

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, Tuesday, April 1, 1986.

The Board of Trustees of the University of Kentucky met at 1 p.m. (Eastern Standard Time) on Tuesday, April 1, 1986 in the Board Room on the 18th floor of the Patterson Office Tower on the Lexington Campus.

A. Meeting Opened and Roll Called

Mr. Albert G. Clay, Vice Chairman, presided in the absence of Chairman Robert T. McCowan and called the meeting to order at 1 p.m. (Eastern Standard Time). The invocation was pronounced by Governor Albert B. Chandler.

The following members of the Board of Trustees answered the call of the roll: Mr. William R. Black, Mr. John S. Cain, Professor Timothy A. Cantrell, Governor Albert B. Chandler, Mr. Albert G. Clay, Mr. Tracy Farmer, Mr. Ronald G. Geary, Mr. George W. Griffin, Mrs. Edythe Jones Hayes, Mr. Henry E. Hershey, Mr. Brereton C. Jones, Mr. R. Larry Jones, Professor James D. Kemp, Mr. T. A. Lassetter, Mr. W. Bruce Lunsford, Mr. Frank Ramsey, Mr. James L. Rose and Mr. Bobby Watson. Absent from the meeting were Mr. Robert T. McCowan and Professor Constance P. Wilson. The University administration was represented by President Otis A. Singletary; Mr. James O. King, Vice President for Administration; Chancellors Peter P. Bosomworth, Art Gallaher, and Charles T. Wethington; Dr. Raymond R. Hornback, Vice President for University Relations; Mr. Edward A. Carter, Associate Vice President for Planning and Budget; Mr. John C. Darsie, General Counsel; Mr. Henry Clay Owen, Controller and Treasurer; and Dr. Paul G. Sears, Special Assistant for Academic Affairs.

Members of the various news media were also in attendance. A quorum being present, the Chairman declared the meeting officially open for the conduct of business at 1:04 p.m.

B. Minutes Approved

On motion made by Mr. Larry Jones, seconded by Mr. Farmer and passed, the Minutes of the March 4 meeting of the Executive Committee of the Board of Trustees were approved as written.

C. President's Report to the Trustees (PR 1)

President Singletary reviewed briefly some of the items in his monthly report to the Trustees, and said he was pleased to announce that Dr. Charles W. Byers, Professor in the Department of Vocational Education, will serve a second term as Academic Ombudsman. He also announced the selection of Dr. Joseph A. Bryant, Jr., Professor in the Department of English, as the Arts and Sciences Distinguished Professor for 1986-87, and the selection of Dr. Jacqueline A. Noonan as one of the "Best Women Doctors in America" by Harper's Bazaar magazine.

D. Thomas P. Bell Memorial Scholarship Fund

Vice President Hornback reported that following the death of Trustee Thomas P. Bell several members of the Board discussed the possibility of creating a scholarship fund at the University in memory of Mr. Bell. The matter was discussed with his wife Leslie and son Bruce, and they chose a scholarship to the Law School. Dr. Hornback reported that to date pledges in the amount of \$55,000 have been received from Trustees, Development Council members, friends and business associates. President Singletary indicated his pleasure with the progress being made.

E. President Singletary Announces Retirement

President Singletary formally announced his intention to retire at age 65 from the presidency of the University when his existing contract expires June 30, 1987. He cited the following reasons for announcing his retirement at this particular time: (1) to permit the faculty time to elect, prior to the end of the spring semester, its members of a Presidential Search Committee; (2) to allow a reasonable time for an orderly process in the selection of his successor; and (3) the completion of the University's budget process for 1986-88 which will be acted on today by the General Assembly.

President Singletary indicated that he was pleased, and felt the Trustees should be, with the budget. He reported that increases include funding for fixed costs, salary increases, further development of UK's Centers of Excellence (Centers on Aging, Cancer, Pharmaceutical Science, Equine Health Care, Biotechnology, Biomedical, and Center for Public Administration), \$3.2 million program support of a Robotics Center, \$400,000 for salary increases for Agricultural federal employees, \$1.4 million for program support of Owensboro Community College, and maintenance and operation on new facilities coming on line during the biennium: (Animal Care, Gluck Equine, Mines and Minerals, Combs Cancer and Parking Structure #3). Also included in the budget is debt service funding for \$1 million for a fire safety project, \$10 million for academic equipment, \$10 million for a Robotics Center building and equipment, \$5 million for a supercomputer, \$11 million for Agriculture Engineering Building, \$3.5 million for Agriculture Regulatory Service Building, and \$15.4 million at five community colleges plus \$12.5 million for a new community college at Owensboro.

President Singletary also reported that the Council on Higher Education was allocated an additional \$9 million from which \$2.2 million for 1986-87 and 1987-88 will be available to deal with salary problems at the University. Also allocated to the Council was funding for programs in which the University would expect to participate: \$2.0 million for endowed chairs, \$1.9 million for Centers of Excellence, and \$0.6 million for the EPSCOR program to stimulate research (matched by \$0.6 million of federal funding).

President Singletary indicated that the University was in better shape than anyone could have reasonably expected last summer. He attributed the success to the Governor's leadership, legislative support and the Kentucky Advocates for Higher Education.

As to his future, President Singletary reminded the Board that he holds a tenured professorship and, unless some unforeseen circumstance arises, he would expect to fill a professorship until he reaches the normal faculty retirement age of 70.

Mr. Clay stated that although most of the Board members anticipated President Singletary's announcement of his retirement, they accepted it with heavy hearts knowing it will be very difficult to find someone to fill his shoes. Mr. Clay said he spoke with Chairman McCowan this morning and that it was their hope President Singletary would consider accepting the Otis A. Singletary Professorship in the Humanities, funded by Ashland Oil, upon his retirement from the presidency of the University.

Mr. Clay said he would ask the University Senate and the Community College Council to proceed in accordance with the Governing Regulations to select the faculty members to serve on the Presidential Search Committee. He indicated that Chairman McCowan would name the Trustees who will serve on the Committee at the May 6 meeting of the Board.

Mr. Cain reported that he had talked with most of the Board members regarding the addition of a student member to the Presidential Search Committee. Following discussion, he recommended and moved that the following proposed amendment to the Governing Regulations of the University of Kentucky be received for preliminary consideration and included on the agenda for action at the May 6 meeting of the Board:

Change Part VII.A.1, first paragraph, to read:

The President of the University is appointed by the Board of Trustees with the advice of a joint committee of the Board, faculty, and student body. The committee shall consist of five members of the Board appointed by its chairman; three members of the full-time teaching and/or research faculty of the University System, selected by a procedure determined by the University Senate; one member of the full-time teaching faculty of the Community College System, selected by a procedure determined by the Community College Council; and one full-time student appointed by the chairman of the Board. The committee shall provide opportunity for discussion between representative administrative, faculty, and student groups and prospective presidential candidates.

Mr. Cain's motion was seconded by Professor Kemp and carried by a roll call vote of 14 to 2, with Mr. Hershey abstaining.

F. Personnel Actions (PR 2)

With President Singletary so recommending, on motion made by Mr. Hershey, seconded by Mr. Rose and passed, the routine personnel actions in PR 2 were approved. (See PR 2 at the end of the Minutes.)

G. Honorary Degree Recipients (PR 3A)

President Singletary indicated his pleasure in recommending that approval be granted for awarding the honorary degree of Doctor of Letters to Wendell Erdman Berry and the Doctor of Laws to William B. Sturgill. Mr. Larry Jones so moved. His motion was seconded by Mr. Black and unanimously carried. (See PR 3A at the end of the Minutes.)

H. Proposed Amendment to the Governing Regulations (PR 3B-1)

Mr. Farmer moved that the proposed amendment to the Governing Regulations in PR 3B-1, which was received for preliminary consideration by the Board at its December 1985 meeting, be approved. The motion, seconded by Professor Kemp, carried without dissent. (See PR 3B-1 at the end of the Minutes.)

I. Proposed Amendment to the Governing Regulations (PR 3B-2)

On motion made by Mr. Black, seconded by Mr. Griffin, and passed, the proposed amendment to the Governing Regulations in PR 3B-2, which was received for preliminary consideration by the Board at its March 1986 meeting, was approved. (see PR 3B-2 at the end of the Minutes.)

J. Updated and Reformatted Governing Regulations of the University of Kentucky (PR 3C)

On motion made by Mr. Larry Jones, seconded by Professor Cantrell and passed, the updated and reformatted Governing Regulations of the University of Kentucky, dated April 1, 1986, were received and approved. (See PR 3C at the end of the Minutes.)

K. University Research Professorships (PR 3D)

President Singletary indicated his pleasure in recommending approval of four University Research Professorships for 1986-87 to be awarded to Professor Hsin-Hsuing Tai, College of Pharmacy; Professor George C. Herring, Department of History; Professor Louis M. Brock, Department of Engineering Mechanics; and Professor M. C. Roco, Department of Mechanical Engineering, in recognition of their significant contributions to the University. Mr. Brereton Jones extended congratulations on behalf of the Board and moved approval of the four University Research Professorships. His motion was seconded by Mr. Black and unanimously carried. The four recipients were in attendance and asked to stand and be recognized following which they were given a round of applause. (See PR 3D at the end of the Minutes.)

L. Establishment of a New Department and Simultaneous Abolition of Two Existing Departments in the College of Education (PR 5A)

With President Singletary so recommending, Professor Kemp moved that the Board of Trustees authorize the establishment of a Department of Educational Policy Studies and Evaluation and the simultaneous abolition of both the Department of Higher Education and the Department of Social and Philosophical Studies in the College of Education. The motion, seconded by Mr. Hershey, carried without dissent. (See PR 5A at the end of the Minutes.)

M. Appointments to University of Kentucky/Center on Aging Foundation (PR 6A)

President Singletary recommended that approval be given to the appointment of the following list of members to comprise partial membership of the Board of Directors of the University of Kentucky Center on Aging Foundation for three-year terms beginning April 1, 1986 and ending March 31, 1989:

Public-at-Large Members

Dr. Wayne Bell	Mr. Porter P. Peoples
Mrs. Robert Clark	Mr. Ray Rector
Governor Bert T. Combs	Mr. Wayne L. Smith
Mr. William B. Cowden	Mr. William B. Sturgill
Mr. William McCann	Mrs. E. Wilson Yates
Mrs. William S. Patterson	

University of Kentucky Members

Dr. Peter P. Bosomworth	Dr. Robin D. Powell
Dr. Art Gallaher	Dr. Graham D. Rowles
Dr. William R. Markesbery	Dr. Wimberly C. Royster

On motion made by Mr. Lassetter, seconded by Mr. Farmer and passed, the recommended appointments were approved. (See PR 6A at the end of the Minutes.)

N. Board of Trustees Meeting Dates

Mr. Hershey moved that all Board meetings in the future be changed to full Board meetings in lieu of Executive Committee meetings except in emergencies. Following a lengthy discussion, Mr. Hershey withdrew his motion with the understanding that the sentiment of the Board would be taken into consideration in establishing future meeting dates of the Board of Trustees, effective July 1986.

O. Interim Financial Report (FCR 1)

Mr. Farmer, presiding for Mr. Clay, Chairman of the Finance Committee, reported that the committee met on the morning of April 1 and reviewed six agenda items to be presented for action. He then moved that the financial report for the eight months ended February 28, 1986 be accepted. Mr. Farmer's motion was seconded by Mr. Black, and it was so ordered. (See FCR 1 at the end of the Minutes.)

P. Disposal of Surplus Property (FCR 2)

On motion made by Mr. Farmer, seconded by Mr. Cain and passed, approval was given for the disposal of surplus property as recommended in FCR 2. (See FCR 2 at the end of the Minutes.)

Q. Report on Leases (FCR 3)

The Finance Committee so recommending, on motion duly made, seconded and carried, the report on leases was accepted. (See FCR 3 at the end of the Minutes.)

R. Capital Construction Report (FCR 4)

Mr. Farmer recommended and moved that the Capital Construction Report for the six months ended December 31, 1985 be accepted. His motion was seconded by Mr. Larry Jones, and it was so ordered. (See FCR 4 at the end of the Minutes.)

S. Adoption of Resolution Approving Issuance of Series L Housing and Dining System Revenue Bonds (FCR 5)

Thereupon, a motion was made by Mr. Farmer and seconded by Mr. Brereton Jones that the following Resolution, which was read in summary form to the Board, be passed and adopted; said Resolution was entitled as follows:

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$3,790,000 OF UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM REVENUE BONDS, SERIES L, FOR THE PURPOSE OF FINANCING THE COST, NOT OTHERWISE PROVIDED, OF PAYING AND RETIRING \$4,200,000 OF UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM REVENUE BOND ANTICIPATION NOTES, SERIES L, DATED JUNE 1, 1982; APPROVING THE AMENDMENT OF THE TRUST INDENTURE UNDER WHICH ALL HOUSING AND DINING SYSTEM REVENUE BONDS ARE TO BE AUTHORIZED AND ISSUED; AND AUTHORIZING THE ADVERTISED, COMPETITIVE SALE OF SAID BONDS IN ACCORDANCE WITH LAW.

(The full Resolution being attached to these Minutes as Exhibit 1).

Upon a vote being taken on the motion, all members of the Board present voted yea.

Thereupon the Chairman declared that the motion had carried and that the Resolution had been passed and adopted and directed that the same be recorded in the Minutes of the Board. (See FCR 5 at the end of these Minutes.)

T. RESOLUTION ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE OF \$2,890,000 OF UNIVERSITY OF KENTUCKY COMMUNITY COLLEGES EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES E (FCR 6)

Thereupon, a motion was made by Mr. Farmer and seconded by Mr. Larry Jones that the following titled Resolution, which was read in summary form to the Board of Trustees, be passed and adopted:

RESOLUTION RELATING TO THE \$2,890,000 UNIVERSITY OF KENTUCKY COMMUNITY COLLEGES EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES E

(The full Resolution being attached to these Minutes as Exhibit 1.)

The motion was passed and adopted unanimously. Thereupon the Chairman declared that the motion had carried and that the Resolution had been passed and adopted and directed that the same be recorded in the Minutes of the Board. (See FCR 6 at the end of the Minutes.)

U. Student Code Committee Meeting

Mr. Griffin, Chairman of the Student Code Committee, announced that the Committee would meet in Room C on the 18th floor of Patterson Office Tower immediately following the meeting of the Board of Trustees.

V. Meeting Adjourned

There being no further business, the meeting was adjourned at 2:18 p.m.

Respectfully submitted,

George W. Griffin
Secretary
Board of Trustees

(PR's 2, 3A, 3B-1, 3B-2, 3C, 3D, 5A, and 6A; and FCR's 1, 2, 3, 4, 5 (Exhibit 1) and 6 (Exhibit 1) which follow are official parts of the Minutes of the Meeting.

1230

Office of the President
April 1, 1986

PR 2

Members, Board of Trustees:

Personnel Actions

Recommendation: (1) that approval be given to the attached appointments and/or other staff changes which require Board action; and (2) that the report relative to appointments and/or changes already approved by the administration be accepted.

Background: The attached recommended appointments and/or other staff changes require approval by the Board of Trustees in accordance with Part VIII-B of the Governing Regulations of the University. These recommendations are transmitted to the Board by the appropriate chancellor through the President and have his concurrence.

Under the Governing Regulations, the authority to make certain appointments and/or other staff changes is delegated to the President or other administrators who are required to report their actions to the Board. This report follows the recommendations requiring Board approval.

Action taken: Approved Disapproved Other

Date: April 1, 1986

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COMMUNITY COLLEGE SYSTEM

I. BOARD ACTION

A. ADMINISTRATIVE APPOINTMENTS

Prestonsburg Community College

Honshell, Phyllis A., Professor in the Community College System (with tenure), Chairman, Division of Humanities and Related Technologies, 7/1/86 through 6/30/89.

B. RETIREMENTS

Hopkinsville Community College

Grace, Frank G., Custodial Worker II in the Community College System, after 16 consecutive years of service, effective 5/31/86.

Jefferson Community College

Bright, Inez B., Associate Professor in the Community College System (with tenure), after 15.5 consecutive years of service, effective 6/30/86.

II. ADMINISTRATIVE ACTION

A. TERMINAL REAPPOINTMENTS

Ashland Community College

Bryson, Albert M., Librarian III in the Community College System, 7/1/86 through 6/30/87.

B. LEAVES OF ABSENCE

Henderson Community College

Smith, Brent E., Assistant Professor in the Community College System, Sabbatical leave at one-half salary, 8/1/86 through 12/31/86.

Jefferson Community College

Pennington, E. Joy, Professor in the Community College System (with tenure), Sabbatical leave at one-half salary, 7/1/86 through 6/30/87.

Pennington, R. Lee, Professor in the Community College System (with tenure), Sabbatical leave at one-half salary, 7/1/86 through 6/30/87.

Schneiter, Lisa, Assistant Professor in the Community College System, Sabbatical leave at one-half salary, 7/1/86 through 12/31/86.

Lexington Community College

Pagan, Bonnie S., Associate Professor in the Community College System (with tenure), Sabbatical leave at one-half salary, 7/1/86 through 6/30/87.

Saunier, Margaret E., Associate Professor in the Community College System (with tenure), Sabbatical leave at one-half salary, 7/1/86 through 6/30/87.

Somerset Community College

McCann, Goldie, Professor in the Community College System (with tenure), Sabbatical leave at full salary, 7/1/86 through 12/31/86.

LEXINGTON CAMPUS

I. BOARD ACTION

A. ADMINISTRATIVE APPOINTMENTS

College of Law

Stevens, Carroll, reappointed Associate Dean, 7/1/86 through 6/30/88.

Van Booven, Paul G., reappointed Associate Dean, 7/1/86 through 6/30/88.

B. JOINT APPOINTMENTS

Graduate School

Berger, Philip K., Professor (with tenure), James W. Martin School of Public Administration, joint appointment as Professor (without tenure), Management, College of Business and Economics, effective 7/1/86.

C. TENURE

College of Law

Short, David C., from Associate Professor (without tenure)*, to Associate Professor (with tenure)*, effective 7/1/86.

D. PROMOTIONS

College of Agriculture

Ferriss, Richard S., from Assistant Professor (without tenure) Plant Pathology, to Associate Professor (with tenure), Plant Pathology, effective 4/1/86.

Murphy, William E., from Assistant Extension Professor (without tenure), Agricultural Engineering, to Associate Extension Professor (without tenure), Agricultural Engineering, 1/15/86 through 6/30/86.

College of Arts and Sciences

Stump, Gregory T., from Assistant Professor (without tenure) English, to Associate Professor (with tenure), English, effective 7/1/86.

College of Communications

Palmgreen, Philip C., from Associate Professor (with tenure) Communication, to Professor (with tenure), Communication, effective 7/1/86.

College of Education

Farley, Mary Ann, from Assistant Professor (without tenure)*, Curriculum and Instruction, to Associate Professor (with tenure)*, Curriculum and Instruction, effective 7/1/86.

College of Law

Rogers, John M., from Associate Professor (with tenure), to Professor (with tenure), effective 7/1/86.

E. CHANGES

College of Agriculture

Evangelou, V. P., from Associate Extension Professor (with tenure), Agronomy, to Associate Professor (with tenure), Agronomy, effective 7/1/86.

F. RETIREMENTS

College of Agriculture

Sigafus, Roy E., Professor (with tenure), Agronomy, after 35.5 consecutive years of service, effective 4/30/86.

Vice Chancellor for Administration

Woodford, Josephine, Disabled Staff, Employee Benefits and Risk Management, after 39 consecutive years of service, effective 6/30/86.

G. EARLY RETIREMENTS

University Libraries

Hall, Vivian S., Librarian II (with tenure), Geology, after 22.5 consecutive years of service, effective 4/1/86.

Vice Chancellor for Administration

Cobb, Rice L., Cabinet Maker, Cabinet Shop, Physical Plant Division, after 23.5 consecutive years of service, effective 5/26/86.

Vice Chancellor for Student Affairs

Stacy, Allene C., Staff Assistant IV, Office of the Dean of Students, after 18 consecutive years of service, effective 5/15/86.

H. POST-RETIREMENT APPOINTMENTS

Vice Chancellor for Administration

Emerson, Charles E., Insurance Specialist (part-time), Employee Benefits and Risk Management, 3/1/86 through 6/30/87.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Arts and Sciences

Callahan, Joan C., Assistant Professor, Philosophy, 8/16/86 through 6/30/88.

Moshier, Stephen O., Assistant Professor, Geology, 7/1/86 through 6/30/88.

Worley, Linda Kraus, Assistant Professor, German, 8/16/86 through 6/30/88.

