which the several Synods provided for the administration of the trust. This plan has continued in force and has been amended from time to time and is still in force. It cannot be changed by the individual or sole action of one Synod. The Charter and amendments thereto have not destroyed the Plan of Union and the two must be construed together. In construing them, the Plan of Union controls except where the action taken under the Plan of Union is in irreconcilable conflict with Charter or statutory provisions.

The concurrent resolutions of 1924 were passed by the several Synods as an amplification of the Plan of Union and are not in conflict with the Charter or statutes. The Resolutions are not opposed to public policy, good morals or good sense, but are beneficial in that they provide for a more active supervision of the interests of the University. Since the Resolutions were an amendment to the Plan of Union validly enacted, the Board validly enacted the substance thereof into a By-Law.

The Resolution of 1924 cannot be repealed by the sole action of any one Synod. Like any other contract it can only be lawfully rescinded by mutual consent of all parties to it.

In any event the Resolution was an entirety and designed for the particular purpose of securing the presence of residents of Memphis on the Board of Directors. That was the avowed and the only stated purpose and reason in adding a fourth representative for each Synod.

Therefore, the Synod of Mississippi cannot retain that part of the resolution which it now relies on and reject the remainder. If the resolution is void in part, it is void in whole, because it cannot be fairly said that the other cooperating Synods would have assented to increase the number of representatives except for the avowed purpose of securing Memphis men on the Board.

The Court, therefore, holds that the concurrent Resolutions of 1924 are valid and in force as to all four Synods, and that Dr. McIntosh has not been lawfully elected to the Board and is not a member of said Board.

That whenever four directors are to be elected by any one Synod, one of such directors must be a resident of Memphis, Tennessee, and a Presbyterian who has been recommended or nominated by the Board of Directors of Southwestern.

That any such Synod shall act upon such recommendation in good faith and be guided by same; that if the name so recommended shall be unsatisfactory to the Synod, the latter shall request a further nomination, or further nominations until the name of one satisfactory to both the Board and the Synod be obtained and thus nominated and elected.

If no one be nominated by the Board, the Synod shall elect one from Memphis of its own selection.

By the cross-bill, defendants seek a declaration of rights against the Synod of Mississippi in reference to the form of acceptance which the individual must sign before he will be declared by the Mississippi Synod to be a duly elected director.

The cross-bill is resisted by demurrer.

The substance of the demurrer is (1) that the cross-complainants have no interest in having the agreement declared void; (2) that no other party is affected by said agreement except the Mississippi Synod and the director or directors elected by it, and (3) because the form of acceptance is valid.

The first two grounds are the same in substance. The argument of the cross-defendants is that the Synod has the right to lay down certain procedural steps designed to ascertain the views of the person about to be elected a director as to orthodoxy and as to keeping Southwestern in harmony with the rules and doctrines of said Synod; that this is of no concern to the Board of Directors.

That no present case or controversy is yet shown to exist but that the cross-complainants state only what they fear may happen in the future.

The declaratory judgment statute has been construed in a number of cases. It is useless to review all of them, because there is a clear statement in

Miller v. Miller, 149 Tenn., 463, 487.

which involved the right of a testator's widow, who was executrix, and of his adult children to have the will construed in reference to a clause giving the widow the right to sell land for the use and benefit of herself and children, the bill being brought against a minor child as defendant.

Several prospective purchasers had questioned her power to make title, although no purchaser of that sort was presently involved. Held, a proper case was presented for a declaratory judgment.

The Court said:

"It follows from the foregoing authorities, that the only controversy necessary to invoke the action of the Court and have it declare rights under our declaratory judgment statute is that the question must be real and not theoretical; the person raising it must have a real interest, and there must be some one having a real interest in the question who may oppose the declaration sought. It is not necessary that any breach should be first committed, any right invaded, any wrong done. The purpose of the Act, as expressed in Section 12 thereof, is to 'settle and to afford relief from uncertainty and insecurity with respect to rights, status and other legal relations; and is to be liberally construed and administered' ".

The first case of

Cummings v. Shipp, 156 Tenn., 596.

was dismissed solely for the reason that the County Judge and the County Trustee had no adverse interest, both being interested in the collection of revenue under the revenue statute and the State's Attorney General had not been made a party as required by Section 11 of the Declaratory Judgment Statute.

