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Rich Harvests from Seeds Well Sown

University Trusts

By LOUIS T. GRIFFITH*

THE story of trust funds at the University of Georgia, typical of those at universities throughout the country, is a record of bountiful returns from seeds skillfully planted and tended. A steadfast belief in the future, an awareness that state education demands help and active support from individual citizens, and a sensitivity to the needs of the individual in his pursuit of higher learning have played their part in the production of invaluable gifts. From funds large and small but all quietly increasing, a total University endowment and loan fund of over two and one half million dollars today represents the carefully planned beneficence of a large number of donors.

A wise head and far-seeing eye led a University professor in the nineteenth century to set up a plan which, in the course of about one hundred years, will have transformed a small trust fund of a few thousand dollars into well over a quarter million. Charles F. McCay had a stormy career as professor at the University from 1833 to 1853. In 1839, students entered his quarters, appropriated his books, papers, and clothing and consigned them to a bonfire. The incident stirred a controversy in the course of which Professor McCay challenged a townsman to a duel. Though the duel was not fought, McCay's challenge was nonetheless a breach of state law, and there were those who thought he should resign. He did submit his resignation, but the Trustees failed to accept it, and he continued his work at the University until 1853, when he moved to Columbia, South Carolina, where he became in a few years president of South Carolina College. Later, he went into the insurance business in Augusta, and finally moved to Baltimore, Maryland. From there in 1879, he advised that he wished to set up a trust for the University.

"Well versed in mathematics and insurance statistics," McCay an-

*Information upon which this article is based was obtained from the office of Mr. J. D. Bolton, Comptroller of the University of Georgia. The writer is indebted to Mr. Bolton and to Mrs. Guy Hancock, of the Trust Fund department, for their untiring cooperation in making available facts and figures, and in compiling and explaining data.

nounced that he had \$7,000 in railroad bonds, to be used as a nucleus for the fund. He wished the Trustees to accept his gift, and from time to time to collect the interest, and, of course, the principal when due. Interest was to be re-invested annually or semi-annually, and when the principal was collected, it was to be invested in bonds of the state of Georgia, or in bonds of the city of Augusta or Savannah.

John A. Gresham and J. A. Billups, acting as a committee for the Trustees, calculated that McCay's gift, administered according to his wishes would almost triple itself in a period of fifteen years. His initial gift would produce \$8,000 in interest, compounded semi-annually, in a short while, and in a day of expanding enterprise and high interest rates, the principal could be expected to reach \$20,000 by 1895!

The only thing that seemed to arouse apprehension on the committee's part was the time element involved in the use of the trust. Mr. McCay stipulated that no part of the accumulating fund was to be used until the expiration of a twenty-one year period after the death of the last of twenty-five persons named in his will. Most of the people named were grandchildren of the donor, his immediate family, and friends. In accepting the trust, the committee reported to the Trustees, "It may be proper to add that the scheme of the donor seems to contemplate the accumulation of this fund for about one hundred years, and after all our arguments and persuasions, he could not be induced to change his purpose."

McCay was faithful to his purpose, and today, the University has a fund in his name which on June 30, 1950, amounted to \$267,750.99, and the trust is still accumulating, according to the provisions set by the donor.

Several years ago, an elderly woman, introduced to the late Registrar of the University, Mr. T. W. Reed, as Mrs. Mark Sullivan, of Washington, D. C., fell into a discussion with him concerning the status of the McCay Fund. In the course of conversation, the Registrar alluded to the provisions concerning use of the funds only upon the lapse of twenty-one years following the death of the last person on the donor's list. "Yes, I know," said Mrs. Sullivan, pointing her finger at the name, Mary M. Buchanan, which led the list. "That was I."

Whereupon, the story goes, "Uncle Tom" bowed deeply in his courtly manner and assured his visitor, "Madame, I wish for you a life of immortality."

Mrs. Sullivan has since died, but as for the remainder of the persons named, the University does not know. In 1934, Mrs. Sullivan

wrote Comptroller J. D. Bolton that she was, she knew, the youngest person named in her grandfather's bequest, that she had been only a few months old at the time the trust was established. She also advised that the next youngest on the list were two kinsmen some "four or five years older" than herself. Since Mrs. Sullivan's death, Mr. Bolton has been in correspondence with her daughter, who writes that she has an infant daughter who probably one day will be a student at the University.

It is reasonable to suppose that in twenty or twenty-five years, the University may avail itself of the income from the McCay Fund. According to the terms of the trust, the Regents "shall use the interest or dividends therefrom for the payment of salaries of professors or lecturers in the University of Georgia, residing at Athens, Georgia, where the University is located."