College of Communications

Ghibaudy, Nore Joseph, Instructor (part-time), Journalism, 1/1/86 through 5/31/86.

Hawpe, David V., Instructor (part-time), Journalism, 1/1/86 through 5/31/86.

College of Education

Beal, Rayma K., Assistant Professor*, Health, Physical Education and Recreation, 8/16/86 through 6/30/88.

College of Home Economics

Mills, Betty Jane, Assistant Adjunct Professor, Nutrition and Food Science, 1/1/86 through 6/30/87.

B. ADMINISTRATIVE APPOINTMENTS

Vice Chancellor for Administration

Avery, Marc E., Engineer III, Design and Construction, Business Services, effective 2/1/86.

C. REAPPOINTMENTS

College of Arts and Sciences

Fredman, Steven M., Assistant Research Professor, Biological Sciences, 12/1/85 through 11/30/86.

*Special Title Series

Geiger, Cheryl A., Instructor (part-time), English, 1/1/86 through 5/31/86.
Gleason, James, Instructor (part-time), English, 1/1/86 through 5/31/86.
Hamilton, Sarah, Instructor (part-time), English, 1/1/86 through 5/31/86.
Jaromczyk, Jerzy W., Assistant Professor, Computer Science, 7/1/86 through 6/30/87.
Kosiewicz, Slawomira, Instructor (part-time), Russian and Eastern Studies, 1/1/86 through 5/31/86.
Rodriguez, Rene, Assistant Professor, Geology, 7/1/86 through 6/30/88.
Stigers, Stephen W., Instructor (part-time), English, 1/1/86 through 5/31/86.
Tipton, Louise B., Instructor (part-time), English, 1/1/86 through 5/31/86.
Witte, Florence, Instructor (part-time), English, 1/1/86 through 5/31/86.

College of Communications

Skaggs, Patricia C., Instructor (part-time), Journalism, 1/1/86 through 5/31/86.
Wilson, Richard G., Instructor (part-time), Journalism, 1/1/86 through 5/31/86.

College of Education

Monahan, Dana, Instructor (part-time), Special Education, 2/1/86 through 4/30/86.
Oldendorf, Sandra, Instructor (part-time), Curriculum and Instruction, 2/1/86 through 4/30/86.

College of Law

MacIin, Murray Tracey, Assistant Professor, 7/1/86 through 6/30/88.
Sherwin, Emily L., Assistant Professor, 7/1/86 through 6/30/88.

D. PROMOTIONS WITHOUT TENURE

College of Education

Graves, Pat Osbron, from Instructor, Vocational Education, to Assistant Professor, Vocational Education, 2/15/86 through 6/30/87.

University Libraries

Hale, Barbara S., from Librarian IV, Government Publications Department, to Librarian III, Government Publications Department, 7/1/86 through 6/30/87.

E. LEAVES OF ABSENCE

College of Agriculture

Forester, Darlene, Associate Extension Professor (with tenure), Home Economics Extension, Sabbatical leave with full salary, 11/1/86 through 4/30/87.
Garkovich, Lorraine, Associate Professor (with tenure), Sociology, Sabbatical leave with full salary, 7/1/86 through 12/31/86.
Hancock, John N., County Extension Agent, Cooperative Extension Service, Leave without pay, 2/1/86 through 1/31/87.
Mallory, William, County Extension Agent, Cooperative Extension Service, Sabbatical leave with full salary, 9/15/86 through 12/15/86 and 1/19/87 through 4/16/87.

College of Arts and Sciences

Bardo, Michael T., Assistant Professor, Psychology, to change ending date of sick leave with pay from 3/15/86 to 2/24/86.
Belmore, Susan M., Associate Professor (with tenure), Psychology, Sick leave with pay, 1/1/86 through 3/27/86.
Canon, Bradley C., Professor (with tenure), Political Science, Sabbatical leave with full salary, 7/1/86 through 12/31/86.
Goshtasby, Ardeshir, Assistant Professor, Computer Science, Leave without pay, 7/1/86 through 6/30/87.
Howard, Don A., Associate Professor (with tenure), Philosophy, Leave without pay, 1/1/87 through 6/30/87.
Nietzel, Michael T., Professor (with tenure), Psychology, Sabbatical leave with full salary, 7/1/86 through 12/31/86.
Olson, Robert W., Associate Professor (with tenure), History, Sabbatical leave with full salary, 7/1/86 through 12/31/86.
Warth, Robert D., Professor (with tenure), History, Sabbatical leave with half salary, 7/1/86 through 6/30/87.
Wells, James H., Professor (with tenure), Mathematics, Sabbatical leave with full salary, 7/1/86 through 12/31/86.

College of Fine Arts

Cole, Gordon B., Associate Professor (with tenure)*, Music, Sabbatical leave with full salary, 7/1/86 through 12/31/86.
Lord, Charles, Associate Professor (with tenure), Music, Sabbatical leave with full salary, 7/1/86 through 12/31/86.
Morrison, Bruce, Associate Professor (with tenure)*, Music, Sabbatical leave with full salary, 7/1/86 through 12/31/86.

Undergraduate Studies

Kremer, Anna P., Assistant Professor (with tenure), Honors, Sabbatical leave with full salary, 7/1/86 through 12/31/86.

*Special Title Series

MEDICAL CENTER

I. BOARD ACTION

A. ADMINISTRATIVE APPOINTMENTS

College of Allied Health Professions

Pfeifle, William G., Associate Professor* (with tenure), Allied Health Education & Research, named Chairperson, Allied Health Education & Research, 2/1/86 through 1/31/92.

B. PROMOTIONS

College of Allied Health Professions

Gorman, Linda S., from Assistant Professor* (without tenure), Medical Technology, to Associate Professor* (with tenure), Medical Technology, effective 7/1/86.

College of Dentistry

Mitchell, Richard J., from Assistant Professor (without tenure), Restorative Dentistry, to Associate Professor (with tenure), Restorative Dentistry, effective 7/1/86.

College of Medicine

Dempsey, Robert J., from Assistant Professor (without tenure), Surgery, to Associate Professor (with tenure), Surgery, effective 7/1/86.

Flanigan, Robert C., from Associate Professor (with tenure), Surgery, to Professor (with tenure), Surgery, effective 7/1/86.

Jones, Jerry E., from Assistant Professor* (without tenure), Family Practice, to Associate Professor* (with tenure), Family Practice, effective 7/1/86.

Martin, Catherine A., from Assistant Professor (without tenure), Psychiatry, to Associate Professor (with tenure), Psychiatry, effective 7/1/86.

Porter, William H., from Associate Professor* (with tenure), Pathology, to Professor* (with tenure), Pathology, effective 7/1/86.

Rhoads, Robert E., from Associate Professor (with tenure), Biochemistry, to Professor (with tenure), Biochemistry, effective 7/1/86.

*Special Title Series

Slevin, John T., from Assistant Professor (without tenure),
Neurology, to Associate Professor (with tenure),
Neurology, effective 7/1/86.
Vore, Mary, from Associate Professor (with tenure),
Pharmacology, to Professor (with tenure),
Pharmacology, effective 7/1/86.
Yoneda, Kokichi, from Associate Professor (with tenure),
Pathology, to Professor (with tenure), Pathology,
effective 7/1/86.

C. TERMINAL REAPPOINTMENTS

College of Medicine

Dillard, Robert P., Associate Professor*, Pediatrics,
7/1/86 through 7/31/87.

D. RETIREMENTS

University Hospital

Elkins, Lucy, Nursing Assistant, Emergency Department,
after 16 consecutive years of service, effective
4/30/86.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Allied Health Professions

Anderson, Mark A., Clinical Instructor (voluntary), Physical
Therapy, 3/15/86 through 6/30/88.
Craft, Susan, Clinical Instructor (voluntary), Physical
Therapy, 3/15/86 through 6/30/88.
Hahn, Michele, Clinical Instructor (voluntary), Physical
Therapy, 3/15/86 through 6/30/88.
Roberts, Barbie F., Clinical Instructor (voluntary),
Physical Therapy, 3/15/86 through 6/30/88.

College of Dentistry

Baldwin, Ben E., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.
Crider, Bob M., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.
McClendon, Holly W., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.
McDowell, John G., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.
Phillips, John R., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.
Pleasant, Damon G., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.

*Special Title Series

Reynolds, McKinley R., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.
Rudolph, William I., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.
Tipton, Edward F., Clinical Instructor (voluntary),
Community Dentistry, 5/1/86 through 6/30/87.

College of Medicine

Clark, Terry D., Assistant Professor, Pathology, 2/15/86
through 6/30/86.
Cross, Richard J., Assistant Research Professor, Medical
Microbiology & Immunology, 2/1/86 through 6/30/86.
Dickson, Lesley, Clinical Instructor (part-time),
Psychiatry, 2/1/86 through 6/30/86.
Dufresne, W. J. Duke, Assistant Clinical Professor
(voluntary), Family Practice, 3/1/86 through 6/30/88.
Mitchell, William H., Assistant Clinical Professor
(voluntary), Surgery, 3/1/86 through 6/30/88.
Nagarkatti, Prakash, Assistant Research Professor, Medical
Microbiology & Immunology, 2/1/86 through 6/30/86.
Schrang, James R., Assistant Clinical Professor
(voluntary), Family Practice, 2/1/86 through 6/30/88.
Winard, Sue H., Clinical Instructor (part-time), Radiation
Medicine, 3/1/86 through 6/30/86.
Yaes, Robert J., Instructor, Radiation Medicine, 4/1/86
through 6/30/86.

College of Pharmacy

Jaggers, Rondell C., Clinical Instructor (voluntary),
1/1/86 through 6/30/88.
Owsley, Michael L., Clinical Instructor (voluntary), 1/1/86
through 6/30/88.

B. JOINT APPOINTMENTS

College of Dentistry

Nicol, Bruce R., Clinical Instructor (voluntary), Community
Dentistry, joint appointment as Assistant Clinical
Professor (voluntary), Surgery, College of Medicine,
2/1/86 through 6/30/88.

College of Medicine

Kolkin, Jon, Assistant Clinical Professor (voluntary),
Surgery, joint appointment as Assistant Clinical
Professor (voluntary), Rehabilitation Medicine, 2/1/86
through 6/30/88.

C. REAPPOINTMENTS

College of Allied Health Professions

Phillips, Rene, Instructor (temporary), Clinical Nutrition,
7/1/85 through 6/30/86.

D. TERMINAL REAPPOINTMENTS

College of Medicine

Nahum, Daniel D., Assistant Professor, Psychiatry, 7/1/86
through 9/14/87.

Piascik, Michael, Assistant Professor, Pharmacology, 7/1/86
through 6/30/87.

Robertson, H. David, Assistant Professor*, Emergency
Medicine, 7/1/86 through 6/30/87.

Stelling, Michael, Assistant Professor, Pediatrics, 6/16/86
through 6/15/87.

E. LEAVES OF ABSENCE

College of Medicine

Jones, Russell A., Professor (with tenure), Behavioral
Science, joint as Professor (without tenure),
Psychology, College of Arts & Sciences, Special
assignment, 6/2/86 through 6/27/86.

*Special Title Series

Office of the President
April 1, 1986

PR 3A

Members, Board of Trustees:

HONORARY DEGREE RECIPIENTS

Recommendation: that approval be granted to awarding the honorary degree of Doctor of Letters to Wendell Erdman Berry and the Doctor of Laws to William B. Sturgill.

Background: The Committee on Honorary Degrees has recommended to the Graduate Faculty and the University Senate that honorary degrees be awarded to Wendell Erdman Berry, Leslie Combs, II, William Huston Natcher, and William B. Sturgill, and these two bodies have expressed their approval of the recommendation. Mr. Combs and Congressman Natcher have confirmed that they will not be able to be present at the Commencement Ceremony on May 10; therefore, their names are not being submitted to the Board.

Biographical sketches of the two recipients are attached.

Action: Approved Disapproved Other

Date April 1, 1986

Wendell Erdman Berry

Though by nature averse to hearing himself praised, Wendell Berry at 52 has established himself as perhaps Kentucky's most distinguished resident man of letters.

Wendell, as he is known to most of us here, was born and reared in Henry County, Kentucky. He attended the University of Kentucky, which awarded him two degrees, a B.A. in 1956 and a M.A. in 1957. Thereafter he taught for one year at Georgetown College and went on to hold posts at Stanford and New York University before joining the faculty at the University of Kentucky in 1964. In 1965 he moved from Lexington to Port Royal and, like his great-grandfather before him, settled with his family on a small farm that he had bought. There, while continuing to teach at the University, he turned out the novels and volumes of essays and poetry that alone would have brought him national attention had he not also managed to give his daily living, his teaching, and his literary work a singleness and a singularity of focus that have made him unique even among his fellow Kentuckians.

In Wendell's view and in that of a rapidly expanding audience his agrarianism is neither primitivistic nor sentimental but a practical expedient, perhaps the only expedient, whereby modern men and women can hope to recover the wholeness that they began to surrender with the industrial revolution and have continued to surrender ever since. This is the theme of such books as his novel The Memory of Old Jack, his collections of poetry, Farming: A Handbook and The Country of Marriage, and his most recent major volume of essays, The Unsettling of America: Culture and Agriculture.

To date, Wendell has produced more than twenty-five books and a long list of separately published poems and essays. Wherever he appears--in his own published work, on the platform, or in the growing number of articles written about him--he brings distinction to Kentucky and credit to the University, which he continues to serve, freely and generously, whenever he is asked.

William B. Sturgill

William B. Sturgill is a graduate of the University Kentucky who has distinguished himself both in private business and in service to the Commonwealth.

Mr. Sturgill was born in Floyd County and educated in the public schools there. While at the University of Kentucky he was a member of the school's first NCAA-champion basketball team and participated in other extracurricular activities. He graduated from the University in 1946 and since that time has been active in the coal industry and other business and educational affairs of Eastern and Central Kentucky. For example, he has served as President of the Hazard Independent College Foundation, Chairman of the Hazard Community College Advisory Board, member of the Advisory Board of Lee's Junior College, and as member of the Board of Directors of Spindletop Research, Inc. He has also served as Chairman of the Kentucky State Racing Commission and as Secretary of the Energy and Agriculture Cabinet for the Commonwealth of Kentucky under Governor John Y. Brown.

Mr. Sturgill's services to his Alma Mater include financial support for a broad variety of academic and athletic endeavors, including the funding since 1975 of the William B. Sturgill Award for Outstanding Contributions to Graduate Education and, in one of the largest single gifts to this institution, the means to construct the William B. Sturgill Development Building. He has been a University Fellow since 1968, a member of the Development Council since 1973, a member of the Board of Trustees for twelve years, from 1972 to 1984, and chairman of that board from 1974 to 1984, a tenure longer than any other in the history of the University.

It is highly appropriate that the University recognize the contributions that this vastly talented alumnus has made to the economic and educational well being of Kentucky's citizens.

Office of the President
April 1, 1986

PR 3B-1

Members, Board of Trustees:

PROPOSED AMENDMENT TO THE GOVERNING REGULATIONS

Recommendation: that the following proposed amendment to the Governing Regulations of the University of Kentucky, which was received for preliminary consideration by the Board of Trustees at its December 1985 meeting, be approved.

(Note: Proposed additions are underlined.)

Amendment -- Change Part IV, sixth paragraph, to read:

The ex officio non-voting membership shall include the President, all vice presidents, University Registrar, Director of Undergraduate Admissions, Dean of University Extension, Dean of Students, Professor of Military Science, Professor of Aerospace Studies, and, if they are not already elected members of the Senate, the University System faculty members of the Board of Trustees, the Academic Ombudsman, the Director of the Honors Program, and the chairmen of the University Senate Committees, including University Senate Advisory Committees. All officials mentioned in the preceding paragraph who are not ex officio voting members in any year shall be considered ex officio non-voting members. Other ex officio non-voting members may be added by the University Senate Council for the purpose of supplying information and viewpoints on problems considered by the Senate. Ex officio non-voting members shall enjoy all privileges of the elected membership except the right to vote.

Background: The University Senate often considers matters relating directly and indirectly to both undergraduate admissions and the Honors Program. The presence of the Director of Undergraduate Admissions and the Director of the Honors Program will be of considerable benefit to University Senate discussions. The proposed addition of these two administrators to the ex officio non-voting membership of the University Senate results from recommendations approved by the University Senate on December 10, 1984, and October 14, 1985.

1325A

Action taken: Approved Disapproved _____ Other _____

Date: April 1, 1986

Office of the President
April 1, 1986

PR 3B-2

Members, Board of Trustees:

PROPOSED AMENDMENT TO THE GOVERNING REGULATIONS

Recommendation: that the following proposed amendment to the Governing Regulations of the University of Kentucky, which was received for preliminary consideration by the Executive Committee of the Board of Trustees at its March 1986 meeting, be approved:

(Note: Proposed additions are underlined; proposed deletions are bracketed.)

Amendment -- Change Part XIII, second and third paragraphs, to read:

The membership may include: men and women, alumni and non-alumni, residents of Kentucky and non-residents, and one University of Kentucky student. Qualifications for membership are: (1) positions of leadership in their chosen communities whether regional, state, national, or professional; (2) a commitment to the University of Kentucky's aspiration to develop into one of the nation's strongest universities; and (3) a willingness to support this aspiration.

The University of Kentucky Development Council shall be headed by a Board of Directors consisting of up to [30] 31 members. The Chairman of the Board of Trustees, the President of the University, the Vice President for University Relations, [and] the Director of Development, and the Chairman of the Student Development Council shall serve as ex officio members of the Council's Board of Directors. The elected members of the Board of Directors shall include at least fourteen alumni and at least two members of the Board of Trustees.

Background: The intent of this proposed amendment, which has been recommended by the Director of Development and the Vice President for University Relations, is to make the Chairman of the Student Development Council a member of the Board of Directors of the University of Kentucky Development Council. The Student Development Council is a registered student organization affiliated with the Office of Development.

1408A

Action taken: Approved X Disapproved _____ Other _____

Date: April 1, 1986

Office of the President
April 1, 1986

PR 30

Members, Board of Trustees:

UPDATED AND REFORMATTED GOVERNING REGULATIONS
OF THE UNIVERSITY OF KENTUCKY

Recommendation: that the accompanying updated, reformatted Governing Regulations of the University of Kentucky, dated April 1, 1986, be received and approved.

Background: At its September meeting in 1982, the Board of Trustees approved an updated, editorially-revised edition of the Governing Regulations of the University of Kentucky, dated September 21, 1982. The copy of the Governing Regulations of the University of Kentucky under current consideration contains the following changes: (a) all amendments approved by the Board of Trustees since September 21, 1982, including those approved today; (b) an editorial change in wording from "one and one-half (1.5) or two (2) times" to "one, two, or three times" in Part X.C.10 concerning optional group life insurance to provide conformity with University practice since 1985; (c) an editorial change in wording from "Workmen's Compensation" to "Workers' Compensation" in Part X.C.11 to provide conformity with statutory language; and (d) a change in formatting to provide independent pagination within each major part of the document and a date on each page.

Note: The University of Kentucky Governing Regulations are not included in the Minutes but are included in the official files of the meeting.

1442A

Action taken: Approved X Disapproved _____ Other _____

Date: April 1, 1986

Office of the President
April 1, 1986

PR 3D

Members, Board of Trustees:

UNIVERSITY RESEARCH PROFESSORSHIPS

Recommendation: that the Board of Trustees approve the naming of Professor Hsīn-Hsuing Tai, College of Pharmacy; Professor George C. Herring, Department of History; Professor Louis M. Brock, Department of Engineering Mechanics; and Professor M. C. Roco, Department of Mechanical Engineering, as University Research Professors for 1986-87.

Background: In April 1976, the University Senate recommended to the President the establishment of one-year Research Professorships as soon as possible and that priority be given to the goal of establishing permanent Research Professorships as funds became available. At its meeting in May 1976, the University of Kentucky Research Foundation voted to support one-year Research Professorships to be activated in the Fall of 1977. The first Research Professors were named by the Board of Trustees at its meeting on March 8, 1977.

The purpose of the University Research Professorships is to enhance and encourage scholarly research productivity, provide an opportunity for concentrated research effort for selected faculty members, recognize outstanding research achievement by members of its faculty, emphasize its research function, and to publicize its research accomplishments in order that the research function of the University be appropriately recognized and understood.