But this defect was cured in the later case in 158 Tenn. 526 by making the Attorney General a party.

If the rights of the other Synods or the Corporation are affected by this Form of Acceptance, then we have a justiciable controversy.

What effect, if any, does the Form of Acceptance have on the rights of any of the cross-complainants?

Southwestern is a corporation under the patronage of the Presbyterian Church in the United States and in this relation of patronage the four Synods act for said Church and in such capacity have the right to elect each an equal number of directors.

These directors then become the managing Board of the corporation.

The Plan of Union provides that the "sole government" of the Corporation shall be in the hands of a directory.

The unreported opinion of 1904 uses the word "government."

The Act of 1923, Ch. 98, and the Amended Charter of 1924 provide *** however, the "administration of the affairs" of the corporation shall be "solely and supremely" in the Board.

It is urged that the directors have nothing to do with the policy of the institution and I infer from the argument that cross-defendants would confine their authority to the business affairs of the corporation.

Yet, I am unable so to limit the language as to draw a distinction between the business affairs and the religious affairs or questions of religious and ethical policy under the words "government" or "administration of affairs."

The Synods themselves through the years have construed the language in the broadest sense and that is very persuasive.

As I view these words they commit to the exclusive control of directors everything relating to the University except changes in the compact between the Synods called the Plan of Union.

The ultimate control is, of course, in the patronizing Synods but it is indirect rather than direct and is accomplished through the ballot in the election of directors every four years. That is, a director who does not please the majority of the electors of his Synod will not be returned to office.

It is urged that since each Synod elects independently an equal number of directors, the director is the agent of the Synod which elected him, that the Synod has a right to prescribe his actions as a director, and that it has the right to provide for his recall before the end of his term, which is fixed at four years by the Concurrent Resolutions and By-Law.

This position is based upon the language of the Charter providing that the several Synods shall each elect its own "representatives." From this it is argued that a representative must do nothing contrary to the rules and regulations of the Synod which elected him.

Now, suppose that each Synod should prescribe a set of rules for the government of the University in conflict with the rules of each of the other Synods. How could the Board of Directors ever function as such under these circumstances? If their discretion is controlled in advance by their respective Synods, then how can it be said under any corporate concept that the Board is acting for the Corporation? In fact there would be no exercise of discretion but an absence of it.

The Board would not be able to act at all for the corporation, because each set of members would be bound in advance, perfunctorily to vote the views of the Synod represented.

The term of directors was fixed at four years by the Concurrent Resolutions of 1924 and this was enacted into a By-Law by the Board. An attempt by one Synod to change this by requiring a director to serve at the will of the Synod which elected him is an unlawful effort to breach the mutually adopted Resolutions of 1924.

To the extent that there is, as suggested by counsel, any analogy to the Federal Government and the States, it is that the States have formed a compact called the constitution by which the government of the nation is entrusted to the three branches, executive, legislative and judicial, all working towards the end of governing the United States. The States have no hand directly in governing the United States.

Yet a change in the constitution or plan of union may be effectuated only by concerted action of the several States.

The States and the people thereof do, however, govern the United States indirectly by the ballot in national elections.

Now suppose that the State of Tennessee should require a Congressman elect, as a condition of complete election, to sign a form of acceptance pledging himself to support the Constitution and the laws of the United States as interpreted by the State of Tennessee and agreeing to a tenure of office at the will of the State.

Conceding him to be a "representative" from and of Tennessee, would such a pledge be valid and amount to nothing more than an expression of views or a part of the internal election machinery of Tennessee? Clearly, no.

Would such a pledge affect the rights or be a threatened invasion of the rights of the United States? Clearly, yes.

Now, the obvious design and effect of this Form of Acceptance is to enable the Synod of Mississippi to exert a direct control over the government of the corporation by hamstringing the directors it elects to the Board.

It is an effort by that Synod to travel by exclusive and independent action instead of by cooperative action with the other Synods.

Both purposes are contrary to the Plan of Union of the Synods and the Charter of the Corporation and to the previous conduct of all the Synods throughout the history of the existence of Southwestern.

The Court, therefore, holds that said Form of Acceptance is void, the demurrer is overruled and the cross-bill sustained and decree on the bill and cross-bill accordingly. Complainants will pay costs.

