

priation from the University Millage Fund in an amount of \$178,000, or if this is to be regarded as income to the college and deposited in the general fund.

Under the Montana statutes, insurance is "a contract whereby one undertakes to indemnify another against loss, damage or liability arising from an unknown or contingent event." (Section 8060, Revised Codes of Montana, 1935.)

The appropriation for the Montana State College was the amount estimated by the legislature necessary to provide for the ordinary expenses of the university. Among those expenses is included the cost of upkeep and regular repairs. In the event of a loss covered by insurance, the Montana State College, as an institution of the State of Montana, is entitled to be indemnified for the loss incurred. Then, the \$579.30 may be used by the college for the purpose of repairing the damage resulting from the fire loss and for no other purpose, and when used for this purpose is in addition to and over and above the amount of the legislative appropriation. In this respect it should be treated as an imprest fund and regarded in the same manner as if the legislature had specifically appropriated that sum of money for the sole purpose of repairing the damaged building.

Opinion No. 173.

Insurance—Appropriations—  
University of Montana.

HELD: The money paid to a unit of the University of Montana to compensate for damage resulting from a fire loss must be deposited in an imprest fund and used for the sole purpose of repairing the damaged building.

December 4, 1939.

Honorable John J. Holmes  
State Auditor and Ex-officio Com-  
missioner of Insurance  
Helena, Montana

Dear Sir:

Recently a fire loss was incurred at Montana State College. The building was insured and the sum of \$579.30 has been paid by the insurance company to cover the loss. You have asked if this money may be used by Montana State College in addition to the appro-