Action taken: Approved Disapproved _____ Other _____

Date: April 1, 1986

0194

Office of the President
April 1, 1986

PR 5A

Members, Board of Trustees:

ESTABLISHMENT OF A NEW DEPARTMENT AND SIMULTANEOUS ABOLITION
OF TWO EXISTING DEPARTMENTS IN THE COLLEGE OF EDUCATION

Recommendation: that the Board of Trustees authorize the establishment of a Department of Educational Policy Studies and Evaluation and the simultaneous abolition of both the Department of Higher Education and the Department of Social and Philosophical Studies in the College of Education.

Background: In 1985, the University Senate and subsequently the Council on Higher Education approved our new Ed.D. program in Educational Policy Studies and Evaluation to replace two existing Ed.D. programs in Higher Education and Social and Philosophical Studies in Education. The structural reorganization of departments in the College of Education, as covered in this recommendation, is a consequence of the reorganization of Ed.D. programs administered through that College. The new Department of Educational Policy Studies and Evaluation logically should provide a simpler and better organizational framework for the implementation of the new Ed.D. program in Educational Policy Studies and Evaluation. The faculty in the new Department of Educational Policy Studies and Evaluation will be obtained by combining the faculties of the preceding Departments of Higher Education and Social and Philosophical Studies along with other College of Education faculty. The recommended changes have been recommended by the College of Education, the Chancellor for the Lexington Campus, the University Senate's Committee on Academic Organization and Structure, and the University Senate.

1433A

Action taken: Approved X Disapproved _____ Other _____

Date: April 1, 1986

Office of the President
April 1, 1986

PR 6A

Members, Board of Trustees:

APPOINTMENTS TO
UNIVERSITY OF KENTUCKY/CENTER ON AGING FOUNDATION

Recommendation: that approval be given to the appointment of the following list of members to comprise partial membership of the Board of Directors of the University of Kentucky Center on Aging Foundation for three-year terms beginning April 1, 1986 and ending March 31, 1989.

Public-at-Large Members

Dr. Wayne Bell	Mr. Porter P. Peeples
Mrs. Robert Clark	Mr. Ray Rector
Governor Bert T. Combs	Mr. Wayne L. Smith
Mr. William B. Cowden	Mr. William B. Sturgill
Mr. William McCann	Mrs. E. Wilson Yates
Mrs. William S. Patterson	

University of Kentucky Members

Dr. Peter P. Bosomworth	Dr. Robin D. Powell
Dr. Art Gallaher	Dr. Graham D. Rowles
Dr. William R. Markesbery	Dr. Wimberly C. Royster

Background: These recommended appointments require approval by the Board of Trustees in accordance with the Articles of Incorporation for the University of Kentucky Center on Aging Foundation approved by the Board of Trustees at its meeting on January 21, 1986.

Action taken: Approved Disapproved _____ Other _____

Date: April 1, 1986

Office of the President
April 1, 1986

FCR 1

Members, Board of Trustees:

INTERIM FINANCIAL REPORT

Recommendation: that the Board of Trustees accept the University of Kentucky financial report for the eight months ended February 28, 1986.

Background: As of February 28, 1986, the University of Kentucky had realized income of \$332,539,713 representing 74% of the 1985-86 estimate of \$448,868,257. Expenditures and commitments total \$264,443,297 or 59% of the approved budget of \$448,868,257.

Action taken: Approved X Disapproved _____ Other _____

Date: April 1, 1986

Statement 1

University of Kentucky
Balance Sheet
February 28, 1986
With Comparative Figures for 1984-85

	1985-86	1984-85
ASSETS		
Current Funds		
Unrestricted		
Cash and cash equivalents	\$ 60,070,202	\$ 52,606,273
Total cash and cash equivalents	60,070,202	52,606,273
Petty cash	315,337	504,331
Investments	1,538,061	1,215,982
Accounts receivable	1,401,213	871,053
Accrued interest	958,819	800,598
Inventories	5,265,992	5,646,641
Unrealized income (Statement 3)	68,937,177	62,560,785
Total unrestricted	138,486,801	124,205,663
Restricted		
Cash in banks and cash equivalents	6,814,373	4,052,614
Cash on deposit with State Treasurer	995,579	1,999,677
Total cash and cash equivalents	7,809,952	6,052,291
Accrued interest receivable	580,244	424,143
Inventory	112,511	113,489
Investments		
Short term (Schedule 1)	37,113,189	32,700,665
Other	6,492	318,242
Unrealized income		
Restricted (Statement 3)	14,354,141	10,754,664
Tobacco Research Trust Fund (Statement 3)	1,196,771	1,117,471
Total restricted	61,173,300	51,480,965

University of Kentucky
 Balance Sheet
 February 28, 1986
 With Comparative Figures for 1984-85

LIABILITIES AND FUND BALANCES

	1985-86	1984-85
Current Funds		
Unrestricted		
Outstanding encumbrances	\$ 4,754,245	\$ 6,572,941
Due to other funds and affiliated corporations	11,170,742	7,310,467
Accrued expenses - disability, w/c, unemployment	5,365,460	2,185,882
Deferred income	128,598	31,511
Accrued vacation	4,513,900	4,243,900
Unencumbered balance, departmental appropriations (Statement 4)	105,450,571	97,071,355
Fund balances		
Allocated for working capital (Statement 2)	7,103,285	6,789,607
Total unrestricted	138,486,801	124,205,663
Restricted		
Payroll deposits	7,953,677	7,690,652
General fund collections	554,986	1,125,433
Outstanding encumbrances	376,764	453,678
Due to other funds and affiliated corporations	17,049,196	16,102,744
Deferred income	1,370	30,933
Refundable deposits	95,776	133,032
Other liabilities	101,633	107,271
Realized income in excess of estimate/Mining & Mineral Trust Fund	886,764	468,864
Unencumbered balance, departmental appropriations (Statement 4)	13,384,637	9,728,567
Unencumbered balance, Tobacco Research Trust Fund appropriation (Statement 4)	1,883,080	2,554,865
Fund balances		
Restricted fund (Statement 2)	17,167,157	12,139,928
Contracts and grants	595,476	
Tobacco Research Trust Fund - unallocated funds (Statement 2)	365,795	582,490
Mining and Minerals Trust Fund (Statement 2)	756,989	362,508
Total restricted	61,173,300	51,480,965

Statement 1

University of Kentucky
Balance Sheet
February 28, 1986
With Comparative Figures for 1984-85

	1985-86	1984-85
ASSETS		
Hospitals and Clinics		
Due from other funds and affiliated corporations	33,368,953	25,737,734
Accounts receivable, net of allowance for doubtful accounts of \$2,353,868 in 1985-86 and \$2,320,686 in 1984-85	19,546,072	14,303,177
Inventories	647,145	260,213
Unrealized income	25,393,243	19,874,440
	78,955,413	60,175,564
Total hospital and clinics	7,385,051	7,386,499
Housing and dining system		
Cash and cash equivalents	7,385,051	7,386,499
Total cash	168,630	175,741
Accrued interest receivable	1,132,766	1,386,670
Accounts receivable	711,773	707,101
Inventories	81,668	60,849
Prepaid expenses	5,436,229	7,772,458
Unrealized income (Statement 3)	14,916,117	17,489,318
Total housing and dining system	1,556,110	1,338,042
Other auxiliary enterprises		
Cash and cash equivalents	1,556,110	1,338,042
Total cash	130,698	158,548
Accounts receivable	745,406	759,974
Inventories	1,897,747	2,338,376
Unrealized income (Statement 3)	4,329,961	4,594,940
Total auxiliary enterprises	297,861,592	257,946,450
TOTAL CURRENT FUNDS	297,861,592	257,946,450

Statement 1

University of Kentucky
Balance Sheet
February 28, 1986
With Comparative Figures for 1984-85

LIABILITIES AND FUND BALANCES

	1985-86	1984-85
Hospitals and clinics		
Outstanding encumbrances	23,833	103,595
Accounts payable	6,495,995	6,380,984
Accrued vacation	1,056,111	1,057,693
Unexpended balance, departmental appropriation (Statement 4)	55,342,833	30,911,060
Fund balances - allocated (Statement 2)		
Working capital	16,036,641	19,643,940
Future operating purposes		2,078,292
Total fund balance (Statement 2)	16,036,641	21,722,232
Total hospital and clinics	78,955,413	60,175,564
Housing and dining system		
Accrued expenses	552,632	859,321
Accrued wages	65,400	169,662
Accrued vacation	215,000	215,000
Accounts payable	268,197	309,205
Due to other funds and affiliated corporations	2,278,480	2,393,608
Refundable deposits	80,264	87,468
Deferred income	3,697,372	3,426,401
Unexpended balance, departmental appropriation (Statement 4)	6,259,874	8,930,535
Fund balance		
Allocated for future operations - scholarships	400,000	1,098,118
Allocated for future operations - other	365,353	
Allocated for working capital	733,545	
Total fund balances	1,498,898	1,098,118
Total housing and dining system	14,916,117	17,489,318
Other auxiliary enterprises		
Outstanding encumbrances	35,048	58,717
Refundable deposits	2,884	
Unencumbered balance, departmental appropriation (Statement 4)	2,103,965	2,544,064
Fund balances - allocated		
Working capital	941,225	974,346
Future operating purposes	1,246,839	1,017,813
Total fund balance (Statement 2)	2,188,064	1,992,159
Total other auxiliary enterprises	4,329,961	4,594,940
TOTAL CURRENT FUNDS	\$ 297,861,592	\$ 257,946,450

Statement 1

University of Kentucky
 Balance Sheet
 February 28, 1986
 With Comparative Figures for 1984-85

	1985-86	1984-85
ASSETS		
Loan funds		
Cash in bank	\$ 1,488,749	\$ 1,190,259
Notes receivable, net allowance for doubtful accounts of \$2,231,193 in 1985-86 and \$2,489,679 in 1984-85	14,337,187	13,171,269
Due from other funds and affiliated corporations	2,000	2,000
Due from United Student Aid loan fund	\$ 15,827,936	\$ 14,363,528
TOTAL LOAN FUNDS	\$ 28,072,169	\$ 23,811,603
Endowment funds		
Investments	\$ 28,072,169	\$ 23,811,603
TOTAL ENDOWMENT FUNDS	\$ 47,773,858	\$ 33,637,915
Plant funds		
Unexpended	47,773,858	33,637,915
Cash on deposit with State Treasurer	26,150,272	12,490,121
Cash and cash equivalents	7,418,450	8,352,358
Total cash on deposit with State Treasurer	81,342,580	54,480,394
Construction in progress		
Due from other funds and affiliated corporations		
Total unexpended plant funds		

Statement 1

University of Kentucky
Balance Sheet
February 28, 1986
With Comparative Figures for 1984-85

LIABILITIES AND FUND BALANCES

	1985-86	1984-85
Loan funds		
Accumulated interest income	1,582,231	2,171,963
Total liabilities	<u>1,582,231</u>	<u>2,171,963</u>
Fund balances		
U. S. Government grants refundable	12,509,738	10,528,270
University funds	1,735,967	1,663,295
Total university loan funds	<u>\$ 15,827,936</u>	<u>14,363,528</u>
Endowment funds		
Fund balances	\$ 28,072,169	\$ 23,811,603
TOTAL ENDOWMENT FUNDS	<u>\$ 28,072,169</u>	<u>\$ 23,811,603</u>
Plant funds		
Unexpended		
Outstanding encumbrances	\$ 19,839,710	\$ 6,488,680
Bonds payable	24,600,000	13,364,412
Bond anticipation notes payable	3,500,000	3,500,000
Fund balances allocated for construction - renovation	36,902,870	31,127,302
Total unexpended plant funds	<u>81,342,580</u>	<u>54,480,394</u>

Statement 1

University of Kentucky
Balance Sheet
February 28, 1986
With Comparative Figures for 1984-85

ASSETS

	1985-86	1984-85
Renewal and replacement Cash and cash equivalents	\$ 3,241,381	\$ 2,899,858
Total cash	3,241,381	2,899,858
Accrued interest receivable Investments held by Trustees	61,339 1,480,902	27,737 1,625,119
Total renewal and replacements	4,783,622	4,552,714
Retirement of indebtedness Cash on deposit with State Treasurer	53,279	235,492
Total cash	53,279	235,492
Accrued interest receivable Investments held by Trustees	305,383 19,586,406	251,392 18,552,613
Total retirement of indebtedness	19,945,068	19,039,497
Investment in plant Land Buildings Equipment	23,830,543 321,087,674 143,217,283	25,251,981 310,857,071 130,073,463
Total investment in plant	488,135,500	466,182,515
TOTAL PLANT FUNDS	\$ 594,206,770	\$ 544,255,120
Agency funds Cash in bank Accounts receivable Due from other funds and affiliated corporations Investments short - term (Schedule 1)	\$ 206,322	\$ 233,106
TOTAL AGENCY FUNDS	15,000	15,000
	\$ 221,322	\$ 248,106

Statement 1

University of Kentucky
Balance Sheet
February 28, 1986
With Comparative Figures for 1984-85

LIABILITIES AND FUND BALANCES

	1985-86	1984-85
Renewal and replacement		
Fund balances		
Restricted (Schedule 4)	1,154,000	1,154,000
Unrestricted (Schedule 4)	3,629,622	3,398,714
Total fund balances	<u>4,783,622</u>	<u>4,552,714</u>
Total renewal and replacements	<u>4,783,622</u>	<u>4,552,714</u>
Retirement of indebtedness		
Bonds payable (Schedule 3)	1,078,000	1,168,000
Fund balances (Schedule 3)	18,867,068	17,871,497
Total retirement of indebtedness	<u>19,945,068</u>	<u>19,039,497</u>
Investment in plant		
Bonds payable	116,608,000	115,411,588
Notes payable	185,624	371,248
Bonds Anticipation Notes Payable	7,700,000	4,200,000
Lease purchase obligation	3,835,000	4,060,000
Net investment in plant	359,806,876	342,139,679
Total investment in plant	<u>488,135,500</u>	<u>466,182,515</u>
TOTAL PLANT FUNDS	<u>\$ 594,206,770</u>	<u>\$ 544,255,120</u>
Agency funds		
Outstanding encumbrances	\$ 221,322	\$ 22,986
Funds held in custody for others	<u>221,322</u>	<u>225,120</u>
TOTAL AGENCY FUNDS	<u>\$ 221,322</u>	<u>\$ 248,106</u>

Statement 2

University of Kentucky
 Statement of Changes in Fund Balances-Current Funds
 Eight Months Ended February 28, 1986

	Unrestricted Allocated	Other Restricted	Tobacco Research Trust Fund	Mining and Minerals Trust Fund	Hospitals and Clinics	Dining System Funds for Future Operating Purposes	Other Auxiliary Enterprises
Fund balances July 1, 1985	\$ 22,213,612	\$ 17,762,633	\$ 1,465,795	\$ 756,989	\$ 32,617,617	\$ 1,498,898	\$ 2,188,064
Realized income	220,030,095	21,252,601	3,103,229	886,764	70,620,933	13,016,332	3,629,759
Realized income in excess of estimate				(886,764)			
Unrealized income	68,937,177	14,354,141	1,196,771		25,393,243	5,436,229	1,897,747
Total estimated income	288,967,272	35,606,742	4,300,000	0	96,014,176	18,452,561	5,527,506
Less fund balance appropriated	15,110,327		1,100,000		16,580,976		
Net current estimated income	273,856,945	35,606,742	3,200,000		79,433,200	18,452,561	5,527,506
Total available	296,070,557	53,369,375	4,665,795	756,989	112,050,817	19,951,459	7,715,570
Current year expenditures/encumbrances	183,516,701	22,222,105	2,416,920		40,671,343	12,192,687	3,423,541
Unencumbered balances, appropriations	105,450,571	13,384,637	1,883,080		55,342,833	6,259,874	2,103,965
Total authorized appropriations	288,967,272	35,606,742	4,300,000	0	96,014,176	18,452,561	5,527,506
Fund balances February 28, 1986	\$ 7,103,285	\$ 17,762,633	\$ 365,795	\$ 756,989	\$ 16,036,641	\$ 1,498,898	\$ 2,188,064

University of Kentucky
 Summary of Current Funds Revenues and Appropriated Balances
 Eight Months Ended February 28, 1986 With Comparative Figures for 1984-85
 1985-86

Fund and Source	1985-86		1984-85	
	Estimated for the Year	Realized to Date	Estimated for the Year	Realized to Date
Unrestricted				
Student Fees	\$ 43,236,155	\$ 40,471,326	\$ 40,972,200	\$ 37,610,566
Federal appropriations	14,159,136	8,773,086	13,727,230	9,271,740
County appropriations	3,185,100	1,285,368	3,168,464	1,167,709
Endowment and trust fund income	679,200	396,216	279,200	339,765
Investment Income	9,225,400	6,007,284	7,806,200	5,699,519
Gifts and Grants				
UKRF	4,113,000		4,346,200	323,023
The Fund	861,300	61,727		
Other funds	175,000	20,634	349,100	
Other	2,811,050	474,255	1,198,318	816,563
Sales, services, other income	9,094,504	7,692,038	8,806,777	5,416,769
Subtotal	87,539,845	65,181,934	80,653,689	60,645,654
State appropriations	186,317,100	139,737,834	170,376,300	127,823,550
Fund balance appropriated	15,110,327	15,110,327	12,876,746	12,876,746
Total unrestricted	288,967,272	220,030,095	263,906,735	201,345,950
Restricted				
Tobacco Research Trust Fund				
Appropriations	3,200,000	2,003,229	3,200,000	2,082,529
Fund balance appropriated	1,100,000	1,100,000	1,604,000	1,604,000
Total Tobacco Research Trust Fund	4,300,000	3,103,229	4,804,000	3,686,529
Mining & Minerals Trust Fund				
Other Restricted	35,606,742	21,252,601	25,422,988	14,668,324
Hospitals and clinics				
State appropriations	1,017,000	762,750	7,281,800	5,461,350
Hospital earned income-net	78,416,200	53,277,207	66,682,090	48,628,100
Appropriated fund balance	16,580,976	16,580,976	21,326,720	13,554,262
Total hospital and clinics	96,014,176	70,620,933	73,963,890	54,089,450
Housing and dining system	18,452,561	13,016,332	21,326,720	13,554,262
Auxiliary Enterprises	5,527,506	3,629,759	6,799,913	4,461,537
TOTAL CURRENT FUNDS AND APPROPRIATED BALANCES	\$ 448,868,257	\$ 332,539,713	\$ 396,224,246	\$ 292,274,916

University of Kentucky
 Summary of Current Funds Expenditures
 Eight Months Ended February 28, 1986
 With Comparative Figures for 1984-85

Fund or Function	1985-86			1984-85		
	Appropriation for the Year	Expended to Date	% Expended to Date	Appropriation for the Year	Expended to Date	% Expended to Date
Unrestricted						
Instruction	122,299,007	75,128,086	61	103,904,702	69,033,672	66
Summer Session - 1985	2,227,973	1,698,650	76	2,286,595	1,747,563	76
Research	23,910,124	15,532,118	65	18,894,035	13,259,274	70
Public service	30,565,367	19,725,149	65	29,431,070	18,676,555	63
Academic support	29,238,886	19,294,980	66	22,391,285	14,091,862	63
Student services	8,699,346	5,623,377	65	7,436,727	4,828,053	65
Staff Benefits	7,382,788	3,946,729	53	16,005,591	4,706,546	29
Institutional support	18,977,436	12,252,923	65	16,734,056	9,900,713	63
Maintenance and operation of plant	26,209,465	16,138,366	62	23,162,014	14,522,037	65
Renovation, office furniture, etc.	2,090,868	1,833,867	88	3,156,320	2,933,083	93
Debt service	12,426,700	8,918,916	72	10,407,400	9,445,410	91
Scholarships and fellowships	4,939,312	3,423,640	69	4,142,112	3,579,612	86
Reserves				5,954,828	111,000	2
Total unrestricted	288,967,272	183,516,701	64	263,906,735	166,835,380	63

University of Kentucky
 Summary of Current Funds Expenditures
 Eight Months Ended February 28, 1986
 With Comparative Figures for 1984-85