Chancellor

March 15, 1938

C O P Y

THE SYNOD OF MISSISSIPPI ET AL)
V.) Shelby Equity
SOUTHWESTERN, A CORPORATION, ET AL)

OPINION

The complainants are the Synod, the governing body of the Presbyterian Church of Mississippi, and W.H. McIntosh, J.B. Hutton, and R.W. Hardy, the Synod's appointees on the Board of Directors of Southwestern University. The defendants are Southwestern, a corporation organized under the laws of Tennessee as educational institution, the officers and directors of the corporation, and the Synods of Tennessee, Alabama, and Louisiana.

The prayer of the bill is for a declaratory judgment that the Synod of Mississippi has a right to appoint four persons of its own choice as members of the Board of Directors, and that the action of the Board of Directors in refusing to recognize the appointment of Dr. W.H. McIntosh as a member of the Board was illegal, and that by decree Dr. McIntosh be declared a member of the Board. Upon answer filed as a cross bill defendants seek a declaratory judgment that the form of acceptance exacted by the Synod of Mississippi of its appointees on the Board is void.

Southwestern Presbyterian University was incorporated under chapter 142, Acts of 1875, as the result of a plan formulated by a synodical conference in 1873. By a provision of the statute which was omitted from the charter, the incorporators became the first Board of Directors. This provision of the charter was waived. The plan of union was adopted by a by-law and by arrangement the patronizing Synods were authorized to control the corporation through appointment of directors of their own choice. The plan then adopted continued even after the enactment of chapter 6, Acts of 1895, which expressly empowered the patronizing Synods to elect the Board of Directors.

In 1905 in a litigation between the corporation and the Synods involving removal of the University from Clarksville, Tennessee, to Atlanta, Georgia, this court decreed that the University was under the patronage of the Presbyterian Church in the United States, and that in this relation of patronage the Synods acted for the church and could each elect two directors according to the plan of union originally adopted. Whether the conclusion of the court rested upon the fact that the original plan of union was a by-law of the corporation or that the corporation and all laws under which it was created was subordinate to the plan of union because of the right of the Synods as patrons to exercise the power of control is not determinable from the decree, which was entered ten years after passage of chapter 6, Acts of 1895. That Act expressly empowered the Synods to elect the directors.

Such was the uncertain legal status of the governing boards of the institution when, preliminary to the removal of the University from Clarksville to Memphis, the charter was amended under chapter 98, Acts of 1923. Upon acceptance of the charter as amended under that Act, the relation of the corporation to the Synods rested no longer upon uncertain reliance upon collateral agreements, custom, or the right of the patron to control the institution.

The charter applied for under chapter 98, Acts of 1923, and approved and accepted by the Synods and by Southwestern, superseded all contrary and antagonistic laws and customs. Under the charter as amended, power was expressly given the Synods to elect the directors and fix their number. Under the plan of union and the first charter, each Synod elected two directors. Under the amended charter, which was approved and accepted by the Synods and by the corporation, membership of the board was fixed by the Synods at three from each Synod. But in 1924, upon overture by the Board of Directors, the Synods, by separate but concurrent resolutions, increased the directors from three to four for each Synod, one of which should be a resident of Memphis, a Presbyterian, and a person recommended by the Board of Directors.

In 1931 the Synod of Mississippi repudiated that part of the concurrent resolution providing that the fourth member should be a resident of Memphis and that in his selection, the Synod should be guided by and act upon the recommendation of the Board of Directors. The Synod declared that all its appointees on the Board should come from **within** the bounds of the Synod, and appointed Dr. W.H. McIntosh, a resident of Hattiesburg, Mississippi. He accepted the appointment by subscribing to the Synod's form of acceptance, embodied in a resolution of March, 1933, headed "Provision for the Election of Directors of Southwestern," and which reads:

"1. Synod shall elect its director **or directors** of the Board of Directors of Southwestern by ballot, and shall define in a form of acceptance the duties of a director as agent of Synod, his election being conditioned upon his acceptance of this form.

"2. When anyone shall receive a majority of the votes cast, the Stated Clerk of the Synod shall present to him the form given herein for his immediate acceptance; and if, as, and when he shall sign the same he shall be declared elected to membership on the Board of Directors of Southwestern.

