

BANKS:

SCHOOLS:

Board of Curators of Rolla School of Mines may withdraw cash from depository for emergency purposes and keep the same as a trust fund in a bank at Rolla, Missouri, to be re-delivered on order of the treasurer or board.

July 13, 1933 7-14

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87

Honorable A. A. Speer
Chairman Executive Committee
Rolla School of Mines,
Jefferson City, Missouri

Dear Mr. Speer:

This Department acknowledges receipt of your letter dated July 7, 1933, as follows:

"The University of Missouri has designated the Central Missouri Trust Company as depository for the Missouri School of Mines and Metallurgy at Rolla, Missouri. When the bond of the Central Missouri Trust Company shall have been approved, the funds of the institution will be deposited with it.

In order to facilitate the payment of current local bills at Rolla, we desire that the treasurer of the Missouri School of Mines and Metallurgy shall have available at Rolla not exceeding \$5,000 in cash. There is only one bank in Phelps County, where Rolla is situated, and it is under restrictions at the present time.

Can the treasurer of the Missouri School of Mines and Metallurgy legally draw funds from the depository, the Central Missouri Trust Company at Jefferson City, and leave in a special trust account with the restricted Rolla State Bank such sums as may be required from time to time to meet the local demands of the institution, these sums to be kept segregated from all other funds of the Rolla State Bank and paid only upon order drawn by the treasurer of the Missouri School of Mines and Metallurgy, without legal liability upon the treasurer or the Board of Curators?

July 13, 1933

If and when the restrictions of the Rolla State Bank at Rolla, Missouri, shall have been released, may we continue the same authority of the treasurer of the School of Mines and Metallurgy to withdraw from the depository at Jefferson City a similar amount of funds not in excess of \$5,000 for convenience in paying current local bills at Rolla?

Thanking you for the favor of your opinion, I am."

We understand from your letter it is necessary that your treasurer have cash on hand to the extent of \$5,000.00 to meet emergency payments by the Missouri School of Mines and Metallurgy at Rolla, and your depository being at Jefferson City, Missouri, and we understand that you intend to keep the identical money drawn out of your depository in vaults of the Bank of Rolla and that you do not intend to create the relation of debtor and creditor between your treasurer and the Rolla Bank, and upon these assumptions we see no reason why you can not handle the fund in the manner outlined in your letter as the Rolla Bank would simply be an institution of safe-keeping or bailee so far as you are concerned, and we do not think that such handling of the funds would change the legal liability of your treasurer or board of curators of the institution in any respect.

We suggest the following form of receipt to be taken by your treasurer from the bank:

"Received of _____, as treasurer of Missouri School of Mines and Metallurgy at Rolla, Missouri, the sum of _____ DOLLARS in cash, the identical money to be held by the undersigned bank as a trust fund and to be re-delivered upon the order of such treasurer".

Very truly yours,

GILBERT LAMB
Assistant Attorney General,

APPROVED:

Acting Attorney General.

GL:LC