Early estimations set the total value of this trust by the time it becomes available at \$2,000,000, but the day when such funds could be expected to produce six and eight per cent interest has passed. A time came when the principal of the McCay Fund had to be re-invested, and it was put into government securities. But, even at a nominal rate of interest, the trust will provide a substantial supplement for the item of *faculties* in the University's budget.

Shortly after McCay established his remarkable trust, Governor Joseph E. Brown set up a student loan fund which has served as a model for many similar funds which have followed. The trust originated as a memorial to the governor's deceased son, Charles McDonald Brown.

Governor Brown proposed a gift of \$50,000 in cash to be exchanged for state bonds bearing seven per cent, compounded semi-annually, to mature in fifty years. Brown announced his wish to establish the fund, and the Board of Trustees accepted in 1882, but consummation of the contract was contingent upon the action of the Georgia Legislature at its next meeting. The donor had specified that the Assembly should provide for receiving the fifty thousand dollars into the Treasury, which would then issue the bonds. The Legislature met in November, 1882, but no action was taken on the proposal. Early in 1883, advising the Trustees that their contract might be considered void through failure of the Assembly to act, Brown indicated his desire to carry through with his plans by purchasing bonds which matured in April, 1883, for presentation to the University.

Establishment of this particular fund was the subject of elaborate documentation. Governor Brown was imbued with the importance

of higher education, and with the importance of its support. Specific rules were carefully worked out for the administration of the scholarships.

Worthy students were to be aided to a maximum of \$200 per year, and qualified applicants were to have access to funds at the rate of four per cent. The amount granted was to be loaned in monthly increments. Annually, one thousand dollars of the income was to be set aside for student aid at North Georgia Agricultural College, Dahlonega. Brown, born in South Carolina, specified that boys from three South Carolina counties, Oconee, Pickens, and Anderson, as well as boys from the northeast Georgia counties, Rabun, Habersham, White, Lumpkin, Dawson, Forsyth, Cherokee, Murray, Gilmer, Pickens, Fannin, Union, and Towns, were to be eligible for the Dahlonega scholarships.

Each of Brown's four sons, as long as each should live, was possessed of the privilege of naming a student annually to receive benefits from the fund. The Brown Fund matured in the mid-thirties, and the principal which began at \$50,000 today amounts to more than \$517,800. It is estimated conservatively that \$250,000 has been loaned to students out of this fund, and since loans ranged from \$10 to \$150, a guess, based on very incomplete records, would place the number of students aided at a figure close to 3,500—including both University and Dahlonega students.

There is, at the present time, an amount of about \$34,000 outstanding in student loans against the Brown Fund. While the income from this fund has served students well, portions of the principal through skillful application have served the University at large by providing funds to build Joe Brown dormitory, and to add wings to Milledge Annex and Clark Howell dormitory.

While McCay and Brown made their gifts in money, they were not the first to contribute to the material support of the University of Georgia. In July, 1801, the institution was the recipient of the Governor John Milledge Donation, a gift of 633 acres of land "lying and being on the south side of the north fork of the Oconee river, adjoint to the Cedar Shoals therein the county of Jackson, in the said State." The tract was presented to the University by ". . . said John Milledge from his desire of promoting the interest of the said University." Of "his good will and mere motion," he agreed to the gift. The "true intent and meaning of the donation" was that of "fixing and establishing the University . . . on the tract herein before recited, and for that purpose only."

Receipt and use of Governor Milledge's gift had an unusual sequel. In 1855, Judge Joseph Henry Lumpkin, then chief justice of the Supreme Court of Georgia, submitted a resolution unanimously approved by the Trustees that it was their "privilege and high duty" to tender the grandsons of Milledge a college education, free of tuition and board. Of four grandsons, only one was inclined to accept the offer, but before the time came for him to enter the University, he joined the Confederate Army. Following the war and reconstruction days, the Trustees renewed their offer, but Richard Milledge felt that he had passed the stage in life when he desired a college education; so the parchment scroll, presented by the board to his mother, was not used.

Almost sixty years passed, and then one day in 1931, Mrs. Rosa Milledge Patillo, daughter of Richard Milledge, and great-granddaughter of John Milledge, presented the parchment scroll to the chancellor of the University. Her son and daughter, Emory Moss Patillo and Katherine Milledge Patillo, received the scholarships, first tendered three quarters of a century before, in appreciation of their great-great-grandfather's generosity.