"3. Form of Acceptance, I accept the office of Director of Southwestern to which the Synod has elected me; and obligate myself to respect and obey the provisions of the Charter of Southwestern as these have been interpreted or in future may be interpreted by the resolution of the Synod of Mississippi; I recognize that Southwestern is owned and controlled by the several Synods; and that said Synods have the right to determine the policy of the school; and that only the affairs of administration have been committed to the Board of Directors. In accepting membership on the Board of Directors I agree that the tenure of my office shall be at the will of the Synod of Mississippi. As the charter provides that nothing shall be done contrary to the Constitution, Rules and Regulations of the Presbyterian Church U.S. or of the controlling Synods, I stand ready to answer affirmatively the questions prescribed for officers in the Presbyterian Church U.S. found on page 78, paragraph 148, Book of Church Order. I obligate myself to keep Southwestern in full accord with the doctrine^s and teachings of the church to which it belongs.

"4. The foregoing election and acceptance, officially certified by the Moderator and by the Clerk of Synod, shall constitute an election to membership on the Board of Directors of Southwestern without any action from the Board of Directors of Southwestern or any other body."

The Board of Directors refused to receive Dr. McIntosh as a member because he had not been recommended for appointment by the Board and was not a resident of Memphis. The legality of the McIntosh appointment and the proceedings of the Synod of Mississippi repudiating the resolution increasing the number of directors of each Synod from three to four raised the questions upon which the parties by their pleadings sought a declaratory judgment.

The chancellor decreed under the prayer of the bill (1) that the concurrent resolutions of the Synods of 1924 amplifying the plan of union was binding upon all the Synods until modified or abrogated by their mutual consent. (2) That the by-laws of Southwestern embodying the substance of the concurrent resolutions of 1924 were valid and binding upon all members of the corporation until amended or repealed in the manner provided by organic law of the corporation. (3) That Dr. W.H. McIntosh being a resident of Hattiesburg, Mississippi, and not a person recommended by the Board of Directors of Southwestern for election as the fourth director of Southwestern from the Synod of Mississippi is not qualified to hold the office and as such could not participate in proceedings of the Board of Directors. (4) Upon the cross bill the chancellor decreed that the form of acceptance above quoted was contrary to public policy and void.

Complainants appealed and insist that the decree of the chancellor is erroneous and contrary to powers conferred by the statute and by the charter upon each of the patronizing Synods.

As before stated, all antagonistic provisions of the original charter, the plan of union, and by-laws were superseded by the charter as amended under chapter 98, Acts of 1923, and so the rights of the litigants must be determined by reference to the charter as amended and by subsequent acts of those exercising power under the charter.

In addition to conferring upon the Synods the power to fix the number of directors, prescribe the terms of their office, elect their successors and fill vacancies, chapter 98, Acts of 1923, which is read into the charter, expressly, and apparently with emphasis, declares that the Synods shall have equal representation numerically upon the Board of Directors, and shall each have the right to elect its own representatives on the board. The Synods are separate entities. Therefore it must be implied that the power given them by statute to fix the number of directors means that they shall do this by joint or concurrent unanimous action, subject to change only by similar concurrence. By concurrent resolutions the Synods increased the number of directors from three to four from each Synod and provided in the resolution that one of the four directors should be a resident of Memphis and a nominee of the Board of Directors.

There is no limitation in the charter upon the power of the Synods, by concurrent and unanimous action to prescribe the qualification of directors, by reference to residence or church affiliation.

The Synod of Mississippi, after joining in the concurrent resolution to add the additional director and prescribe his qualifications by reference to residence and church affiliation, could not assert the right to appoint this additional member and at the same time repudiate or reject so much of the resolution as prescribed the qualification of such member. We therefore concur in

so much of the chancellor's decree as declared Dr. W.H. McIntosh ineligible to membership on the Board of Directors because he was not a resident of Memphis. But we do not concur in the declaration contained in the decree that Dr. McIntosh was ineligible because not a nominee of the Board of Directors.

When the charter and the statute under which it was granted are considered together, and in connection with the objects designed by enactment of the charter act, it is plainly apparent that the Synods are given exclusive power to appoint the directors who, after appointment, become directors of the corporation clothed with exclusive power over all matters of administration for the term fixed by concurrent action of the Synods.