Fund or Function	1985-86			1984-85		
	Appropriation for the Year	Expended to Date	% Encumbered to Date	Appropriation for the Year	Expended to Date	% Encumbered to Date
Restricted						
Tobacco Research Trust Fund	4,300,000	2,416,920	56	4,804,000	2,249,135	47
Other Restricted						
Instruction	2,310,131	971,159	42	3,593,182	1,125,778	31
Research	13,026,599	6,116,941	47	8,600,365	3,334,892	39
Public service	3,524,199	2,464,280	70	834,728	208,128	25
Academic support	1,605,939	559,920	35	94,846	33,226	35
Maintenance and operations	24,000	9,227	38			
Student services	12,698,566	11,166,225	88			
Institutional support	116,684	17,093	15	271,373	88,312	33
Student aid	2,232,064	902,242	40	12,028,494	10,904,085	91
Service enterprises	68,560	15,018				
Total other restricted	35,606,742	22,222,105	62	25,422,988	15,694,421	62
Hospitals and clinics	96,014,176	40,671,343	42	73,963,890	43,052,830	58
Housing and dining system	18,452,561	12,192,687	66	21,326,720	12,396,185	58
Other auxiliary enterprises	5,527,506	3,423,541	62	6,799,913	4,255,849	63
TOTAL CURRENT FUNDS EXPENDITURES	\$ 448,868,257	\$ 264,443,297	59	\$ 396,224,246	\$ 244,483,800	62

Schedule 1

University of Kentucky
 Schedule of Short Term Investments
 February 28, 1986

	Maturity Value	Cost
Restricted Current Funds		
Government securities		
U.S. Treasury Notes, 7.875%, 5/15/86	\$ 685,000	\$ 685,000
U.S. Treasury Notes, 11.375%, 8/15/86	4,000,000	4,100,000
U.S. Treasury Notes, 11.625%, 10/31/86	4,000,000	4,107,500
U.S. Treasury Notes, 10.0%, 2/28/87	5,000,000	5,104,688
U.S. Treasury Notes, 10.75%, 3/31/87	3,000,000	3,079,688
U.S. Treasury Notes, 12.0%, 5/15/87	5,250,000	5,506,758
U.S. Treasury Notes, 12.5%, 5/15/87	4,750,000	5,023,857
U.S. Treasury Notes, 9.125%, 5/31/87	4,950,000	5,005,688
Total government securities	31,635,000	32,613,189
Certificates of deposit		
Bank of Commerce, 9.40%, 6/25/86	500,000	500,000
Bank of Commerce, 8.50%, 12/10/86	4,000,000	4,000,000
TOTAL RESTRICTED FUNDS	4,500,000	4,500,000
	\$ 36,135,000	\$ 37,113,189
Agency Funds		
Government securities		
U.S. Treasury Notes, 7.875%, 5/15/86	\$ 15,000	\$ 15,000
TOTAL AGENCY FUNDS	\$ 15,000	\$ 15,000

Schedule 1

University of Kentucky
 Schedule of Retirement of Indebtedness Funds
 For the Eight Months Ended February 28, 1986

Source of Funds	Estimated	Realized	% Realized
Unrestricted current funds	\$ 12,426,700	\$ 8,918,916	72
Housing and dining system	2,484,992	1,246,869	50
Auxiliary enterprises current funds	116,688	23,431	20
TOTAL RETIREMENT OF INDEBTEDNESS FUNDS	\$ 15,028,380	\$ 10,189,216	68
Debt Service	Appropriated	Expended	% Expended
Current unrestricted funds debt			
Consolidated Educational Buildings-Series A	509,600	489,785	96
Consolidated Educational Buildings-Series B	483,960	466,398	96
Consolidated Educational Buildings-Series C	234,800	231,527	99
Consolidated Educational Buildings-Series D	2,413,255	2,347,147	97
Consolidated Educational Buildings-Series E	291,628	282,889	97
Consolidated Educational Buildings-Series F	525,330	511,731	97
Consolidated Educational Buildings-Series G	2,219,747	1,080,032	49
Consolidated Educational Buildings-Series H	1,122,865	1,077,454	96
Consolidated Educational Buildings-Series I	1,851,111		
Community Colleges Educational Buildings-Series A-E	2,774,404	2,431,954	88
Subtotal	12,426,700	8,918,917	72
Housing and Dining System Revenue Bonds-Series A-L	2,484,992	1,158,948	47
Other Auxiliary Enterprises			
Alpha Delta Pi	7,529	1,330	18
Dorms G-L	48,953	10,949	22
Phi Delta Theta	7,945	1,614	20
Alpha Tau Omega	8,228	2,807	34
Housing Bonds of 1960	14,094	2,548	18
Student Housing Bonds of 1964	29,939	6,969	23
Subtotal	116,688	26,217	22
TOTAL RETIREMENT OF INDEBTEDNESS FUNDS	\$ 15,028,380	\$ 10,104,082	67

University of Kentucky
 Schedule of Retirement of Indebtedness Sinking Funds
 February 28, 1986

	Total Sinking Funds	Bonds Payable	Fund Balances
Bond Issue with Reserves Fully Funded			
Consolidated Educational Buildings Project and Interest			
Sinking Fund			
Series A	\$ 1,108,941		\$ 1,108,941
Series B	1,062,813		1,062,813
Series C	421,190		421,190
Series D	3,838,467		3,838,467
Series E	425,389		425,389
Series F	827,464		827,464
Series G	1,748,426		1,748,426
Series H	1,588,827		1,588,827
Series I	222,968		222,968
Community College Educational Buildings Project Bond and Interest Sinking Fund	3,821,335		3,821,335
Series A-E			
Housing and Dining System Revenue Bond and Interest Sinking Fund	3,218,990		3,218,990
Student Housing Bond and Interest Sinking Fund of 1964	208,880		208,880
Student Housing Bond and Interest Sinking Fund of 1960	151,170		151,170
Dormitory Revenue Bonds of 1956	50,000		50,000
Total Bond Issues with Reserves Fully Funded	18,694,860		18,694,860
Bonds Fully Funded by Escrow Accounts			
Cooperstown Future Bond and Interest Fund	1,250,208	1,078,000	172,208
TOTAL SINKING FUNDS	\$ 19,945,068	\$ 1,078,000	\$ 18,867,068

Schedule 4

University of Kentucky
 Schedule of Renewal and Replacement
 For the Eight Months Ended February 28, 1986

	Restricted	Unrestricted	Total Fund Balances
Repair and Maintenance Reserves			
Housing and Dining System	\$ 1,074,000	\$ 475,429	\$ 1,549,429
Student Housing Buildings of 1964	50,000	21,087	71,087
Student Housing Buildings of 1960	30,000	12,693	42,693
	-----	-----	-----
Total repair and maintenance reserves	1,154,000	509,209	1,663,209
	-----	-----	-----
Renewal and Replacement Funds			
Housing and Dining Funds		2,916,561	2,916,561
Other Auxiliary Enterprises		203,852	203,852
	-----	-----	-----
Total renewal and replacement funds		3,120,413	3,120,413
	-----	-----	-----
GRAND TOTAL	\$ 1,154,000	\$ 3,629,622	\$ 4,783,622
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Office of the President
April 1, 1986

FCR 2

Members, Board of Trustees:

Disposal of Surplus Property

Recommendation: that the University of Kentucky declare as surplus Lots 12 and 13 of Block 17, Unit III, Oakwood Hills Subdivision, Walton County, Florida and that the Vice Chancellor for Administration be authorized to dispose of these lots and directed to execute, on behalf of the University, any and all contracts, deeds and other documents deemed necessary to consummate the transaction.

Background: These two lots were given to the University of Kentucky by James R. and Ellen P. Collier for the use and benefit of the University of Kentucky by deed dated December 29, 1982. Disposal of the lots will be in accordance with established procedures for the sale of surplus property.

Action taken: Approved X Disapproved _____ Other _____

Date: April 1, 1986

#0145-p55

Office of the President
April 1, 1986

FCR 3

Members, Board of Trustees:

Report on Leases

Recommendation: that the President report the following lease agreements in accordance with Board policy:

The execution of a lease between the University of Kentucky by and for Madisonville Community College and Parkway Plaza Mall Merchants Association, Madisonville, Kentucky, effective February 11, 1986 through June 30, 1986, for classroom space, rental rate of \$1.00 annually, be accepted and made a matter of record;

The execution of a lease between the University of Kentucky and Columbia Gas of Kentucky, Inc., Lexington, Kentucky, effective July 22, 1986 for a period of twenty years, for a gas regulator station at the intersection of Nicholasville Road and Shawneetown Road for the sole benefit of the University, rental rate of \$500.00, be accepted and made a matter of record;

The execution of a lease between University of Kentucky by and for Henderson Community College and Cliff Hagan Boys Club, Mr. Joe Roth, 1512 Frederica Street, Owensboro, Kentucky, effective February 27, 1986 through May 6, 1986, for gymnasium space for intramurals, annual rental rate of \$320.00, be accepted and made a matter of record.

Background: FCR 5, dated October 15, 1985, authorized the President or his designated representative to enter into leases and easements not exceeding \$30,000 in value and required that all leases entered into under this authority be reported to the Board.

Action taken: Approved X Disapproved _____ Other _____

Date: April 1, 1986

Office of the President
April 1, 1986

FCR 4

Members, Board of Trustees:

CAPITAL CONSTRUCTION REPORT

RECOMMENDATION: that the capital construction report for the six months ending December 31, 1985, be accepted.

BACKGROUND: Under House Bill 622 enacted in the 1982 session of the Kentucky General Assembly, the University is authorized to enter into architectural and related consultant contracts for the purpose of accomplishing capital construction at the University of Kentucky.

The report shows that during the six months ending December 31, 1985, the University has:

1. Awarded fourteen (14) consultant contracts.
2. Made six (6) amendments to consultant contracts.
3. Made seven (7) final payments for seven (7) consultant contracts.
4. Awarded or requisitioned for the award of twenty-seven (27) construction contracts.
5. Made thirty (30) change orders to construction contracts.
6. Made eleven (11) final payments for eleven (11) construction contracts.

Action taken: Approved Disapproved _____ Other _____

Date: April 1, 1986

DIVISION OF DESIGN AND CONSTRUCTION
 REPORT TO FINANCE COMMITTEE OF BOARD OF TRUSTEES
 UNIVERSITY OF KENTUCKY
 FOR THE PERIOD JULY 1, 1985 - DECEMBER 31, 1985

I. CONSULTANT CONTRACTS

<u>CONSULTANT</u>	<u>PROJECT</u>	<u>PROJECT SCOPE</u>	<u>CONSULTANT FEES</u>	<u>EFFECTIVE CONTRACT DATE</u>
MASON & HANGER LEXINGTON	AGRICULTURE SCIENCE NORTH GREENHOUSES	80,000	7,500	85/07/31
DAVID BANKS FRANKFORT	ASBESTOS MEDICAL CENTER MECHANICAL ROOMS	195,000	16,000	85/07/31
DCT DESIGN ASSOC. LEXINGTON	HOSPITAL RENOVATION 2ND FLOOR, PATIENT CARE	160,000	18,700	85/08/30
GODSEY ASSOCIATES LOUISVILLE	FACULTY CLUB LEXINGTON CAMPUS	2,000,000	87,500	85/09/18
SCRUGGS AND HAMMOND LEXINGTON	GAINES CENTER FOR HUMANITIES LANDSCAPING	100,000	6,000 *	85/09/18
PECK/FLANNERY/GREAM/WARREN PADUCAH	PADUCAH COMMUNITY COLLEGE SCIENCE LAB RENOVATION	250,000	23,750	85/09/30
KAISER-TAULBEE LEXINGTON	PER DIEM CONSULTANT MECHANICAL/ELECTRICAL ENGINEER	NOT APPLICABLE	85,000 **	85/09/30
BIAGI, CHANGE, CUMMINS LONDON, TITZER, INC. SHELBYVILLE	PER DIEM CONSULTANT MECHANICAL/ELECTRICAL ENGINEER	NOT APPLICABLE	85,000 **	85/09/30
CENTRAL ASSOCIATED ENGINEERS, INC. LEXINGTON	PER DIEM CONSULTANT MECHANICAL/ELECTRICAL ENGINEER	NOT APPLICABLE	85,000 **	85/09/30
EO ASSOCIATES LEXINGTON	FUNKHOUSER RENOVATION OF SPACE FOR STUDENT FINANCIAL AID	120,000	18,500	85/10/31
POTTS + POTTS ARCH. LEXINGTON	FUNKHOUSER RENOVATION ADMISSIONS & HOUSING	195,000	18,500	85/10/31
GRW ENGINEERS LEXINGTON	PER DIEM CONSULTANT CIVIL ENGINEER	NOT APPLICABLE	85,000 **	85/10/31
W. H. BROWN LEXINGTON	PER DIEM CONSULTANT CIVIL ENGINEER	NOT APPLICABLE	85,000 **	85/10/31
LERCH BATES ASSOCIATES HOUSTON, TX	MEDICAL SCIENCE REPLACE FOUR ELEVATORS	500,000	6,600 *	85/12/30

*Programming fee only.

**Maximum fee through 6/30/86 on an as-needed basis.

II. CHANGES TO CONSULTANT CONTRACTS

<u>CONSULTANT</u>	<u>PROJECT</u>	<u>CHANGE NUMBER</u>	<u>AMOUNT</u>
McCOY & McCOY MADISONVILLE	ASBESTOS TESTING - VARIOUS	1	-0-

NATURE OF CHANGE: Increase maximum fee for each assignment from \$20,000 to \$30,000.

REASON FOR CHANGE: \$20,000 limit was insufficient for asbestos testing and monitoring for large projects.

II. CHANGES TO CONSULTANT CONTRACTS
(CONTINUED)

<u>CONSULTANT</u>	<u>PROJECT</u>	<u>CHANGE NUMBER</u>	<u>AMOUNT</u>
MASON & HANGER LEXINGTON	MEDICAL CENTER UPGRADE RESEARCH FUME HOODS	1	+ 12,021
NATURE OF CHANGE: Additional services.			
REASON FOR CHANGE: Additional plans and specifications were ordered.			
JOHNSON/ROMANOWITZ LEXINGTON	MINING & MINERALS RESOURCE BUILDING	2	+ 73,975
NATURE OF CHANGE: Additional services.			
REASON FOR CHANGE: Prepare three bid packages rather than one, to provide additional cost estimates, to compress the time schedule, in order to attain maximum control of construction costs, and take advantage of a favorable bid climate.			
SHERMAN/CARTER/BARNHART LEXINGTON	PARKING STRUCTURE #3	1	+ 9,695
NATURE OF CHANGE: Additional services.			
REASON FOR CHANGE: Evaluation of three project sites was required. Also revision of plans and specifications was ordered to incorporate a change to the present structure's lighting layout.			
DQW, Inc. LEXINGTON	AQUATICS FACILITY	3	+ 28,086
NATURE OF CHANGE: Additional services.			
REASON FOR CHANGE: Construction scope increased from \$4,300,000 to \$4,890,000.			
OMNI/CMW, JOINT VENTURE LEXINGTON	HOSPITAL EXPANSION	1	+ 151,184
NATURE OF CHANGE Establish programming portion of Phase A-2 services.			
REASON FOR CHANGE This portion of contract was undetermined when contract was initiated.			

III. CONSULTANT FINAL PAYMENTS

<u>CONSULTANT</u>	<u>PROJECT</u>	<u>FINAL CONTRACT AMOUNT</u>	<u>DATE</u>
ARRASMITH/JUDD/RAPP LOUISVILLE	SOMERSET COMMUNITY COLLEGE ACADEMIC/TECHNICAL BUILDING	103,286	85/08/09
JOHNSON/ROMANOWITZ LEXINGTON	BLANDING III ROOF REPAIR	6,000	85/08/28
JOHNSON/ROMANOWITZ LEXINGTON	BLANDING II ROOF REPAIR	7,000	85/09/16
KAISER-TAULBEE LEXINGTON	STUDENT CENTER SMOKE DETECTORS	8,000	85/11/16
ASSOCIATED DESIGNERS LEXINGTON	COMMONWEALTH VILLAGE BUILDING ROOF REPLACEMENT	13,200	85/12/06
KENCO ASSOCIATES ASHLAND	ASHLAND COMMUNITY COLLEGE PARKING LOT PAVING	21,300	85/12/13
DAVID C. BANKS FRANKFORT	BOYD, JEWELL, PATTERSON HALLS REMOVAL OF ASBESTOS	6,113	85/12/23

IV. CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>CONTRACT PRICE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>BID RANGE</u>
PEARCE PHELPS ROOFING LEXINGTON	ALUMNI GYM ROOF REPAIR	114,414	85/07/03	4	114,414 - 172,900
WOODFORD BUILDERS LEXINGTON	CENTER FOR THE ARTS REHEARSAL ROOM	75,350	85/07/12	5	75,350 - 109,124
NORTH BROTHERS LEXINGTON	ASBESTOS REMOVAL BOYD, JEWELL, PATTERSON HALLS	155,700	85/07/12	1	155,500
H. BECKER CO. LEXINGTON	STUDENT CENTER ROOF REPLACEMENT	127,500	85/07/17	2	127,500 - 127,676
SCOTTY'S CONTRACTING ELIZABETHTOWN	ELIZABETHTOWN COMMUNITY COLLEGE PARKING LOT PAVING & LIGHTING	163,005	85/07/19	3	163,005 - 171,533
K.V. CONSTRUCTION CO. LEXINGTON	REYNOLDS #1 FIRST FLOOR RENOVATION	124,800	85/08/01	5	124,800 - 172,950
EN-TECH, INC. LOUISVILLE	ASHLAND COMMUNITY COLLEGE ROOF REPAIRS	24,885	85/08/02	1	24,855
HOPKINS CO. ASPHALT MADISONVILLE	MADISONVILLE COMMUNITY COLLEGE PARKING LOT PAVING & LIGHTING	74,945	85/08/02	2	74,945 - 82,416
R & W CONSTRUCTION LOUISVILLE	MAXWELL GLUCK EQUINE RESEARCH FACILITY	6,717,000	85/08/28	3	6,717,000 - 6,770,000
HOMCO MECH CONTRACTORS LEXINGTON	CENTRAL HEATING SMOKE STACKS	87,416	85/09/12	2	87,416 - 133,339
HINKLE CONTRACTING BURNSIDE	SOMERSET COMMUNITY COLLEGE ACAD./TECH. BLDG ROADWAY IMPROVEMENTS	164,586	85/09/17	1	170,509
CUTTER-PULLIAM ELECTRIC LEXINGTON	SOMERSET COMMUNITY COLLEGE EMERGENCY GENERATOR	10,661	85/09/19	3	10,661 - 12,451
W. ROGERS CO. LEXINGTON	ANIMAL CARE FACILITY BLASTING & EXCAVATION	165,600	85/09/25	3	165,600 - 363,425
R. C. CONSTRUCTION SOUTHPOINT, O	HAZARD COMMUNITY COLLEGE PARKING LOT PAVING	115,118	85/10/02	3	115,118 - 189,981
ELLIOTT CONTRACTING PIKEVILLE	PRESTONSBURG COMMUNITY COLLEGE STUDENT CTR EMERGENCY POWER SUPPLY	6,999	85/10/02	4	6,999 - 9,942
CAREY CONSTRUCTION CO LEXINGTON	WILDCAT LODGE PARKING LOT	19,500	85/10/09	3	19,500 - 29,500
CAREY CONSTRUCTION LEXINGTON	PARKING LOT 314 ROSE LANE (NEWMAN CENTER)	35,773	85/10/09	3	\$ 35,773 - 49,500
SUPERIOR SYSTEMS ST.CHARLES, MD	ASBESTOS REMOVAL CENTRAL HEATING SMOKE STACKS	64,800	85/10/10	1	64,800
FINNEY COMPANY, INC. LEXINGTON	HOSPITAL ELEVATORS AIR CONDITIONING OF PENTHOUSE	56,780	85/10/14	4	56,780 - 71,820
EUBANK & STEELE LEXINGTON	HOSPITAL RENOVATION 5TH FLOOR INTERIOR DECOR	388,665	85/10/14	6	388,665 - 499,752
NORWOOD CONSTRUCTION LEXINGTON	DEMOLITION OF STRUCTURES 575 WOODLAND AVENUE	2,400	85/10/22	1	2,400
CUTTER PULLIAM LEXINGTON	SOMERSET COMMUNITY COLLEGE EMERGENCY GENERATOR	10,661	85/10/23	3	10,661 - 12,451
CUTTER-PULLIAM LEXINGTON	TENNIS BUILDING PRIMARY ELECTRIC SERVICE	22,709	85/10/23	3	22,709 - 27,800
CRAVENS CONSTRUCTION FLATWOODS KY	PRESTONSBURG COMMUNITY COLLEGE PIKE & MARTIN STUD.CTR DOOR FRAMES	21,000	85/11/11	2	21,000 - 27,225

IV. CONSTRUCTION CONTRACTS
(CONTINUED)

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>CONTRACT PRICE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>BID RANGE</u>
WHEELER CONSTRUCTION LEXINGTON	LEXINGTON COMMUNITY COLLEGE EXTERIOR LIGHTED SIGN	20,199	85/11/18	2	20,199 - 25,018
LICHTEFELD-MASSARO, INC LOUISVILLE	PARKING STRUCTURE #3	1,734,000	85/12/03	7	1,734,000 - 1,914,000
FINNEY COMPANY LEXINGTON	MINING & MINERALS SITE UTILITIES	746,600	85/12/13	3	746,600 - 970,000

V. CHANGE ORDERS TO CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>CHANGE NUMBER</u>	<u>AMOUNT</u>
M. B. MCCREAGOR COMPANY LEXINGTON	MAYSVILLE COMMUNITY COLLEGE LANDSCAPING	2	+ 325.00
Nature of Change: Provide 200 sq. yards of sod along edge of paved areas of Courtyard.			
Reason for Change: Additional sod needed to prevent erosion of soil onto paved areas.			
LICHTEFELD-MASSARO LOUISVILLE	ELIZABETHTOWN COMMUNITY COLLEGE LRC PHASE II	2	+ 250.17
Nature of Change: Revise electrical wiring to provide 30 amp, heavy duty fused disconnect at compressor.			
Reason for Change: Contradiction between the mechanical & electrical drawings; disconnect was not shown on drawings.			
WOODFORD BUILDERS LEXINGTON	HOSPITAL RENOVATION 5th FLOOR INTERIOR DECOR	2	+ 966.00
Nature of Change: 1. Provide a one hour smoke barrier along top of wall between rooms H615 & H619. 2. Skim coat all glazed tile to prepare surfaces for vinyl wallcovering.			
Reason for Change: 1. Needed to meet code requirements. 2. To provide a smooth surface to apply vinyl wallcovering.			
WHITE CONSTRUCTION LEXINGTON	HOSPITAL RENOVATION 6th FLOOR NORTH	3	+ 2,064.55
Nature of Change: 1. Add electrical power. 2. Provide panelling in lieu of photographic art work. 3. Install additional PVC snap on corner guards in patient rooms. 4. Install additional oak crash rails in four patient rooms.			
Reason for Change: 1. Relocation of one electrical outlet. 2. Hospital Administration decided to forego the art work and install panelling. 3. To protect vinyl wall covering and corners when beds are moved in and out of patient rooms. 4. To protect wall coverings from damage when beds moved in and out of patient rooms.			
ENGLE CONSTRUCTION CO. LEXINGTON	COMMONWEALTH VILLAGE BLDG. 106 ROOF REPLACEMENT	2	-0-
Nature of Change: Extension of time.			
Reason for Change: Allow contractor extra days for installation of underground storm drain.			