In 1854, the year before the Trustees offered their resolution to the Milledge family, Dr. William Terrell, Hancock County, had entered into correspondence with the Board to offer \$20,000 to Franklin College. Dr. Terrell wrote that it was his desire to provide compensation for a professor who would deliver a course of lectures "on 'Agriculture as a Science; the Practice and Improvement of Different People; on Chemistry and Geology, so far as they may be useful to Agriculture; on Manures, Analysis of Soil and Domestic Economy, particularly referring to the Southern States'; the lectures to be free."

Dr. Terrell felt that in the development of agriculture, the United States lagged "far behind most of the States of Europe; and the Southern states with the advantage of soil and climate, much more so than the Eastern and Northern. The best form of government for a country, where a system of agriculture prevails that is constantly tending to impoverish the soil, cannot long sustain a thrifty population or be able to defend itself. The people of the Southern States," he said, "must find the means of preserving their lands from destruction of bad tillage, which is so strikingly observable in every part of the country."

It was the doctor's desire to do something about the matter through educational opportunity, and a "select committee" from the Trustees reported at a meeting of the board that "The munificent liberality, genuine patriotism and clear discernment of the great want in the sys-

tem of education pursued in the Southern States, of this Confederacy, entitle the donor to the two-fold tribute of gratitude and admiration from the Board honored by the administration of a great and beneficent public trust."

The committee waxed poetic over what it considered a "manifestation of enlightened public spirit, unprecedented in the history of Georgia, and we believe we may safely add, in the Southern States. It is seed sown which shall yield to the people of Georgia harvest after harvest, in coming years. It brings science to the help of agriculture, the great industrial pursuit of our people, giving promise of reclamation to waste lands, fertility to exhausted soils and a new impetus to southern enterprise."

The Trustees were urged to make "an immediate, though adequate acknowledgment of this great boon, and prompt measures to make it available." A six-point resolution expressed "abiding gratitude" for the "munificent donation," established the professorship, set forth the duties of the professor, and declared that "said professor shall not be subject to perform police duty in the institution." The resolution further proposed the election of Dr. Daniel Lee, whose name had been suggested by Terrell, as the first Terrell Professor.

Today, almost a century later, the Terrell Fund is still in operation, and although its principal is but \$21, 066.12, its income continues to endow a professorship.

While the Hancock County citizen was concerned with application of science to agriculture, George R. Gilmer, former Georgia governor, and a resident of nearby Oglethorpe County, in 1884 left properties for use in educating elementary school teachers. In his will, he provided that "all property not disposed of by the above clause . . . to wit, my lands, houses and lots in Lexington, and all notes and bonds which belong to me, I give and devise to form a perpetual fund for educating teachers of reading, writing, and arithmetic, or to otherwise increase the qualifications of the school masters of Georgia for properly instructing children of the State."

Governor Gilmer, who had been the speaker at the semi-centennial celebration of the University in 1851, committed disposal of the annual proceeds from the said trust funds to his friends, Asbury Hull, Lewis J. DuPree, Benjamin F. Hardeman, Adam Alexander, Robert Toombs, and Alexander H. Stephens. Fifteen thousand dollars constituted the original amount of the trust, which today is available to the various branch colleges on a basis of the proportion of students en-

rolled for preparation as teachers of reading, writing, and arithmetic. The total amount of the fund is \$15,747.13.

Throughout the past century in the history of the University, not only individuals, but families, corporations, and even municipalities have contributed to the material support of the institution. In February, 1873, the city council of Athens passed an ordinance calling a \$25,000 bond issue for construction of a building for the State College of Agriculture and the Mechanic Arts. The issue was voted, the General Assembly approved, and Moore College was built.

Family ties have been a strong influence with individuals and families who have established trusts at the University. In 1898, Brantley Astor Denmark, as a memorial to his first son, William Stark Denmark, set up a fund of \$3,000 to be used for student loans; once the annual income reached \$300. Reflecting warm understanding for human weakness, the donor requested that "should any of the boys or girls, whom it has been my pleasure and good fortune to be able to help in obtaining an education, be indebted to me on this account at the time of my death, he or she so inherited shall never be sued or pressed . . . I want each . . . to pay when he or she is able to do so, but the time of such payment must be left to the honor and gratitude of the debtor. An inability to pay must not, however, be looked upon as an act of ingratitude. Honest men cannot always pay honest debts. Not many of us are free from unrequited obligations."

Additional funds came to the University upon the death of Mr. Denmark, and today a fund which began as a memorial to his son has become a joint memorial to son and father, with an accumulated corpus of \$40,459.95.

As Denmark was prompted to memorialize his son, William Terrell Dawson named his father in a memorial fund to promote agricultural education. His father, Edgar Gilmer Dawson, had been a member of the class of 1849 at the University. In 1926, the University received \$130,000 from the Dawson estate. Part of the estate consisted of ground rents in Baltimore, Maryland, handled for the University for a while by the donor's brother.