The provision in the concurrent resolution, increasing the directors from three to four by each Synod, that in making the appointment the Synod shall be guided by and act upon the recommendation of the Board of Directors of Southwestern contravenes the provision of the statute which provides that the Synods shall have equal representation numerically upon the Board of Directors, and shall each have the right to elect its own representatives upon the board. The power thus conferred upon each Synod could not be legally assumed by the Board of Directors nor could it be delegated by the Synods, and the illegal delegation or surrender of the power by the Synods jointly cannot be enforced against the will of the Synod of Mississippi. But the Synod of Mississippi can only appoint directors. It cannot control their tenure of office or their exercise of discretion.

We concur in so much of the chancellor's decree as declares that the Synod of Mississippi cannot legally control, by resort to the form of acceptance heretofore quoted, the exercise of discretion or judgment of its appointees on the Board of Directors and cannot by such method limit the tenure of a director or make his election dependent upon a contingency. A declaratory judgment will be accordingly entered.

The costs will be taxed equally against the complainants and the defendants.

Cook, J.

THE SYNOD OF MISSISSIPPI ET AL :
 :
 V. : Shelby Equity
 :
 SOUTHWESTERN, A CORPORATION, ET AL :

This cause was heard upon the transcript of the record from the Chancery Court of Shelby County and upon the assignments of error, briefs and argument of counsel, to determine questions presented by the pleadings. By its bill, the complainant sought a declaratory decree that the Synod of Mississippi has a right to appoint four persons of its own choice as members of the board of directors of Southwestern, and that the action of the board of directors in refusing to recognize the appointment of Dr. W.H. McIntosh as a member of the board was illegal. By the cross bill the defendants asked for a decree declaring void the form of acceptance to appointment on the board of directors exacted by the Synod of Mississippi of its appointees on the board;

And thereupon the Court decreed:

(1) That so much of concurrent Resolution Number 11, passed by the synods in 1924, as increased the directors from three to four to be elected from each synod, and so much of said resolution as prescribed their qualifications by reference to residence and church affiliation, is valid; but so much of said resolution as surrendered the power to the board of directors of Southwestern to nominate the additional member provided for therein is void because unauthorized by and contrary to the charter and the charter act, Chapter 98, Acts of 1923, which must be read into the charter and which expressly declares that the synods shall have equal representation numerically upon the board of directors and shall each have the right to elect their own representatives on the board.

(2) The synods are clothed with exclusive power to appoint members of the board of directors for reasons stated in the opinion of the Court, but the synods cannot, by resort to the form of acceptance copied into the opinion, control the exercise of discretion or judgment of members of the board after their election by resort to resolution providing for termination of their tenure of office, or make the election of directors dependent upon a contingency, as attempted by the resolution of the Synod of Mississippi passed in March, 1933, which is copied into the opinion, and said resolution is void.

(3) Dr. W.H. McIntosh is not entitled to a seat upon the board as a fourth member from the Mississippi Synod because not a resident of the City of Memphis, residence there being a qualification prescribed by the concurrent resolution of the synods which provide for the election of the fourth member of the board of directors from each synod.

It is adjudged that the costs be taxed equally against appellants and appellees, for which execution may issue.

OFFICE OF CLERK OF THE SUPREME COURT

For the Middle Division of the State of Tennessee

I, DAVID S. LANSDEN, Clerk of said Court, do hereby certify that the foregoing is a true, perfect, and complete copy of the Decree of said Court, pronounced at its December term, 1938, in case of Synod of Mississippi, et al against Southwestern, a Corporation, et al, as appears of record now on file in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of the Court, at office in the Capitol at Nashville, on this, the 7th day of January, 1939.

SEAL

(Signed) David S. Lansden, Clerk

C O P Y

IN THE CHANCERY COURT OF SHELBY COUNTY, TENNESSEE

PART I.

THE SYNOD OF MISSISSIPPI of the
PRESBYTERIAN CHURCH in the United
States, etc., et al.,
Complainants,

-vs-

SOUTHWESTERN, A Corporation Organ-
ized under the Laws of the State of
Tennessee, etc., et al.,

Defendants.

No. 41883 R. D.