V. CHANGE ORDERS TO CONSTRUCTION CONTRACTS
(CONTINUED)

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>CHANGE NUMBER</u>	<u>AMOUNT</u>
WOODFORD BUILDERS LEXINGTON	ADMINISTRATION ANNEX FIRE SAFETY IMPROVEMENTS	1	+ 4,931.20
Nature of Change:	<ol style="list-style-type: none"> 1. Provide new door; solid core, wood frame. 2. Install new light fixture on stair side of door #7. 3. Extend one 5" PVC electrical conduit from point of connection to existing manhole. 		
Reason for Change:	<ol style="list-style-type: none"> 1. Existing door was hollow core and would not meet code, therefore had to be replaced. 2. Closing of new corridor makes top of stairs dark & hazardous. 3. Existing conduit proved to be 4" rather than 5" as shown on as-built drawings. 		
A & B ROOFING LEXINGTON	M.C. ANNEX II ROOF REPLACEMENT	1	+ 2,035.50
Nature of Change:	<ol style="list-style-type: none"> 1. Install 800 L.F. of new fascia and new singly ply membrane on stair tower roofs. 2. Leave concrete deck in place; install fiber cants. 		
Reason for Change:	<ol style="list-style-type: none"> 1. Fascia needed to put on membrane; membrane needed to enhance complete roofing system. 2. After removal of I-Beam, it was found that the concrete deck did not need to be replaced or repaired. 		
NORTH BROTHERS, INC. LEXINGTON	KIRWAN II CEILING TILE ASBESTOS ABATEMENT	1	- 155.00
Nature of Change:	Credit to University for full face air mask.		
Reason for Change:	The air mask was not needed.		
BREEDEN CONSTRUCTION LEXINGTON	SOUTHEAST COMMUNITY COLLEGE NEWMAN HALL RENOVATION	1	+ 175.00
Nature of Change:	<ol style="list-style-type: none"> 1. Provide credit to University for not painting vacated spaces. 2. Time extension. 3. Store furniture in trailer for 13 days. 		
Reason for Change:	<ol style="list-style-type: none"> 1. Painting not required. 2. One day time extension granted due to University delaying start time. 3. The Community College System requested furniture to be moved from vacated space ahead of scheduled time. 		
K V CONSTRUCTION LEXINGTON	REYNOLDS #1 RENOVATION 1st FLOOR	1	+ 1,400.00
Nature of Change:	Install PR2670 U.L. listed HM flush doors with hardware in lieu of those specified.		
Reason for Change:	The doors originally specified were not proper width.		
K V CONSTRUCTION LEXINGTON	REYNOLDS #1 RENOVATION 1st FLOOR	2	+ 430.00
Nature of Change:	Raise duplex outlets in dark room.		
Reason for Change:	Design error.		
DEERINGER & SON LEXINGTON	BLANDING I ROOF REPLACEMENT	1	+ 914.50
Nature of Change:	Delete two layers of 15/16" insulation and substitute one layer of 1.3" closed cell insulation and one layer of 3/4" fiberglass insulation.		
Reason for Change:	To increase insulation "R" value over room areas.		

V. CHANGE ORDERS TO CONSTRUCTION CONTRACTS
(CONTINUED)

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>CHANGE NUMBER</u>	<u>AMOUNT</u>
WHEELER GENERAL CONTRACTORS LEXINGTON	CENTER FOR THE ARTS DRY PIPE SPRINKLER SYSTEM	1	+ 3,056.00
Nature of Change:	1. Connect existing wet sprinkler head to dry pipe system. 2. Provide concrete pad, anchors, air compressor and all necessary connections, including tie-in to connect to emergency panel.		
Reason for Change:	1. Error on as-built drawings. 2. To better maintain the dry pipe sprinkler system.		
SCOTTY'S CONTRACTING, INC. ELIZABETHTOWN	ELIZABETHTOWN COMMUNITY COLLEGE PARKING LOT	1	+ 2,241.00
Nature of Change:	1. Construct concrete ramp at loading dock. 2. Construct sidewalk from existing building to new loading dock. 3. Provide 1" bituminous overlay at University Drive entrance.		
Reason for Change:	1. Provide access for mowing equipment. 2. Existing paving is too low to permit semi-trailer doors to open at dock. 3. Area has greatly deteriorated since project was developed.		
HAGERMAN PLUMBING & HEATING OWENSBORO	MADISONVILLE COMMUNITY COLLEGE HVAC 1st and 2nd FLOORS	1	+ 4,977.70
Nature of Change:	Add locking quadrant damper to 182 mixing boxes.		
Reason for Change:	Existing regulators were inoperative.		
HAGERMAN PLUMBING & HEATING OWENSBORO	MADISONVILLE COMMUNITY COLLEGE HVAC 3rd FLOOR	1	+ 495.00
Nature of Change:	Install 8" float chamber for cooling tower.		
Reason for Change:	To regulate amount of water in cooling tower automatically.		
HAGERMAN PLUMBING & HEATING OWENSBORO	MADISONVILLE COMMUNITY COLLEGE HVAC 1st & 2nd FLOORS	2	+ 290.00
Nature of Change:	Replace flexible connector on discharge side of high pressure fan.		
Reason for Change:	The existing connector can not be repaired.		
WOODFORD BUILDERS LEXINGTON	CENTER FOR THE ARTS REHEARSAL ROOM	1	+ 3,285.57
Nature of Change:	1. Provide 8" x 8" electrical box and conduit. 2. Labor to install panic hardware on exit doors.		
Reason for Change:	1. Provide conduit for future microphones. 2. Requested by Safety & Security.		
ASHLAND ASPHALT PAVING CO. ASHLAND	ASHLAND COMMUNITY COLLEGE PARKING LOT PAVING	1	+ 3,470.55
Nature of Change:	1. Delete 225 L.F. 6" perforated pipe lot "5". 2. Extend manhole at entry 4'-0". 3. Repair blacktop lots "A," and stripe at lot "A". 4. Install 70 L.F. 6" perforated pipe at lot "C". 5. Replace 300 L.F. asphalt curb lots "A," "B," and "C".		
Reason for Change:	1. Location shown is on rock. 2. Manhole metal centering would not support additional fill materials. 3. Additional deterioration since last review. 4. Water was flowing from under base of existing pavement. 5. Additional deterioration since last review.		

V. CHANGE ORDERS TO CONSTRUCTION CONTRACTS
(CONTINUED)

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>CHANGE NUMBER</u>	<u>AMOUNT</u>
WILLIAM HEPBURN COMPANY LEXINGTON	STUDENT CENTER SMOKE DETECTION	2	+ 1,980.00
Nature of Change: Change location of twelve lights and fire horns.			
Reason for Change: Plans showed location near clocks and Fire Marshal requested they be relocated.			
RC CONSTRUCTION SOUTH POINT, OHIO	HAZARD COMMUNITY COLLEGE PARKING LOT	1	+ 3,800.00
Nature of Change: Lower existing storm drain.			
Reason for Change: Storm drain was not indicated on drawings. Existing elevation of storm line is presently above the new elevation of the parking lot.			
CC LEE LEXINGTON	MEDICAL CENTER CLINIC SUPPORT	1	+ 1,921.00
Nature of Change: <ul style="list-style-type: none"> 1. Seal top of existitng wall for smoke barrier. 2. Install 2 chute doors for medical record drops. 3. Install TV power outlets. 4. Remove two existing door frames. 5. Lower two return air grills to fit ceiling grid system. 			
Reason for Change: <ul style="list-style-type: none"> 1. Was unknown until an above ceiling inspection was held. 2. Contract calls for chute to be closed. Hospital needs to retain for records transfer. 3. Not shown on drawings. 4. Not shown on demolition plan. 5. Above ceiling equipment required ceiling line to be lowered. 			
JOHNSON ROOFING HARLAN	RESEARCH BUILDING II ROOF REPLACEMENT	1	+ 1,333.71
Nature of Change: <ul style="list-style-type: none"> 1. Install rings for roof drains. 2. Replace the insulation. 3. Remove vent pipe and seal hole. 			
Reason for Change: <ul style="list-style-type: none"> 1. Rings were missing from roof drains. 2. Contractor was unable to dry existing insulation. Only solution was to replace with new. 3. Vent pipe not in use; therefore, removal would prevent future leakage. 			
CLEAVER CONSTRUCTION MURRAY	PADUCAH COMMUNITY COLLEGE STUDENT SERVICES II	7	+ 10,852.70
Nature of Change: <ul style="list-style-type: none"> 1. Replace 18 temperature controls and adjustments. 2. Repair 18 controls. 3. Add balancing dampers to existing duct system. 			
Reason for Change: <ul style="list-style-type: none"> 1. These controls were beyond repair and had to be replaced. 2. Upon testing, these controls continually malfunctioned. 3. To control the volume of air that is needed for the west addition. 			
W. ROGER COMPANY LEXINGTON	ANIMAL CARE FACILITY BLASTING	1	+ 1,790
Nature of Change: <ul style="list-style-type: none"> 1. Pull two additional cables in manholes. 2. Excavate and remove blockage in existing tile duct between manholes. Repair asphalt and sod. 			
Reason for Change: <ul style="list-style-type: none"> 1. Medical Center Physical Plant requested an additional FMS cable and computer cable be pulled along with cables in contract. 2. Blockage was discovered in four sections of duct. 			

V. CHANGE ORDERS TO CONSTRUCTION CONTRACTS
(CONTINUED)

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>CHANGE NUMBER</u>	<u>AMOUNT</u>
DENHAM-BLYTHE LEXINGTON	TENNIS BUILDING	1	+ 37,740.00
Nature of Change:	1. Extend 16 sidewall piers so that footings will be placed on original soil #2. 2. Replace existing MX-galvalum 26 gauge metal roofing material with 1 1/2" deep rib white finish, 26 gauge metal roofing material.		
Reason for Change:	1. Subsurface report showed soil #1 not suitable to support structural loads. Report not given to contractor until after award of contract. 2. It was determined that factory applied white finish would be cheaper than field applied paint finish and recurring cost of painting would be reduced.		
WOODFORD BUILDERS LEXINGTON	ADMINISTRATION BUILDING FIRE SAFETY	2	+ 593.63
Nature of Change:	Encase 12" VCP with 4" of concrete, stepfooting to clear pipe & encasement.		
Reason for Change:	The 12" storm line was not shown on drawings.		
FINNEY COMPANY LEXINGTON	MEDICAL CENTER 3RD CHILLER ADDITION	2	-0-
Nature of Change:	Time Extension - 30 days.		
Reason for Change:	Supplier unable to meet delivery date.		
ENTECH, INC. LOUISVILLE	ASHLAND COMMUNITY COLLEGE ROOF REPAIRS	1 & 2	+ 286.00
Nature of Change:	1. Change order #1 issued by Purchasing Division. 2. Apply clean roof and coating on Northeast canopy roof.		
Reason for Change:	1. Change order #1 to allow partial payments to contractor - no change in contract. 2. This canopy was not shown on original drawings.		
DENHAM-BLYTHE LEXINGTON	TENNIS BUILDING	2	+ 360.00
Nature of Change:	Install 1 1/2" incline gate valve in the existing domestic water line feeding to the Recreation Building and valve.		
Reason for Change:	To shut the Recreation Building off during winter without shutting down the Tennis Building.		

VI. CONTRACTOR TOTAL PAYMENTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>FINAL CONTRACT AMOUNT</u>	<u>DATE</u>
EUBANK & STEELE LEXINGTON	STUDENT CENTER ADDITION HOSPITALITY CENTER	15,887	85/07/13
CBS, INC. SOMERSET	SOMERSET COMMUNITY COLLEGE ACADEMIC/TECHNICAL BUILDING	1,288,938	85/09/01
EUBANK & STEELE LEXINGTON	KIRWAN/BLANDING CANOPIES	35,672	85/09/26
WOODFORD BUILDERS LEXINGTON	HOSPITAL RENOVATION 6th FLOOR INTERIOR DECOR	365,692	85/10/08

VI. CONTRACTOR TOTAL PAYMENTS
(CONTINUED)

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>FINAL CONTRACT AMOUNT</u>	<u>DATE</u>
EUBANK & STEELE LEXINGTON	KIRWAN/BLANDING CANOPIES	35,672	85/10/10
NORTH BROTHERS COMPANY LEXINGTON	BOYD, JEWELL, PATTERSON HALLS REMOVAL OF ASBESTOS	155,700	85/10/31
ASHLAND ASPHALT PAVING ASHLAND	ASHLAND COMMUNITY COLLEGE PARKING LOT PAVING	170,291	85/11/07
WILLIAM HEPBURN COMPANY LEXINGTON	STUDENT CENTER SMOKE DETECTORS	38,976	85/11/12
WOODFORD BUILDERS LEXINGTON	CENTER FOR THE ARTS REHEARSAL ROOM	78,635.57	85/12/05
ELLIOTT CONTRACTING PIKEVILLE	PRESTONSBURG STUDENT CENTER EMERGENCY POWER SUPPLY	6,999	85/12/09
BREEDEN CONSTRUCTION LEXINGTON	SOUTHEAST NEWMAN HALL RENOVATION	148,675	85/12/13

Office of the President
April 1, 1986

FCR 5

Members, Board of Trustees:

A RESOLUTION CLARIFYING, AMENDING, AND RESTATING
PROVISIONS OF RESOLUTIONS PREVIOUSLY ADOPTED
AUTHORIZING THE ISSUANCE OF \$3,790,000 UNIVERSITY
OF KENTUCKY HOUSING AND DINING SYSTEM REVENUE
BONDS, SERIES L

Recommendation: that the Board of Trustees approve a Resolution authorizing the issuance of \$3,790,000 Housing and Dining System Revenue Bonds, Series L, dated June 1, 1986.

The Resolution further authorizes the Treasurer of the University to publish a Notice of Bond Sale for the Series L Bonds in compliance with KRS Chapters 162.340 through 162.380, and, further, to disseminate copies of a Statement of Terms and Conditions of Bond Sale, an Official Bid Form and an Official Statement for the purpose of providing adequate information to prospective bidders.

The Notice of Bond Sale, prepared by Bond Counsel, establishes date for receipt of sealed, competitive bids for the bonds at 10:30 a.m., EDT, on May 6, 1986, such bids to be considered by the Finance Committee of the Board and a recommendation to be submitted to the full Board at its meeting at 1:00 p.m. on May 6, 1986.

Background: \$4,200,000 Housing and Dining System Revenue Bond Anticipation Notes, Series L, were issued and delivered on June 1, 1982, and will mature on June 1, 1986. Proceeds of the Series L Bonds, in the principal amount of \$3,790,000, will provide funds for the payment at maturity of the Series L Notes (to the extent not otherwise paid) and for the cost of issuance of the bonds.

Proceeds of the Series L Notes provided funds for the payment of costs of construction of an addition to the University Student Center.

Action: Approved X Disapproved Other

Date: April 1, 1986

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$3,790,000 OF UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM REVENUE BONDS, SERIES L, FOR THE PURPOSE OF FINANCING THE COST, NOT OTHERWISE PROVIDED, OF PAYING AND RETIRING \$4,200,000 OF UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM REVENUE BOND ANTICIPATION NOTES, SERIES L, DATED JUNE 1, 1982; APPROVING THE AMENDMENT OF THE TRUST INDENTURE UNDER WHICH ALL HOUSING AND DINING SYSTEM REVENUE BONDS ARE TO BE AUTHORIZED AND ISSUED; AND AUTHORIZING THE ADVERTISED, COMPETITIVE SALE OF SAID BONDS IN ACCORDANCE WITH LAW.

WHEREAS, the Board of Trustees of the University of Kentucky (the "Board") on December 9, 1980 adopted a Resolution approving the issuance of University of Kentucky Housing and Dining System Revenue Bonds, Series L, in a principal amount not to exceed \$4,400,000 (the "Bonds") for the purpose of financing the cost, not otherwise provided, of constructing an Addition to the University Student Center (the "Project"), and authorizing the statutory Executive Committee of said Board (the "Executive Committee") to determine the exact principal amount of Bonds to be issued after construction bids and/or final estimates were made available to said Executive Committee in regard to said Project, and

WHEREAS, the Executive Committee of the Board adopted a Resolution on February 9, 1981 authorizing and approving the Project and authorizing the execution of a certain Series L Supplemental Trust Indenture (Fourth Supplemental Trust Indenture) dated as of February 1, 1981 by and between the Board and Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as Trustee; which 1981 Trust Indenture authorized the issuance of \$4,200,000 principal amount of the University's "Housing and Dining System Revenue Bond Anticipation Notes, Series L", dated March 17, 1981 (the "Series L 1981 Notes") and \$4,200,000 principal amount of the University's "Housing and Dining System Revenue Bonds, Series L" to be dated February 1, 1982 (the "Series L 1982 Bonds"), and

WHEREAS, it was determined by the Board to issue \$4,200,000 of its "University of Kentucky Housing and Dining System Revenue Bond Anticipation Notes, Series L" dated June 1, 1982 (the "Series L 1982 Notes") in order to provide funds for the payment of the Series L 1981 Notes through the issuance of the Series 1982 Notes as "renewal notes" rather than issuing the Series L Bonds at that time, and

WHEREAS, it has been determined that changes in Federal law have made necessary an additional amendment be made to the Series L Supplemental Trust Indenture in order to reflect the fact that only fully registered Bonds may now be issued by political subdivisions, and

WHEREAS, has been determined necessary that by virtue of the fact that there are funds remaining in the "University of Kentucky Housing and Dining System Series L Construction Account" it is necessary and desirable that the principal amount of Series L Bonds originally authorized be reduced to the principal amount of \$3,790,000; and

WHEREAS, it is necessary that the 1981 Trust Indenture be amended and superseded by a supplemental Indenture to reflect the changes made necessary as a result of the changes in Federal law and the reduction in the principal amount and change in the Schedule of Maturities of the Series L Bonds;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Ratification and Approval of the Project. That the determination of the need for and the construction of the addition to the University Student Center (the "Project") by the Board of Trustees is hereby authorized, ratified and approved.