Since receipt of the Dawson Fund, thirty-nine home economics and 4-H clubs scattered over Georgia have made donations for student loans in the School of Home Economics and the College of Agriculture. These loan funds have been supplemented from the Dawson Fund, which today stands at \$316,708.12.

The love of an adopted son of Georgia for his chosen state led Mrs.

Lois Churchill and her niece to establish a \$15,000 A. F. Churchill Memorial Fund, in memory of Mrs. Churchill's husband, a native of Yarmouth, Nova Scotia, who had spent a large part of his life in Savannah. The donor requested that ten per cent of the income of the fund each year be added to the corpus, and that ninety per cent of the income be "applied, devoted, expended and/or loaned in aid of such worthy and needy young men and/or young women, who are natives and residents of Georgia, and who are seeking education in some branch or department of the University of Georgia, other than the Law School. . . ."

Charles F. McCay was not, by any means, the only member of the University faculty who has expressed his affection for the institution and its heritage through a trust. In 1923, Mrs. A. H. Moon wrote to "Uncle Dave" Barrow, chancellor, enclosing a check and the will of her late husband, who had been a faculty member. She wrote that among her husband's last words had been his admonition to remember his love for the school, and his wish for its welfare. In his will were provisions for a gift of money to the University.

"It was the opinion of the committee that this will expressed so lofty a sentiment that its publication would do much good," and Mrs. Moon was requested to grant her permission for its publication. Mr. Moon had set aside two thousand dollars for two loan funds, one in honor of his wife, and one in memory of his father and mother. "I desire," he wrote, "that the . . . two thousand dollars of this insurance be conveyed to the University of Georgia to whom next to my mother and wife I owe all things."

Professor W. H. Bocock, another faculty member, with a donor "who wishes to remain anonymous," established a fund for extension of University facilities through purchase of books on international affairs. A small fund, the corpus is augmented each year by twenty per cent of its income, with eighty per cent being expended for books to be marked "In Memory of the Alumni of the University of Georgia, who served in the Great War." The Regents named the fund for Professor Bocock.

An understanding of students and student problems led Professor Robert E. Park in 1913 to propose the establishment by the students themselves of a loan fund. Professor Park, for many years head of the English department, had noticed that in many cases ambitious students almost at the end of their college work were forced to give up because of financial difficulties. His discussion of the situation with

sympathetic students brought from students themselves, in the course of several years, \$650. This fund today stands at \$1,843.84, a testament to a professor's interest in his students, and a record of students' interest in each other.

In 1943, friends, faculty and students of the art department, and Athens artists worked together to start a fund for advancement of art at the University. Joining talents and forces, they donated work for an art sale, proceeds of which were the beginning of the fund. Since that time, the University's annual art auctions have provided an interesting and colorful experience for the community, and more important, they have produced material results to swell a fund which the original donors, the faculty and the students of the art department desired to be used for the establishment of a permanent collection of art. In stating their desire for a collection of art, the original donors declared, however, that it was not to be construed as a request binding the discretion of the committee administering the fund.

Students, graduates, and alumni of the landscape architecture department began the accumulation of a fund in 1946. Two years later, more than five hundred dollars was turned over to the Comptroller for a Landscape Architecture Student Loan Fund.

These and other such funds offer tangible evidence of the love and esteem of many a nameless donor, who, no matter what his contribution, feels that he is doing something personally for his Alma Mater. Such a sentiment was voiced by Harold Hirsch, who in 1934 wrote to President S. V. Sanford:

"Just twenty years ago, Mr. Arthur Clark, a graduate of the University of Georgia, was endeavoring to raise money for the University . . . by having graduates . . . take out insurance policies. The twenty years have hurriedly passed by. Arthur Clark was in my office today and he tells me that I was the only one who took out a policy . . . an endowment policy for \$1,000, and it has now matured. I am enclosing herewith check for \$1,011.04 which represents the proceeds of this policy that I took out twenty years ago. The only limitation on it is that it be used for the benefit of my University of Georgia. . . ."

By no means have individuals alone been sensitive to the importance of endowment of higher education. The Georgia D.A.R. has established a number of student loan funds, while various other groups, too numerous for listing here, have presented funds to the University. To honor eleven members who lost their lives in World War II, a Sunday School class in Druid Hills established the Druid Hills Metho-

dist Memorial Educational Fund in 1947. The Georgia Bankers Association, which has been interested in club work and other phases of agricultural education, has established several loan funds at the University.