F I N A L D E C R E E

This cause coming on this day to be heard upon the original bill for a declaratory judgment filed by complainants, the answer and cross-bill of defendants, the demurrer of complainants to so much of the answer of defendants as was filed as a cross-bill the disposition of which demurrer was expressly reserved for final hearing, the answer of complainants to said cross-bill, and upon the agreed statement of facts and exhibits thereto; upon consideration whereof and of the oral argument and briefs of counsel, the Court is of the opinion set forth in the written opinion filed in this cause and now a part of the record. Accordingly, the Court now finds and adjudges that all parties have real and substantial interests in the subject matter of the suit but that complainants are not entitled to the relief prayed for in their original bill, and further that so much of the answer of defendants as is filed as a cross-bill should be sustained and the relief therein prayed for granted, and that the demurrer of complainants thereto should be overruled;

It is further ORDERED, ADJUDGED and DECREED that the Concurrent Resolutions of 1924, mentioned in the pleadings and in the opinion of the Court, adopted unanimously by the Synods of Tennessee, Mississippi, Louisiana and Alabama of the Presbyterian Church in the United States, amending and amplifying the Plan of Union originally adopted in 1873 by all of the then cooperating Synods, is valid, in force and binding upon the four Synods aforementioned; that said Concurrent Resolutions can be modified or abrogated only by the unanimous consent of the Synods originally adopting the same; that said Concurrent Resolutions were adopted and have been regarded by said Synods as an entire contract not divisible into parts; that, in accordance with said Concurrent Resolutions, each Synod in electing its fourth Director upon the Board of Directors of Southwestern must choose as such fourth Director a resident of Memphis who is a member of the Presbyterian Church in

the United States and in electing such fourth Director each Synod, including the Synod of Mississippi, must be guided by and not upon the recommendation of the Board of Directors of Southwestern; that each Synod when electing its fourth Director shall act upon such recommendation of the Board in good faith and be guided by the same; that if, acting in good faith, such Synod deems the recommendations made by the Board unsatisfactory it shall request a further recommendation from the Board, and so on until a recommendation satisfactory to both the Synod and the Board is received, and such person so recommended by the Board shall be elected by the Synod as its fourth Director. In the event the Board shall fail or refuse to make a recommendation to any Synod for the office of fourth Director from that Synod, such Synod may proceed to elect a fourth Director without such recommendation, but nevertheless the Synod must elect for that office one who is a resident of Memphis and a member of the Presbyterian Church.

It is further ORDERED, ADJUDGED and DECREED that Article I, paragraph 2 of the By-Laws of Southwestern embodying the substance of said Concurrent Resolutions of 1924 is valid and binding upon all the members of said corporation until amended or repealed in the manner provided by the organic law of said corporation.

it is further ORDERED, ADJUDGED and DECREED that complainant W. H. McIntosh being a resident of Hattiesburg, Mississippi and a person not recommended by the Board of Directors of Southwestern for election as fourth Director from the Synod of Mississippi in 1935, is not therefore qualified to hold that office and his election thereto by said Synod for the term 1935-1939 is invalid, ineffective and void and he is not a member of said Board by virtue of such election and is not entitled to be seated as such member or to participate in the deliberations of said Board and that said Board acted lawfully in refusing to seat him and in refusing to permit him to act as a Director.

it is further ORDERED, ADJUDGED and DECREED that the Form of Acceptance mentioned in that part of the answer of defendants filed as a cross-bill, which the Synod of Mississippi requires all persons elected as its Directors on the Board of Directors of Southwestern to sign and subscribe to as a condition of their receiving the credentials of their office, is contrary to public policy, unlawful, void and of no effect and does not bind the Directors who have signed it or impair or qualify their power and duty to perform their functions as Directors in good faith and in the best interests of defendant Southwestern, as provided by law.

It is accordingly ORDERED, ADJUDGED and DECREED that complainants' original bill herein be and the same hereby is dismissed, that complainants' demurrer to so much of the answer of defendants as was filed as a cross-bill be and the same hereby is overruled and disallowed and that said cross-bill of defendants be and the same hereby is sustained.

All of the costs of the cause are taxed against complainants and the sureties on their prosecution bond, for which let execution issue as at law.

To all of which action of the Court complainants by counsel then and there duly excepted and prayed an appeal to the next term of the Supreme Court of Tennessee at Nashville, which appeal is granted upon complainants giving a bond with good and sufficient sureties conditioned as provided by law.