Section 2. Authorization of Series L 1986 Bonds. That in order to pay and retire the Series L 1982 Notes issued to finance the costs, not otherwise provided, incident to the authorization and construction of the Project, there are hereby authorized to be issued \$3,790,000 principal amount of "University of Kentucky Housing and Dining System Revenue Bonds, Series L" dated June 1 1986 (the "Series L 1986 Bonds"), said Series L 1986 Bonds to be payable as to principal in varying amounts in each of the years 1987 through 2006 in accordance with the Schedule of Principal Maturities to be set forth in a Supplemental Trust Indenture. Said Series L 1986 Bonds shall be payable as to principal and interest solely from the revenues of the Housing and Dining System as defined in said Supplemental Trust Indenture.

That said Series L 1986 Bonds shall be authorized pursuant to the provisions of Sections 162.340 through 162.380, inclusive, of the Kentucky Revised Statutes and shall be secured by and payable from the income and revenues of the University of Kentucky Housing and Dining System (the "System") as such System is identified in said Supplemental Trust Indenture.

Section 3. Officers Authorized to Execute Supplemental Trust Indenture and all Documents in connection with Series L 1986 Bonds. That the Chairman or Vice-Chairman and the Secretary or Assistant Secretary are hereby authorized and directed to execute on behalf of the Board a Supplemental Trust Indenture in substantially the same form as that attached to this Resolution as

Exhibit A and such other documents as are necessary to implement the changes contemplated hereby and the authorization, sale, issuance and delivery of the Series L 1986 Bonds, including the Series L 1986 Bonds themselves.

Section 4. Approval of Documents Implementing the Sale of the Series L, 1986 Bonds. That Henry M. Reed III, Bond Counsel, at the direction of First Kentucky Securities Corporation, Frankfort, Kentucky, Financial Advisor to the Board, is hereby directed to prepare forms of "Notice of Bond Sale", "Official Terms and Conditions of Bond Sale", and "Series L Official Bid Form" in substantially the same form as those attached to the Resolution as Exhibits B, C and D in order to implement the offering and sale of the Series L, 1986 Bonds authorized herein and under the Supplemental Trust Indenture and said documents are hereby authorized.

Section 5. Disposition of Bond Proceeds; Transfer of Funds from Series L Construction Account. That when the Series L, 1986 Bonds are delivered to the purchaser or purchasers thereof and the proceeds thereof are received by the Board, the Treasurer of the Commonwealth shall be authorized to transfer such amounts then remaining in the Series L Construction Account as are necessary to the System Sinking Fund in order to supplement the net proceeds of said Series L 1986 Bonds in order to provide for the complete payment and retirement of all of the principal and interest requirements on the Series L 1982 Notes on June 1, 1986.

Section 6. Resolutions Not In Conflict to Remain in Force.

That all of the terms and conditions of the Resolution passed and adopted by the Board of Trustees on the 6th day of April, 1982 and the Resolution passed and adopted by the Executive Committee on February 9, 1981 to the extent the same are not in conflict with the provisions hereof are hereby ratified and affirmed.

Section 7. Effective Date. That this Resolution shall be in full force and effect from and after its adoption.

ADOPTED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY AT A PROPERLY CONVENED MEETING HELD ON THE 1ST DAY OF APRIL, 1986.

Chairman, Board of Trustees,
University of Kentucky

Attest:

Secretary

CERTIFICATION

The undersigned hereby certifies that he is the duly authorized and acting Secretary of the Board of Trustees of the University of Kentucky and that the foregoing is a true copy of the Resolution passed and adopted by said Board at a regularly convened meeting held on the 1st day of April, 1986 and that said Resolution is now in full force and effect.

WITNESS my hand and the Seal of the University this 1st day of April, 1986.

Secretary, Board of Trustees,
University of Kentucky

SERIES L SUPPLEMENTAL TRUST INDENTURE
(Fourth Supplemental Trust Indenture)

Dated as of June 1, 1986

MADE BY

BOARD OF TRUSTEES OF UNIVERSITY OF KENTUCKY
Lexington, Kentucky

TO

FARMERS BANK & CAPITAL TRUST COMPANY
Frankfort, Kentucky
As Trustee

EVIDENCING THE ISSUANCE AND PROVIDING
FOR THE SECURITY AND SOURCE OF
PAYMENT OF
UNIVERSITY OF KENTUCKY HOUSING AND DINING
SYSTEM REVENUE BONDS
SERIES L
ON A BASIS OF PARITY AND EQUALITY AS TO
SECURITY AND SOURCE OF PAYMENT WITH
PREVIOUSLY ISSUED "UNIVERSITY OF KENTUCKY
HOUSING AND DINING SYSTEM REVENUE BONDS",
SERIES A TO SERIES K, INCLUSIVE

BOARD OF TRUSTEES RESOLUTION
EXHIBIT A

SERIES L SUPPLEMENTAL TRUST INDENTURE
(Fourth Supplemental Trust Indenture)

Dated as of June 1, 1986

MADE BY

BOARD OF TRUSTEES OF UNIVERSITY OF KENTUCKY
TO
FARMERS BANK & CAPITAL TRUST COMPANY

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SERIES L
SUPPLEMENTAL TRUST INDENTURE
(Fourth Supplemental Trust Indenture)

PROVIDING FOR THE SECURITY OF

"UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM
REVENUE BONDS, SERIES L DATED JUNE 1, 1986"

AND

ISSUED BY THE BOARD OF TRUSTEES OF UNIVERSITY OF KENTUCKY,
LEXINGTON, KENTUCKY

This SERIES L SUPPLEMENTAL TRUST INDENTURE, which is also the Fourth Supplemental Trust Indenture, dated as of the first day of June, 1986, made by and between BOARD OF TRUSTEES OF UNIVERSITY OF KENTUCKY, a public body corporate and an educational institution and agency and a political subdivision of the Commonwealth of Kentucky, at Lexington, Kentucky (hereinafter called the "Board"), and FARMERS BANK & CAPITAL TRUST COMPANY, a combined bank and trust corporation duly organized and existing according to the laws of the Commonwealth of Kentucky, having full powers to act as a corporate trustee, and having its principal office and place of business in the City of Frankfort, County of Franklin, Commonwealth of Kentucky, as Trustee (hereinafter called the "Trustee").

W I T N E S S E T H:

THAT WHEREAS, the Board and the Trustee have heretofore, under the date of June 1, 1965, made and entered into a certain Trust Indenture, a certain Supplemental Trust Indenture, a certain Second Supplemental Trust Indenture (the "1965 Indenture") and a certain Third Supplemental Trust Indenture (the "1978 Indenture") (collectively sometimes referred to as the "Indentures") for the purpose of providing for the security and source of payment of the Board's "University of Kentucky Housing and Dining System Revenue Bonds" (the "Bonds"), and the Board has heretofore issued pursuant to the Indentures Bonds in the

principal amount of \$41,559,000 in various Series designated Series A to Series K, inclusive, dated as of June 1, 1965 (Series A to I) and dated December 1, 1978 (Series J and K); and

WHEREAS, it is provided in Article XII of the 1965 Indenture that the Board and the Trustee may, from time to time and at any time, enter into Supplemental Trust Indentures for enumerated purposes specifically included in subsection (1) of Section 1201 of said Article: "to evidence the issuance of each future Series of Bonds, to provide for the maturities, redemption provisions and other details thereof, and to provide for such adjustments thereafter to be made in the various special funds or accounts herein created, in order to conform to the conditions relating to the issuance of such Series of Bonds"; and

WHEREAS, The Board and the Trustee have heretofore entered into a certain "Series L Supplemental Trust Indenture (Fourth Supplemental Trust Indenture)" dated as of February 1, 1981 authorizing the issuance of \$4,200,000 principal amount of "University of Kentucky Housing and Dining System Revenue Bonds, Series L", dated February 1, 1981 and \$4,200,000 of "University of Kentucky Housing and Dining System Revenue Bond Anticipation Notes, Series L, dated March 17, 1981 (the "Series L 1981 Notes"); and

WHEREAS, the Board, in conjunction with the Finance and Administration Cabinet determined that the conditions of the municipal bond market existing immediately prior to the due date for the Series L 1981 Notes were unfavorable to the issuers of long term obligations, such as the Series L Bonds, and that it was necessary and desirable that the Board authorize the issuance of \$4,200,000 of "University of Kentucky Housing and Dining System Revenue Bond Anticipation Notes, Series L, dated June 1, 1982" (the "Series L 1982 Notes") for the purpose of retiring at maturity the Series L 1981 Notes rather than issuing the Series L Bonds under then existing market conditions; and

WHEREAS, the Board and the Trustee have heretofore entered into a certain "Series L Supplemental Trust Indenture (Fourth Supplemental Trust Indenture)" dated as of June 1, 1982 authorizing the issuance of \$4,100,000 of "University of Kentucky Housing and Dining System Revenue Bonds, Series L" dated June 1, 1986 (the Series L 1986 Bonds") and the Series L 1982 Notes; and

WHEREAS, it has been determined that changes in the Internal Revenue Code of 1954, as amended, have made necessary additional amendments to the Series L Fourth Supplemental Trust Indenture in order to reflect the fact that only fully registered Bonds may now be issued by states and their political subdivisions, and

WHEREAS, it has been determined necessary that by virtue of the fact that there are funds remaining in the "University of Kentucky Housing and Dining System Series L Construction Account" it is necessary and desirable that the principal amount of the Series L Bonds originally authorized be reduced to the principal amount of \$3,790,000; and

WHEREAS, as a result of the changes in Federal law and the availability of funds in the Series L Construction Account, it is necessary that the Fourth Supplemental Trust Indenture dated June 1, 1982 be revised, amended and superseded by the authorization and execution of this Fourth Supplemental Trust Indenture dated as of June 1, 1986; and

WHEREAS, The Board has delivered to the Trustee a certified copy of a Resolution duly adopted by the Board at a properly convened meeting held on April 1, 1986, wherein and whereby the Board has authorized the issuance, for authorized purposes as provided in the 1965 Indenture, of \$3,790,000 principal amount of its "University of Kentucky Housing and Dining System Revenue Bonds, Series L", (the "Series L Bonds"), and has delivered to the Trustee evidence demonstrating that the Board is in compliance with all of the conditions set forth in the Indentures precedent to the issuance of such Series L Bonds, and in connection therewith has authorized increased transfers and deposits from the "University of Kentucky Housing and Dining System Revenue Bonds Revenue Fund Account" (the "Revenue Fund") into the "University of Kentucky Housing and Dining System Revenue Bond and Interest Sinking Fund Account" (the "Sinking Fund"), and into the "University of Kentucky Housing and Dining System Repair and Maintenance Reserve" (the "Repair and Maintenance Reserve"), all in a manner and in amounts strictly conforming to the requirements of the Indentures; and

WHEREAS, the said Series L Bonds will ultimately be publicly sold and issued in order to retire the Series L 1982 Notes at their stated maturity and it is the purpose of the Board and the Trustee that this Series L Supplemental Trust Indenture evidence the authorizations and issuance thereof and provide for the security and source of payment thereof upon a basis of parity and equality as to security and source of payment with any future Series of such Bonds as may be authorized and issued in compliance with the conditions and restrictions set forth in that connection in the Indentures;

NOW, THEREFORE, in consideration of the foregoing and of the sum of \$1.00 in cash in hand paid by the Trustee to the Board, the receipt of which is hereby acknowledged, and to evidence the issuance and security of the Series L Bonds on a basis of parity and equality with the previously issued Bonds of the Series A to Series K, inclusive, as aforesaid, the Board and the Trustee hereby agree, as follows:

ARTICLE I

Definitions

As used in this Series L Fourth Supplemental Trust Indenture, the words and phrases defined in Article I, Section 101 of the 1965 Trust Indenture, shall have the same meanings therein defined except in the (i) certain of the words and phrases so defined in the Indenture have been overtaken by events which now require substitution and clarification and (ii) certain new definitions are necessarily to be added to accomodate the issuance of the Series L Bonds, as follows:

(A) "1965 Trust Indenture" -- means the original Trust Indenture made by the Board and the Trustee as of June 1, 1965, and includes the Supplemental Trust Indenture and the Second Supplemental Trust Indenture made by the Board and the Trustee as of June 1, 1965, in amendment or completion of details of the original Trust Indenture prior to the issuance of any Bonds thereunder, under which the Series A to Series I Bonds were issued.

(B) "1978 Trust Indenture" -- means the Third Supplemental Trust Indenture made by the Board and the Trustee as of December 1, 1978, under which the Series J and Series K Bonds were issued.

(C) "1986 Trust Indenture" -- means this Fourth Supplemental Trust Indenture made by the Board and the Trustee as of June 1, 1986, authorizing the issuance of the Series L Bonds; which supercedes the Fourth Supplemental Trust Indentures made by the Board and the Trustee as of February 1, 1981 and June 1, 1982.

(D) "Indenture" -- means collectively the 1965 Trust Indenture, the 1978 Trust Indenture and this 1986 Trust Indenture.

(E) "Commissioner of Finance" or "Commissioner" -- was defined in the 1965 Trust Indenture as meaning the Commissioner of Finance of the Commonwealth of Kentucky and each and every officer of the Commonwealth who might thereafter be authorized to exercise powers and authority similar to those vested at that time in said Commissioner, and each and every Deputy Commissioner or other similar officer authorized by law to exercise the power and authority then vested by law in said Commissioner. It is hereby recognized and acknowledged that by a reorganization of the government of the Commonwealth, and by Executive Order of the Governor of the Commonwealth, the present officer succeeding to the powers of the Commissioner is the Secretary of the Finance and Administration Cabinet.

(F) "Secretary of the Finance and Administration Cabinet", or "Secretary of Finance", -- refers to the officer holding that title in the government of the Commonwealth of Kentucky, as presently organized, and successors in that office, and each and every officer of the Commonwealth who may hereafter be authorized to exercise powers and authority similar to those vested at this time in said Secretary, and each and every Deputy or Assistant or other similar officer authorized by law to exercise the powers and authority thereof; and where clearly so indicated by the context the title "Secretary" shall mean and refer to said officer.

(G) "Secretary" may herein be used, as the context may indicate, to mean either (i) the Secretary of Finance of the Commonwealth, or (ii) the Secretary of the Board.

(H) "Series L Bonds" -- means and refers to the Series L Bonds evidenced and secured by this Series L Fourth Supplemental Trust Indenture on a basis of parity and equality as to security and source of payment with the Bonds, and with any future Series of Bonds as may be issued pursuant to the restrictions and conditions set forth in that connection in the Indenture.

(I) "Series L 1982 Notes" -- refers to the Series L 1982 Notes issued under authority of the 1982 Fourth Supplemental Trust Indenture and KRS 56.513, which are payable as to principal from the proceeds of the Series L Bonds, supplemented by payments from the System Sinking Fund, when delivered and paid for; and as to interest from the System Sinking Fund, as hereinafter provided.

(J) "Estimated Annual Debt Service Requirements: -- means the annual principal and interest requirements for the Series L Bonds based upon the schedule of principal maturities set forth in Article III, Section 303(D) of this 1986 Trust Indenture utilizing the assumed and estimated interest rates set forth in said schedule.

ARTICLE II

Prior Series L Indentures Superceded

Section 201. The Board and the Trustee hereby agree that upon the delivery of the Series L Bonds, there shall be deposited in the System Sinking Fund a sufficient portion of the proceeds thereof which, together with prior transfers to said System Sinking Fund from the Series L Construction Account made in anticipation of the authorization and issuance of the Series L Bonds, will be sufficient to pay and retire all of the Series L 1982 Notes, including principal and all accrued interest becoming due on June 1, 1986. Any proceeds of the Series L Bonds not required for the retirement of said Series L 1982 Notes shall be transferred to the Series L Construction Account and utilized to meet the costs incident to the issuance of said Series L Bonds and other expenditures for which the Series L Construction Account was established. Upon the deposit of monies sufficient to retire the Series L 1982 Notes in the System Sinking Fund, the provisions of the Fourth Supplemental Trust Indenture dated as of February 1, 1981 and June 1, 1982 shall be null and void and the

provisions of this 1986 Trust Indenture shall be in full force and effect and binding with regard to the Board, the Trustee and the holders of the Series L Bonds in accordance with its terms; thereafter, the holders of said Series L 1982 Notes shall look solely to said System Sinking Fund for the payment of all principal and interest due on said Series L 1982 Notes.

Recitals

Section 202. The Trustee acknowledges that it has received from the Board the following documentation conforming to the conditions prescribed in the Indentures in connection with the issuance of the Series L Bonds:

(A) A copy, certified by the Secretary of the Board, of a Resolution shown to have been adopted by the Board at a properly convened meeting held on April 1, 1986, authorizing issuance of the Series L Bonds in the principal amount of \$3,790,000 prescribing the principal maturities thereof, redemption provisions applicable thereto, the places where principal and interest will be payable, and other requisite details, all as hereinafter set forth, and authorizing increased transfers and deposits from the Maintenance Reserve, all in conformity with the applicable provisions of the Indenture incident to the issuance of the Series L Bonds, as parity Bonds;

(B) Evidence, authenticated in a manner satisfactory to the Trustee, that the construction and financing of the Addition to the University Student Center and appurtenant facilities, designated to be financed through application of a part of the proceeds of the Series L Bonds has been approved by the Council for Public Education in Kentucky as presently required by law;

(C) Evidence that the construction project identified in paragraph (B) above has been made the subject of a valid existing contract, accompanied by a payment bond and a completion bond, each with good corporate surety;

(D) A copy, duly certified, of a Resolution shown to have been adopted by the State Property and Building Commission approving and authorizing the issuance of the Series L Bonds; and the execution of this 1986 Fourth Supplemental Trust Indenture and, specifically, ratifying, approving and consenting to a binding and continuing contractual commitment of the Commonwealth that it will pay the cost of operating and maintaining the Housing and Dining System, as enlarged, if necessary, but only to the extent that the Revenues of the System shall at any time be insufficient for that purpose after first providing for payment of the outstanding Bonds and interest thereon, and accumulation and maintenance of the Repair and Maintenance Reserve in the

prescribed amounts; including ratifying, approving and consenting to reproduction of the facsimile signature of the Secretary of Finance upon each Series L Bond in evidence thereof;

(E) Evidence satisfactory to the Trustee, as set forth in the Board's Resolution referred to in paragraph (A) hereof, that (i) the aforesaid Addition to the University Student Center and appurtenant facilities, to be paid for through application of the proceeds of the Series L Bonds, have been duly made parts of the Housing and Dining System and that the revenues thereof have been pledged as Revenues of the said System for the security and source of payment of the Series L Bonds, and (ii) that the Board is not in default under the covenants and conditions on its part to be performed under the 1965 Trust Indenture or the 1978 Trust Indenture;

(F) A certificate of the Housing Director of the Board and of the University, being the officer or employee of the Board principally charged with the responsibility for the maintenance and repair of the facilities of the System, showing that a physical inspection of the facilities of the System has been made and that the same are found and represented to be in a good and current state of tenability and repair subject to no exceptions other than for routine matters regularly scheduled to be corrected and for which budget provisions are adequate; said statement of the Housing Director being approved by the President of the University and by Resolution of the Board in conformity with Section 1101(c) of the 1965 Trust Indenture; and

(G) A statement made by the Controller and Treasurer of the Board, approved by the Secretary of Finance, showing that the average of the audited annual Revenues of the System for the two fiscal years immediately preceding the issuance of the Series L Bonds, with the adjustments authorized and permitted by the 1965 Trust Indenture and 1978 Trust Indenture, and based upon assumed occupancy not in excess of that permitted by the 1965 Trust Indenture and 1978 Trust Indenture, is equal to not less than one and thirty hundredths (1.30) times the maximum amount which will be required in any future fiscal year for payment of the principal of and interest on the outstanding Bonds of Series A to Series K previously issued under the 1965 Trust Indenture and 1978 Trust Indenture and of the Series L Bonds (based upon the Estimated debt Service Requirements), to which statements are attached certain schedules upon which said conclusion was based. The statement shows the Board is not in default under the 1965 and 1978 Trust Indentures.

Section 203. The Trustee finds the evidence so submitted to it by the Board, as listed in Section 201 hereof, to be proper evidence that the Board is in compliance with all conditions set forth in the 1965 Trust Indenture and 1978 Trust Indenture incident to the issuance of the Series L Bonds on a basis of parity and equality as to security and source of payment with the previously issued and outstanding Bonds, Series A to Series K, inclusive; and agrees that the Series L Bonds, when publicly sold, executed on behalf of the Board, authenticated by the Trustee, and delivered upon payment of the respective purchase prices therefor, will be so secured.