When Dr. Andrew M. Soule was president of the Georgia State College of Agriculture and Mechanic Arts, he enlisted the support of the *Atlanta Journal* in a move to raise money for revolving funds to provide loans for worthy but needy high school youngsters who wished to pursue a college education. Thirty-five such funds were set up as a result of the drive, with individuals, corporations, and civic clubs alike taking part.

In several instances, tracts of property have been turned over to the University with the stipulation that proceeds from their sale or incomes from their rental were to provide additional services for the institution. On one occasion a donor willed the University a site to be considered for the establishment of a trade school for mountain boys. In the event that the Regents felt such a plan unwise, the acreage was to be sold and the money invested. The latter course of action was considered desirable, and the James H. Hunt Loan Fund was established.

The Franklin College Fund, established soon after the University's founding, through the sale of a state land grant, was invested by Trustees in one thousand shares of the State Bank. Par value of the investment was \$100,000, with a guaranteed annual dividend of \$8,000. If the dividend fell short of this sum, then the state was to supply the deficit. The Civil War wiped out the State Bank, and its stock became valueless, but the state of Georgia continues to acknowledge its debt, and the University receives \$8,000 annually.

Although donors usually permit the Regents considerable latitude in the matter of investment and administration, most of them have provided that principals remain untouched, and they have, in many instances, requested that portions of annual income be turned back into the principals, an indication that it is to the future that they have looked, even though their gifts may have represented memorials.

The latitude in the matter of investment and administration has not always extended to the use to which the funds may be put, although frequently, donors have suggested rather than demanded certain considerations. Among the funds available for loans to junior and senior students is the DuPree Barrett loan fund for forestry majors. A paragraph of its provisions reads, "It is not a condition of this trust, but it is suggested that if practicable, each beneficiary of this fund be re-

quired to plant a tree, in memory of the donor, the location of the tree to be selected by the faculty of the Forestry School."

These and many other interesting stories may be found in the records of trusts for the University of Georgia. For many years the most informal methods were used for recording the history and administration of these funds, and there exist today a few working funds about which there is little known in relation to origin and history. Meanwhile, during the last two decades, an effort has been made to gather and record all historical data available on the various endowments and loan funds.

All trusts are handled by the Regents of the University of Georgia, through the office of the Comptroller, Mr. J. D. Bolton. An extensive ledger catalogues the funds, which range from a few hundred dollars to the quarter million dollar McCay trust, the third of a million dollar Dawson fund, and the half million dollar Brown fund. Approximately \$21,000 went out to students through this office in loans during the year 1949-50.

In addition to direct financial aid to students, these funds buy books for the library, publish results of research, aid in constructing and repairing buildings, and provide improvements for numerous groups and departments within the University, as well as for the University at large.

Comptroller Bolton reports on the basis of figures at the end of the last fiscal year a total of almost three million dollars in the various trust funds. For purposes of record, the investments are divided into two large classifications: endowments, which account for approximately two million dollars, and student loan funds, which amount to more than seven hundred thousand. The endowment figure compares favorably with that of Berry College, \$2,000,000; and Agnes Scott, \$2,655,000; but it is less than that of the University of North Carolina, \$3,851,422, and hardly approaches that of the University of Alabama, \$6,660,000, or that of the University of Virginia, \$15,030,000.

The accumulation of trust and endowment funds has taken place largely during the last three quarters of a century at the University, and there is promise that these seldom seen, infrequently heard, but very actively working funds will continue to increase. In January of this year, a \$200,000 trust was added to the University's resources, when the Sarah H. Moss Fellowship Fund was announced. The bequest consists of Athens business property, the income from which will be used to grant fellowships for professors at the University who wish to study in America or abroad. And Blue Key, honorary society at the

University, is this year redoubling its efforts to establish a scholarship for worthy students. Magazine subscriptions and proceeds from sales of the student directory are being contributed to the fund.

Magazine subscriptions or property rentals, real estate or books, dollars or bonds, they all serve to promote and sustain higher education. They all convey a spirit that somehow is timeless in an age when few things seem certain. They underscore the fact that small deeds actuated by great hearts often produce recurring and ever increasing benefits.

Ripeness is All

(a pastorate for mine-layers)

THROUGH nights of slanting rain
 Marchers are planting pain;
 Gardeners in boots
 Plant tender seeds of mines
 Where the dimmed flashlight shines,
 Nursing the wire-vines,
 Hiding the roots.

Boys in green raincoats scamper
 Where grass will soon be damper
 When ripeness murders.
 How fast the seeds grow high!
 Blossoming, towards the sky
 Pain's gaudy petals fly,
 White with red borders.

—PETER VIERECK