

September 18 1974

Mr. H. G. Hill, Jr.
Chairman
Executive Committee
Board of Trustees
George Peabody College for Teachers
Nashville, Tennessee 37203

Re: Report of special Committee appointed to meet with representatives of parents and faculty of the Peabody Demonstration School for purposes of studying ways and means of alleviating problems related to the Trustees' action on August 29, 1974 to the effect that at the close of the 1974-75 school year, the Demonstration School would be discontinued as an integral part of George Peabody College for Teachers.

Dear Mr. Hill:

Shortly after the August 29th meeting a Committee of three Trustees consisting of Mr. Bernard Werthan, Sr., Mrs. Walter Morgan and Frank M. Harris, Jr. was appointed for the purposes stated above. The parents and faculty of the Peabody Demonstration School also met and appointed a Committee to meet with the Committee representing the College. Mr. Bernard Werthan, Sr. was on an extended trip expected to last until the end of September, and since time was of the essence in this matter Mrs. Morgan and I met first with Dr. Dunworth and Dr. Force in order to learn as much as we could about the problems to be solved from the College's point of view. Next we met with Mr. Bernard Werthan, Jr. and Dr. James W. Hays and I am happy to advise you that our discussions were extremely friendly and I believe these two representatives of the parents and faculty of the 'Dem School' left our meeting with a feeling that the attitude of the College was generous and helpful in the solution of the problems which they face in an effort to continue the school as an independent institution.

A brief summary of our discussion is as follows:

- (a) They asked if there could be any possibility for them with a newly organized corporation to continue to use the name "Peabody Demonstration School". We answered this in the negative except that we indicated that we could recommend to the College that their new school, by whatever name called, could insert underneath its name on its letterhead in parenthesis the words (Successor to Peabody Demonstration School).
- (b) They asked whether there might be any possibility for them to lease the "Dem School" buildings, grounds and other facilities for the school year 1975-76 and our Committee responded that this we would recommend to the College on terms set forth below.

Allowing them to use this space for this one additional year after next May would contemplate their use only of the buildings and grounds encompassing the "Dem School" compound on the north side of Edgehill and the nursery school with its yard on the south side adjacent to the campus.

- (c) We were asked whether the College would consider selling or entering into a long lease of the land and buildings involved in the operation of the "Dem School", and we answered that we understood that the College had need for this space even at this time and that while we would present this to the Executive Committee we thought that in all frankness we should advise those who are planning for a new school to expect a negative answer.
- (d) The terms and conditions upon which your Committee would recommend that the new school could continue to occupy the space requested for the school year 1975-76 would be based upon the payment to the College of 90¢ per square foot for 36,534 square feet plus the following: A proration of heating costs (this being necessary as the heating plant of the College and the "Dem School" are connected), the payment of Metropolitan taxes, if any. (we doubt that any such taxes will be assessed, but inasmuch as we are now taxed on all property not being used by Peabody for Peabody's educational purposes, we thought this protection would be necessary). Further, instead of calling the payment "rent" the contract would call it reimbursement for depreciation, depletion and wear and tear on the buildings and equipment. The new school would pay for its own electricity, water bills, janitor service and maintenance costs and would provide liability insurance with both the new school and the College named as insureds. The College would pay for its own fire and extended coverage insurance.
- (e) There would be no charge for the use of the grounds or the furniture and equipment during the school year 1975-76, and at the end of that year, assuming that the new school is successfully organized and moves to another location, the College would sell to it, at depreciated second-hand values, such furniture and equipment as had been purchased out of tuition funds or other College funds; but such equipment as has been donated by parents, grandparents and other persons especially connected with the "Dem School" (the nursery school playground equipment for example) would be given to the new school without cost.
- (f) The academic records of all former students would be kept and maintained by the new school although the College would have the right to microfilm these and also keep copies if it desires to do so.
- (g) During the school year 1974-75 the PTA and students of the "Dem School" could engage in fund raising activities for the new school so long as it was made clear that such funds were being raised for the new school,