ARTICLE III

Authorization of the Series L Bonds Pursuant to the 1965 Trust Indenture, the 1978 Trust Indenture and this Series L Fourth Supplemental Trust Indenture; Denomination; Maturity Schedules; Redemption Provisions; Places of Payment; Forms.

Section 301. Acknowledement of Authorization.

It is recognized and acknowledged that the Board has authorized the issuance of Series L Bonds in the principal amount of \$3,790,000, has ordered that all of the Series L Bonds be dated as of June 1, 1986, and has prescribed the requisite details thereof as set forth in this Series L Fourth Supplemental Trust Indenture.

Section 302. Characterization of Series L Bonds.

The Series L Bonds shall be issued and issuable as negotiable, fully registered Bonds, substantially according to the "FORM OF SERIES L BOND" set forth in Section 309 hereof, with such insertions, variations and substitutions as may be appropriate to conform to the provisions and details herein and hereinafter set forth.

Section 303. Denominations; Maturities of Principal.

(A) The Series L Bonds shall be in the denomination of \$5,000, or integral multiples thereof within the same maturity.

(B) The Series L Bonds shall mature as to principal as shown in the respective tables hereinafter set forth.

(C) The Series L Bonds shall be numbered in such a manner as the Trustee shall determine; provided, however, that each number shall be preceded by the letter L, for identification.

(D) Principal maturities of the Series L Bonds, shall be as follows:

SCHEDULE OF PRINCIPAL MATURITIES

<u>Principal June 1</u>	<u>Principal Amount</u>	<u>Estimated Interest Rates</u>	<u>Estimated Interest Requirements</u>
1987	\$ 85,000	5.50%	\$278,675.00
1988	85,000	5.80	274,000.00
1989	90,000	6.10	269,070.00
1990	90,000	6.40	263,580.00
1991	85,000	6.50	257,820.00
1992	105,000	6.60	252,295.00
1993	110,000	6.75	245,365.00
1994	120,000	6.90	237,940.00
1995	120,000	7.00	229,660.00
1996	125,000	7.10	221,260.00
1997	135,000	7.20	212,385.00
1998	135,000	7.30	202,665.00
1999	155,000	7.40	192,810.00
2000	185,000	7.50	181,340.00
2001	200,000	7.55	167,465.00
2002	265,000	7.60	152,365.00
2003	375,000	7.65	132,225.00
2004	400,000	7.70	103,537.50
2005	385,000	7.75	72,737.50
2006	550,000	7.80	42,900.00

Section 304. Interest Payment Dates; How Paid.

Interest on the Series L Bonds shall be payable on June 1 and December 1 in each year until payment of principal, the first interest payment to be on December 1, 1986.

Payment of each installment of interest shall be made to the Registered Owner of the Series L Bonds as shown by the registration books of the Trustee as Bond Registrar at the close of business on the 15th day of the calendar month next preceding the interest payment date and shall be paid by check of the Trustee mailed to such Registered Owner through regular United States mail postmarked no later than the due date thereof.

Section 305. Medium of Payment of Principal and Interest; No Deduction for Exchange or Collection Charges.

The principal of and interest on the Series L Bonds shall be paid in any coin or currency which on the respective payment dates shall be legal tender for the payment of debts due to the United States of America.

Section 306. Interest Rates.

The Series L Bonds shall bear interest from their date at such rate or rates as may be established by the Board, or by its statutory Executive Committee (authority having been delegated to said Committee by the Board) upon the occasion of the public competitive sale thereof, and such rate or rates shall be certified to the Trustee by the Executive Committee. The Trustee is authorized to accept and rely upon such certification.

Section 307. Places of Payment.

Both principal and premium (if any) on the Series L Bonds shall be payable at the principal office of Farmers Bank & Capital Trust Company, Frankfort, Kentucky, Trustee, Bond Registrar and Paying Agent upon presentation and surrender of the Bond.

Section 308. Redemption Provisions.

(A) The Series L Bonds shall be subject to redemption through application of the proceeds of insurance in the event of damage or destruction of properties constituting parts of the System as provided in the 1965 Trust Indenture.

(B) Otherwise than as provided in the foregoing paragraph (A) of this Section, Series L Bonds maturing on and prior to June 1, 1996, shall not be subject to redemption prior to stated maturities. The Series L Bonds maturing on and after June 1, 1997, shall be subject to redemption at the option of the Board on June 1, 1996, or on any interest payment date thereafter, as a whole, or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot), upon payment of the principal amount of each Bond so redeemed and all accrued interest to the redemption date, at the following redemption premiums which are expressed as a percentage of the principal amount of each Bond so redeemed.

<u>Period</u> <u>(both dates inclusive)</u>	<u>Redemption</u> <u>Premium</u>
June 1, 1996 through December 1, 1998	3%
June 1, 1999 through December 1, 2001	2%
June 1, 2002 through December 1, 2005	1%

(C) Notice of any such redemption shall be given by the Trustee to each Registered Owner not less than 30 days prior to the date stated for prior redemption by regular United States Mail.

In the event of a prepayment of less than an entire principal maturity, the Registered Owner shall be required to exchange Bond certificates in order to properly reflect the principal balance owed if an entire maturity is not prepaid.

(FORM OF SERIES L BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
HOUSING AND DINING SYSTEM REVENUE BOND
SERIES L

Number L- _____

\$ _____

INTEREST RATE: MATURITY DATE: DATE OF ORIGINAL ISSUE CUSIP

June 1, 1986

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Board of Trustees of the University of Kentucky (the "Board"), a public body corporate, and an Educational Institution and Agency and political subdivision of the Commonwealth of Kentucky, at Lexington, Fayette County, Kentucky, for value received, hereby promises to pay, solely from the special fund provided therefor as hereinafter set forth, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest on such Principal Amount from the Date of Original Issue (or most recent date to which interest has been paid) at the Interest Rate set forth above commencing December 1, 1986 and semiannually thereafter until said Principal Amount is paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be and become applicable hereto.

Both principal and premium (if any) on this Bond are payable at the principal office of Farmers Bank & Capital Trust Company, Frankfort, Kentucky (the "Trustee", "Bond Registrar" and "Paying Agent") upon presentation and surrender of this Bond. Payment of each installment of interest shall be made to the Registered Owner hereof as shown by the registration books of the Bond Registrar at the close of business on the 15th day of the calendar month next preceding the interest payment date and shall be paid by the check of the Paying Agent mailed to such Registered Owner through regular United States Mail postmarked no later than the due date hereof.

This Bond is one of a duly authorized Series of Bonds in the initial aggregate principal amount of \$3,790,000 (the "Series L Bonds"), all of said Series L Bonds being of the same form, tenor and effect (except for maturity dates, principal amount and permissible variation in interest rates), issued for financing the costs, not otherwise provided, of buildings and appurtenant facilities for educational purposes on the Main Campus of said University (as defined in the Trust Indenture, hereinafter referred to), comprising parts of the Housing and Dining System (the "System") of said University of Kentucky, which System consists of (a) initially, certain identified student housing and dining facilities and related auxiliary enterprises existing on the Main Campus of said University, in Lexington, Fayette County, Kentucky, as of June 1, 1965, (b) the University's First Housing Complex Project, heretofore constructed and completed, (c) the Linden Walk-Rose Lane Apartments and a 200-unit housing project, comprising apartment-type buildings to house students and married student families, with necessary appurtenances, heretofore constructed and completed, (d) any other housing and dining facilities or related auxiliary enterprises such as may be added to the said System at future dates in accordance with the conditions and restrictions provided in connection with the permissive issuance of parity bonds (including the Addition to the University Student Center financed from the proceeds of the Series L Bonds), and (e) any such facilities as may be added to the System as additional security for the Bonds, under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including, among others, Sections 162.340 to 162.380, inclusive, of the Kentucky Revised Statutes now in full force and effect; and these Series L Bonds are issued on a parity as to security and source of payment with the Board's outstanding and unpaid "Housing and Dining System Revenue Bonds" (the "Bonds"), Series A to Series I, inclusive, heretofore issued in the aggregate principal amount of \$ _____, dated as of June 1, 1965, and Series J to Series K in the principal amount of \$ _____, dated December 1, 1978.

All of said Bonds of Series A to Series L, inclusive, were issued and are to be issued under and pursuant to a Trust Indenture (said Indenture, together with all indentures supplemental thereto as therein permitted, being herein called the "Indenture"), dated as of June 1, 1965, executed by and between said Board of Trustees and said Farmers Bank & Capital Trust Company, as Trustee (said Trustee and any successor Trustee under said Indenture being herein called the "Trustee"), an executed counterpart of which is on file at the office of said Trustee in the City of Frankfort, Kentucky. Reference is hereby made to the Indenture for a more specific identification of the System and the described additions thereto and for the provisions, among others, with respect to the custody and the disposition of the Revenues of the System, the fund charged with and pledged to the payment of the interest on and the principal of said Bonds, the nature and extent of the security, the reserved right of the Board to issue in the future certain additional Bonds which will rank on a basis of parity with the Bonds of Series A to Series L, inclusive, subject to conditions and restrictions which are

specifically set forth in the Indenture, the rights, duties and obligations of said Board of Trustees and of the Trustee, and the rights of the holders of the Bonds; and by the acceptance of this Bond, the holder hereof assents to all of the provisions of said Indenture. Under authority of the Statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and, subject to the provisions for registration set forth herein and contained in the Indenture, nothing contained in this Bond or in said Indenture shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. The Indenture provides for fixing, charging and collecting rentals and other charges for the use of said System, which rents and charges will be sufficient to pay the principal of the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the cost of maintenance, operation and repair of the System, to the extent not otherwise provided. The Indenture provides for the creation of a special fund designated "University of Kentucky Housing and Dining System Revenue Bond and Interest Sinking Fund Account" (herein called the "Bond and Interest Sinking Fund"), and for the deposit to the credit of said Bond and Interest Sinking Fund of a fixed amount of the defined Revenues of said Housing and Dining System sufficient to pay the principal of and the interest on the Bonds as the same become due, and to provide a reserve for such purpose, which Bond and Interest Sinking Fund is pledged to and charged with the payment of said principal and interest.

This Series L Bond and the Series of which it is one and Bonds which have heretofore been issued and may hereafter be issued and outstanding under the conditions and restrictions set forth in the Indenture are secured equally and are payable on a parity only from and as the first charge upon a fixed amount of the defined Revenues of said Housing and Dining System, which will be set aside in said Bond and Interest Sinking Fund, and this Bond does not constitute an indebtedness of the University of Kentucky or of its Board of Trustees or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The Series L Bonds shall be subject to redemption through application of the proceeds of insurance, in the event of damage or destruction of properties constituting parts of the Housing and Dining System, as provided in the Indenture.

Otherwise the Series L Bonds maturing on and prior to June 1, 1996, are not subject to redemption prior to stated maturities. Series L Bonds maturing on and after June 1, 1997, shall be subject to redemption at the option of the Board on June 1, 1996, or on any interest payment date thereafter, as a whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot in such a manner as the Trustee may elect) upon payment of the principal amount so redeemed and all accrued interest prior to the redemption date at the following redemption premiums which are expressed as a percentage of the principal amount of each Bond so redeemed:

<u>Period</u> (both dates inclusive)	<u>Redemption</u> <u>Premium</u>
June 1, 1996 through December 1, 1998	3%
June 1, 1999 through December 1, 2001	2%
June 1, 2002 through December 1, 2005	1%

If the Board at its option undertakes to redeem outstanding Bonds in advance of scheduled maturity, it is agreed and understood that (1) calls of Bonds from surplus Revenues accumulated in the Bond and Interest Sinking Fund and available for such purpose shall be on a pro rata basis reflecting the relationship between the Bonds of each Series at such time outstanding, and (2) calls of Bonds of each Series shall be in accordance with the redemption provisions of each Series; provided, however, that the Board shall have the right to call, in accordance with the redemption provisions of the respective Series, any or all outstanding Bonds which are subject to redemption at par prior to calling any Bonds which are callable at a premium.

Notice of such intended redemption, identifying the Bonds to be redeemed, will be on file at the office of the Trustee at least thirty (30) days prior to the specified redemption date, and such notice shall be sent by regular United States mail to the registered holder of each Bond to be redeemed, provided, however, failure to send such notice by regular United States mail, or any defect therein, shall not affect the validity of the call for redemption if notice by such publication shall properly and timely be made by regular United States mail. Any Bonds called for redemption and for the payment of which funds are on deposit with said Trustee on the specified redemption date shall cease to bear interest on said redemption date.

This Bond shall be transferable only upon the presentation and surrender hereof at the principal office of the Bond Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his authorized representative. Bonds of the same principal maturity may be issued at the request of the Registered Owner in denominations of multiples of \$5,000.

A statutory mortgage lien, which is hereby recognized as valid and binding on the buildings and appurtenant facilities of said Housing and Dining System, including the buildings and appurtenant facilities which are added to said System through application of the proceeds of the Series L Bonds, those portions of the sites physically occupied thereby, and all necessary appurtenances, including adequate provisions for ingress, egress, and rendering of necessary services, is created and granted to and in favor of the holder or holders of this Bond and the issue of which it is a part, and in favor of the holder or holders of the coupons attached thereto, and said System, including such housing and dining buildings, appurtenant facilities, related auxiliary enterprises as may hereafter be added to and made part of said System according to the provisions of the Indenture, shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the issue of which it is a part; provided, however, that with respect to (a) the dormitory known as Bowman Hall which was financed in whole or in part by certain "Dormitory Revenue Bonds of 1946", previously issued and outstanding pursuant to a certain resolution adopted by the Board of Trustees on April 1, 1946, and (b) certain apartment buildings known in the aggregate as "Coopertown" which were financed in whole or in part by certain "Dormitory Revenue Bonds of 1955", previously issued and outstanding pursuant to a certain resolution adopted by the Board of Trustees on April 5, 1955, said statutory mortgage lien and all other liens, pledges and security rights created in and by the Indenture for the benefit and protection of the owners and holders of the aforesaid Housing and Dining System Revenue Bonds are subordinate and inferior to the similar liens, pledges and other security rights created and existing for the benefit and protection of the owners and holders of outstanding bonds of said identified issues, until such time as all of said identified bonds have been fully paid, both principal and interest; but pursuant to the Indenture there have been set aside from the proceeds of the aforesaid "Housing and Dining System Revenue Bonds, Series H", and deposited and secured for the account of the respective special funds created and established as the source of payment of said identified bonds, in strict conformity with the provisions of the aforesaid respective resolutions authorizing the issuance thereof, amounts sufficient to assure payment in full thereof, both principal and interest, as and when the respective bonds and appurtenant interest coupons are scheduled to become due and payable.

This Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit under the Indenture, until it shall have been authenticated by the execution by the Trustee of the certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of said Board of Trustees and of said University of Kentucky, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Housing and Dining System will be continuously operated, and that a sufficient portion of the defined Revenues therefrom has been pledged to and will be set aside into said Bond and Interest Sinking Fund, as the first charge upon such Revenues, for the payment of the principal of and interest on this Bond and the issue of which it is a part and any other Bonds which may hereafter be issued and outstanding, which by their terms are payable from said identified special fund, at or prior to maturity.

It is further certified, recited and declared that as permitted by the Constitution, applicable statutory laws, and controlling decisions of the Highest Court of the Commonwealth, the said Board of Trustees of the University of Kentucky has - irrevocably covenanted and agreed, and hereby irrevocably covenants and agrees, with the owner and holder of this Bond, with the sanction, approval and authorization of the State Property and Buildings Commission of Kentucky, and the Secretary of Finance and Administration Cabinet of the Commonwealth, as evidenced by proper authorizations and proceedings duly filed with the Trustee, and as further evidenced by the authorized reproduced facsimile of the signature of said Secretary hereon appearing, that if and to the extent that the defined Revenues of said Housing and Dining System shall at any time be or become insufficient (after first meeting all requirements of the special fund hereinabove identified), to pay all costs of operating and maintaining said System, and of keeping the same in a good and tenantable state of repair, said Board of Trustees and the Commonwealth of Kentucky will supply from other sources any deficiencies in such respects as a binding and continuing contractual commitment of the Commonwealth, so long as any Bonds are outstanding and unpaid under the terms and provisions of the Indenture.

IN TESTIMONY WHEREOF, the Board of Trustees of University of Kentucky, at Lexington, Kentucky, has caused this Bond to be executed in its name and behalf by the authorized facsimile of the signature of its Chairman, and has caused the authorized facsimile of its corporate seal to be imprinted hereon, attested by the

manual signature of its Secretary; and has caused the coupons appurtenant hereto to be executed with the authorized facsimile signatures of said Chairman and Secretary; all being done as of the first day of June, 1986.

BOARD OF TRUSTEES
UNIVERSITY OF KENTUCKY

By (Facsimile Signature)
Chairman

(Facsimile of Seal)

Attest:

(Facsimile Signature)
Secretary

It is certified that issuance of this Bond, in form as above set forth, has been duly approved and authorized by the State Property and Buildings Commission of the Commonwealth of Kentucky and by the undersigned.

(Facsimile Signature)
Secretary of Finance and Administration Cabinet

Section 310. Authentication by the Trustee

As provided in Section 414 of the 1965 Trust Indenture, only such Series L Bonds as shall bear thereon endorsed a certificate of authentication substantially in the above prescribed form, executed on behalf of the Trustee by an authorized officer thereof, shall be secured by the Indenture or be entitled to any right or benefit thereunder. The authentication by the Trustee upon any Bond shall be conclusive evidence that the Bond so authenticated has been duly issued hereunder and that the holder thereof is entitled to the benefit and security of the Indenture.

Section 311. Execution

The Series L Bonds shall be executed on behalf of the Board by the officers and in the manner set forth in Section 416 of the 1965 Trust Indenture, except that if permitted by law at the time said Series L Bonds are delivered all signatures (except that of the representative of the Trustee) may be accomplished by the use of facsimilies.

ARTICLE IV

Certain Deposits to be Made into the System Sinking Fund; Increased Payment to be Made into the System Sinking Fund and System Repair and Maintenance Reserve.

Section 401. Deposit of Accrued Interest

Upon the delivery of the Series L 1982 Bonds and the receipt of the proceeds thereof, there shall be set aside and deposited into the System Sinking Fund the amount received from the purchaser representing accrued interest on the Series L Bonds from their date to the date of their delivery.

Section 402. Increased Payments to be Made into System Sinking Fund and System Repair and Maintenance Reserve.

In accordance with the requirements of the 1965 Trust Indenture as conditions precedent to the issuance of the Series L Bonds, the transfers and deposits from the System Reserve Fund to the System Sinking Fund, the System Debt Service Reserve and the System Repair and Maintenance Reserve shall be increased as follows:

- (A) Commencing November 1, 1986, and continuing with future semi-annual transfers and deposits from the Revenue Fund to the System Sinking Fund, the amount so transferred and deposited for payment of interest on the Series L Bonds shall be increased by the amount required to pay interest on the Series L Bonds becoming due on the next ensuing June 1 and December 1 following each respective transfer and deposit (subject to respective credits for accrued interest).

(B) Transfers from the System Revenue Fund into the System Sinking Fund for the payment of the principal to become due on the Series L Bonds shall be made commencing November 1, 1986, and continuing each May 1 and November 1 thereafter, the amounts transferred and deposited from the System Revenue Fund into the System Sinking Fund for the payment of maturing principal of the outstanding Series L Bonds shall be increased by an amount equal to 1/2 of the principal of the Series L Bonds maturing on the next ensuing June 1.

(C) In order that the Debt Service Reserve could be increased within four (4) years from the date the Series L 1981 Notes were delivered so that the amount thereof would be equal to the maximum amount which will thereafter become due in any fiscal year for the payment of principal and interest on all of the outstanding Bonds of Series A to Series L, inclusive, transfers and deposits were made semi-annually from the System Revenue Fund into the System Sinking Fund, commencing May 1, 1982, said transfers being increased by an amount equal to twenty-five percent (25%) of the Estimated Annual Debt Service Requirements, for the Series L Bonds; such transfers and deposits shall continue until such new level has been established in the Debt Service Reserve (adjusted to reflect the actual requirements for the Series L Bonds upon their issuance); whereupon such transfers and deposits may be suspended, but the same shall be resumed and continued whenever and so long as may be necessary to restore and maintain said new minimum level in the event that any part of the Debt Service Reserve shall be required to be used in order to prevent a default in the payment of principal and interest of the Bonds.

(D) It is presently required by Section 402 (D) of the 1978 Indenture that as of the close of each fiscal year there shall be transferred from the System Revenue Fund and deposited in the System Repair and Maintenance Reserve the sum of \$86,710 (said amount being calculated on an estimated principal amount of \$4,200,000 for the Series L Bonds as reflected by the Fourth Supplemental Trust Indentures dated February 1, 1981 and June 1, 1982 superceded by this Fourth Supplemental Trust Indenture reflecting the actual principal amount of \$3,790,000 for the Series L Bonds); with provision that in the event of the issuance of parity bonds such annual payment shall be increased by an amount equal to one-fourth of one percent (1/4 of 1%) of the original principal amount of such parity bonds and that such increased transfers and deposits shall be continued so long as may be required to increased the minimum amount presently provided to be accumulated therein by a sum equal to five percent (5%) of the original principal amount of the parity bonds. Accordingly (in order to properly reflect a lesser principal amount of the Series L Bonds, actually issued), the annual transfers and deposits from the System Revenue Fund into the System Repair and Maintenance Reserve, commencing with the the annual deposit to be made at the end of the fiscal year which will close on June 30, 1986, shall be decreased from \$86,710 to \$85,685 and such decreased deposits shall be continued annually thereafter until the amount accumulated

in the System Repair and Maintenance Reserve shall equal \$1,268,700, which sum shall thereafter constitute the minimum balance to be maintained therein; provided, however, that all sums accumulated in said Reserve shall continue to be available for the proper purposes thereof as defined in the Indenture and in the event authorized and proper withdrawals shall reduce the balance in said fund below the next minimum balance therein, the increased annual deposits shall be resumed and continued so long as may be necessary, and from time to time, in order to restore and thereafter maintain such new minimum balance.

ARTICLE V

Disposition of the Proceeds of the Series L Bonds; Maintenance of Construction Account.

Section 501. Application of Bond Proceeds.

Simultaneously with the delivery of the Series L Bonds to the purchaser or purchasers thereof and the proceeds thereof are received, the Treasurer is authorized to make disposition of such proceeds as follows:

(A) There shall be paid from the Series L Construction Account to the Fiscal Agent, Bond Counsel, and Trustee the amount of their respective contractual fees; and to the Rating Agencies their charges for rating the Series L Bonds, if such ratings have been sought, and such other expenses incident to the issuance of the Series L Bonds, subject to the approval of the Executive Committee and the Finance and Administration Cabinet; and

(B) There shall be deposited with the Trustee for credit to the Sinking Fund the sums received from the purchaser or purchasers representing accrued interest on the Series L Bonds from their date to their date of delivery and payment; and

(C) Simultaneously with the delivery of the Series L Bonds, to the extent sufficient monies have not already been deposited in the System Sinking Fund, the proceeds of said Series L Bonds shall be applied to the complete payment of the Series L 1982 Notes, and thereafter the entire remaining balance of the proceeds of the Series L Bonds shall be deposited in the separate account created by the Fourth Supplemental Trust Indenture, dated February 1, 1981 designated "University of Kentucky Housing and Dining System Series L Construction Account" (herein the "Series L Construction Account"); disbursements from such Series L Construction Account shall be made as hereinafter provided.

Section 502. Maintenance of the Series L Construction Account; Disbursements.

The Series L Construction Account shall be maintained and disbursements from the Series L Construction account shall be made according to such procedures and practices with reference to audit and control as may from time to time be prescribed by the laws of the Commonwealth; and additionally each such disbursement (except those authorized by Article V for expenses incident to the issuance of the Series L Bonds and the payment of the Series 1982 Notes) shall be made upon the basis of vouchers approved as provided by law only for the costs of Addition to University Student Center and related appurtenances and facilities in accordance with the plans and specifications of Chrisman Miller Wallace, Inc., Architects, Lexington, Kentucky, previously approved by the Board.

In the event all costs authorized to be disbursed and paid for from the Series L Construction Account shall be made and such authorized undertakings are completed and paid for in full, and any balance shall yet remain in the Series L Construction Account, disposition of such excess may, upon order of the Board or by its statutory Executive Committee, be transferred to and deposited in the Repair and Maintenance Reserve as a contribution to the accumulation of the prescribed balance therein, or, provided all of the Series L 1982 Notes have been paid in full, if at that time plans shall be under way for the undertaking of additional housing and dining accommodations which are to be made parts of the Housing and Dining System, such excess in said Construction Account may be retained therein for application to the costs thereof.

ARTICLE VI

Arbitrage Covenants

Section 601. Covenants of the Board.

The Board covenants that sums derived from the proceeds of the Series L Bonds shall not be invested in any manner which will cause any of the Series L Bonds to be treated as arbitrage bonds within the meaning of Section 103 (C)(2) of the Internal Revenue Code of 1954, as amended (the "Code"), and the applicable Income Tax Regulations thereunder (the "Regulations").

On the basis of information furnished to the Board, on known facts, circumstances, and reasonable expectations on the date of this Series L Supplemental Trust Indenture, the Board certifies as follows:

(A) That it is not expected or contemplated that the proceeds of the Series L Bonds will be used or invested in any manner which will cause any of the Bonds to be treated as "arbitrage bonds" within the meaning of Section 103(c)(2) of the Code and the Regulations.

(B) That it is not expected or contemplated that the Board will make any use of the proceeds of the Series L Bonds, which, if use had been reasonably anticipated on the date of issuance of the Series L Bonds, respectively, would have caused the Series L Bonds to be arbitrage bonds.

(C) That it is expected and contemplated that the Board will comply with (i) all of the requirements of Section 103(c) of the Code; and (ii) all of the requirements of the Regulations, to whatever extent is necessary to assure that the Series L Bonds will not be treated as arbitrage bonds.

Provided, however, that it is intended that the proceeds of the Series L Bonds will be invested to whatever extent and whenever the Code and/or applicable Regulations permit same to be invested without causing the Series L Bonds to be treated as arbitrage bonds.

Section 602. Certificates to be Made at Times of Delivery.

Prior to or at the time of delivery of the Series L Bonds, the Chairman or Vice Chairman of this Board, or the University's Controller and Treasurer, or any of them, are authorized to execute the appropriate certification with reference to the matters referred to above, setting out all known and contemplated facts and reasonable expectations concerning such anticipated construction, expenditures and investments, including the execution of necessary and/or desirable certifications of the type contemplated by the applicable "Arbitrage Regulations", as amended, in order to assure that interest on the Series L Bonds will be exempt from all Federal income taxes and that such Series L Bonds will not constitute or be treated as arbitrage bonds; and Bond Counsel shall review such certifications and render an opinion, if at that time an opinion of Bond Counsel is required by such Regulations.

ARTICLE VII

Except as Herein Expressly Provided, the Indenture Controls.

Section 701. This Series L Supplemental Trust Indenture does not purport to be and is not intended to constitute an amendment of any provision of the Indenture controlling the right, duties and obligations of the Board, the Trustee or the owners and holders from time to time of the outstanding Bonds, but is merely supplemental to the Indenture in the specific matters set forth herein and which are in accord in all respects with the Indenture.

Section 702. All provisions of the Indenture concerning the rights, duties and obligations of the Board and the Trustee shall continue for the security, source of payment and protection of the holders of all Bonds and parity bonds issued under the Indenture.

IN TESTIMONY WHEREOF, the BOARD OF TRUSTEE OF UNIVERSITY OF KENTUCKY has caused its corporate name to be hereunto subscribed by its Chairman, or its Vice Chairman, and its corporate seal to be hereto affixed, and said signature and seal to be attested by its Secretary, and said FARMERS BANK & CAPITAL TRUST COMPANY, Frankfort, Kentucky, to evidence its acceptance of the additional responsibility and trusts incident to the issuance of the Series L 1982 Notes or Series L Bonds under the Indenture, has caused its corporate name to be hereunto subscribed by its President or by one of its Vice Presidents, or by its Trust Officer, and its corporate seal to be hereto affixed and said signature and seal to be attested by its Secretary, Cashier, or Trust Officer, or a duly authorized Assistant, all of the day and year first above written.

BOARD OF TRUSTEES OF
UNIVERSITY OF KENTUCKY

By _____
Chairman

(SEAL)
ATTEST:

Secretary

FARMERS BANK & CAPITAL TRUST
COMPANY
Frankfort, Kentucky

By _____
Vice President and Trust Officer

(SEAL)

STATE OF KENTUCKY

COUNTY OF FAYETTE

On this ____ day of April, 1986, before me, the undersigned, a Notary Public in and for said County, in the State aforesaid appeared Robert T. McCowan and George W. Griffin to me personally known and to me known to be the Chairman and Secretary, respectively, of the BOARD OF TRUSTEES OF UNIVERSITY OF KENTUCKY, one of the corporations described in and which executed the within and foregoing instrument and who being by me severally duly sworn, did say that he, the said Robert T. McCowan, is the Chairman of said Board of Trustees, and he, the said George W. Griffin, is the Secretary of said Board of Trustees; that the seal affixed to the within and foregoing instrument is the corporate seal of said corporation; that said instrument was executed, signed and sealed in behalf of said corporation by authority of its Board of Trustees; and said Robert T. McCowan and George W. Griffin each acknowledged the execution of said instrument before me to be, and said instrument to be, the free and voluntary act and deed of said corporation by it voluntarily executed through them as its duly authorized officers.

WITNESS my hand and Notarial seal, this ____ day of _____, 1986. My commission expires _____.

Notary Public in and for the County
and State aforesaid

(SEAL)

STATE OF KENTUCKY)
) SS
COUNTY OF FRANKLIN)

On the ____ day of April, 1986, before me, the undersigned, a Notary Public in and for said County, in the State aforesaid appeared James H. Childers to me personally known and to me known to be a Vice President and Trust Officer of FARMERS BANK & CAPITAL TRUST COMPANY, Frankfort, Kentucky, one of the corporations described in and which executed the within and foregoing instrument, and who being by me duly sworn did say that he, the said James H. Childers is the Vice President and Trust Officer of said corporation; that said instrument was executed, signed and sealed in behalf of said corporation by authority of its Board of Directors; and said named

officer acknowledged before me the execution of said instrument to be, and the said instrument to be, the free and voluntary act and deed of said corporation by it voluntarily executed through him as its duly authorized officer.

WITNESS my hand and Notarial Seal, this _____ day of April, 1986. My Commission expires _____.

Notary Public in and for the County
and State aforesaid

(SEAL)

This instrument was prepared by Henry M. Reed III, Attorney at Law, 890 Starks Building, Louisville, Kentucky 40202.

Henry M. Reed III

NOTICE OF BOND SALE

UNIVERSITY OF KENTUCKY
Lexington, Kentucky

\$3,790,000 Housing and Dining System Revenue Bonds, Series L

The Controller and Treasurer of the Board of Trustees of the University of Kentucky (the "Board"), hereby gives notice that the Board will until the hour of 10:30 A.M., E.S.T. on May 6, 1986 receive in the Office of the President, Administration Building, University of Kentucky Campus, Lexington, Kentucky 40506, sealed competitive bids for the purchase of \$3,790,000 of its Housing and Dining System Revenue Bonds, Series L, dated June 1, 1986 (the "Bonds"). Proposals for the purchase of the Bonds will be considered by the Finance Committee of the Board and referred to the full Board for acceptance or rejection at its meeting at 1:00 P.M. on May 6, 1986.

The Bonds are issued pursuant to the provisions of a Trust Indenture, Resolution of the Board, and Sections 162.340 through 162.380 of the Kentucky Revised Statutes as Fully Registered Bonds in denominations in multiples of \$5,000 within the same maturity, maturing on June 1 in each of the years 1987 through 2006; subject to prior redemption on any interest payment date falling on or after June 1, 1996.

The Bonds are being issued for the purpose of retiring \$4,200,000 of Housing and Dining System Revenue Bond Anticipation Notes, Series L, dated June 1, 1982, originally issued for the purpose of financing additions, extensions and improvements to the University's Housing and Dining System.

The Bonds are not general obligations of the Board, the University or the Commonwealth of Kentucky, but are special obligations secured by and payable from a first lien on and charge upon the defined Revenues of the University's Housing and Dining System, comprising all of the student housing, dining and student center facilities (except fraternity and sorority houses) at the Main Campus of the University at Lexington, Kentucky. The Bonds will rank on the basis of parity and equality as to security and source of payment with the Housing and Dining System Revenue Bonds, Series A to Series K, inclusive, previously issued and outstanding.

Bids must be on the Official Bid Form contained in Information for Bidders available from the undersigned or First Kentucky Securities Corporation, State National Bank Building, P. O. Box 554, Frankfort, Kentucky 40602. Reference should be

BOARD OF TRUSTEES RESOLUTION
EXHIBIT B

made to the Official Terms and Conditions of Bond Sale contained in the Official Statement for details and bidding conditions.

The Bonds will be delivered subject to the approving legal opinion of Henry M. Reed III, Bond Counsel, Louisville, Kentucky which will state inter alia that the Bonds are exempt from Federal income taxation under both existing and proposed Federal law, except with regard to financial institutions and property and casualty insurance companies should the provisions of the Tax Reform Act of 1985 ("H.R. 3838") be pending at the time the Bonds are delivered.

The right to reject bids or waive informalities in any bid is reserved in the Board. The successful purchaser must accept delivery of the Bonds on June 2, 1986.

S/ George W. Griffin, Secretary,
Board of Trustees,
University of Kentucky

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

\$3,790,000 Housing and Dining System Revenue Bonds, Series L

The Controller and Treasurer of the Board of Trustees of the University of Kentucky (the "Board"), hereby gives notice that the Board will until the hour of 10:30 A.M., E.S.T. on May 6, 1986 receive in the Office of the President, Administration Building, University of Kentucky Campus, Lexington, Kentucky 40506, sealed competitive bids for the purchase of \$3,790,000 of its Housing and Dining System Revenue Bonds, Series L, dated June 1, 1986 (the "Bonds"). Proposals for the purchase of the Bonds will be considered by the Finance Committee of the Board and referred to the full Board for acceptance or rejection at its meeting at 1:00 P.M. on May 6, 1986.

THE BONDS

The Bonds are to be issued in the form of Fully Registered Bonds in denominations in multiples of \$5,000 within the same maturity. The Bonds bear interest from their date payable on December 1, 1986 and semi-annually thereafter and mature as to principal on June 1 in each of the years 1987 through 2006.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1987	\$ 85,000	1997	\$ 135,000
1988	85,000	1998	135,000
1989	90,000	1999	155,000
1990	90,000	2000	185,000
1991	85,000	2001	200,000
1992	105,000	2002	265,000
1993	110,000	2003	375,000
1994	120,000	2004	400,000
1995	120,000	2005	385,000
1996	125,000	2006	550,000

The Bonds are subject to prior redemption in inverse order of maturities (less than all of a single maturity to be selected by lot), in whole or in part, at the Board's option on any interest due date falling on or after June 1, 1996 and prior to maturity upon thirty (30) days notice mailed by the Paying Agent to the Registered Owners of the Bonds so selected and upon payment of the face amount plus accrued interest, plus additional interest equal to 3% of the face amount if the date of redemption is on or before December 1, 1998, and on the same terms if redeemed thereafter and on or before December 1, 2001, except that the additional interest shall then be 2%, and on the same terms if redeemed thereafter and on or before December 1, 2005, except that the additional interest shall then be 1%.

BOARD OF TRUSTEES RESOLUTION
EXHIBIT C

Farmers Bank & Capital Trust Company, Frankfort, Kentucky, the Trustee under the Trust Indenture under which the Bonds are issued, has been designated as Bond Registrar and Paying Agent and shall remit interest on each semi-annual due date to each Registered Owner of record as of the 15th day of the month preceding the due date by regular United States Mail postmarked as of the interest due date. Principal shall be paid upon the submission of matured (or called) bond certificates to the Paying Agent. Subsequent to the initial delivery of the Bonds, upon the submission of proper authentication, the Bond Registrar shall transfer ownership of Bonds within three (3) business days of receipt without expense to the Registered Owner.

The Bonds will be issued pursuant to the terms of the Trust Indenture, dated June 1, 1965, as subsequently amended, naming Farmers Bank & Capital Trust Company, Frankfort, Kentucky as Trustee and will rank on the basis of parity and equality as to security and source of payment with Housing and Dining System Revenue Bonds, Series A through Series K, inclusive, previously issued and now outstanding.

The Bonds are issued for the purpose of retiring \$4,200,000 of the Board's Housing and Dining System Revenue Bond Anticipation Notes, Series L, dated June 1, 1982, issued for the purpose of retiring the Board's Housing and Dining System Revenue Bonds Anticipation Notes, Series L, dated March 17, 1981, originally issued for the purpose of financing the cost, not otherwise provided, of constructing an addition to the existing Student Center Building (the "Project"). The Project constitutes a part of the University's Housing and Dining System, comprising all of the student housing, dining and student center facilities (except fraternity and sorority houses) at the Main Campus of the University at Lexington, Kentucky (the "System"). The Bonds are not general obligations of the Board, the University, or the Commonwealth of Kentucky, but are special obligations secured by and payable solely from a first lien and charge upon the defined Revenues of the System.

Details regarding the Bonds, the Official Bid Form and financial and other pertinent information concerning the University and the University's Housing and Dining System are contained in the "Official Statement" which may be obtained by addressing Mr. Henry Clay Owen, Controller and Treasurer of the Board, Peterson Service Building, University of Kentucky Campus, Lexington, Kentucky 40506 or the Financial Adviser, First Kentucky Securities Corporation, State National Bank Building, P. O. Box 554, Frankfort, Kentucky 40602.

LEGAL OPINION

The purchaser of the Bonds will be furnished at delivery, which delivery must be on June 2, 1986, at the cost of the Board, the approving legal opinion of Henry M. Reed III, Bond Counsel, Louisville, Kentucky. Bond Counsel is of the opinion that those provisions of the "Tax Reform Act of 1985" enacted by the United States House of Representatives on December 17, 1985 ("H.R. 3838"), relating to "arbitrage" restrictions are not applicable to these Bonds; however, because certain provisions of H.R. 3838 affect selected recipients of interest on the Bonds, Bond Counsel's opinion relating to the exemption from Federal (and State) income taxes on the interest on these Bonds will read, in part, substantially as follows:

"Based upon existing statutes, regulations and official rulings as construed and applied as of the date the Bonds herein referred to are delivered, it is my further opinion that the receipt of interest on said Bonds is at present excludable from the gross income of the recipients thereof for present Commonwealth of Kentucky and Federal income tax purposes, and that said Bonds are exempt from present ad valorem taxation by the Commonwealth of Kentucky and all of its political subdivisions; provided, however, that if H.R. 3838 (the "Tax Reform Act of 1985") or similar legislation is ultimately enacted with a January 1, 1986 effective date for provisions relating to tax-exempt bonds, the interest on said Bonds may be directly or indirectly subject to Federal income tax consequences if the recipient is a financial institution or property and casualty insurance company."

Bond Counsel respectfully requests that the corporate entities identified above review the provisions of H.R. 3838 in order to determine the tax consequences unique to those entities.

The Board expressly reserves the right to reject all bids and to waive any informality or irregularity which in the judgment of the Board does not impair the integrity of the bidding process.

BIDDING CONDITIONS AND RESTRICTIONS

Bids must be made on the Official Bid Form, contained in Information for Bidders available from the undersigned or First Kentucky Securities Corporation, State National Bank Building, P. O. Box 554, Frankfort, Kentucky 40206, enclosed in sealed envelopes marked "Bid for Housing and Dining System Revenue Bonds, Series L".

The minimum bid shall be not less than \$3,714,200 (98% of par) plus accrued interest to June 2, 1986. Interest rates shall be in multiples of 1/8 or 1/20 of 1%. Only one interest rate shall be permitted for each principal maturity and all Bonds of the same maturity shall bear the same rate. Interest rates must be on an ascending scale in that the interest rate for Bonds of any maturity must not be less than the interest rate stipulated for any preceding maturity. There is no limit on the number of different interest rates.

CUSIP identification numbers will be printed on the Bonds at the expense of the Board. The purchaser shall pay the CUSIP Service Bureau charge. Improper imprintation or the failure to imprint CUSIP numbers shall not constitute a cause for failure or refusal by the purchaser to accept delivery of and pay for said Bonds on June 2, 1986 in accordance with the terms of any accepted proposal for said purchase.

Each bid must be accompanied by a certified or bank cashier's good-faith check in the amount of \$75,800; said amount shall be forfeited as liquidated damages in the event of a failure of the successful bidder to take delivery of said Bonds on June 2, 1986.

Delivery will be made on JUNE 2, 1986 in Louisville or Lexington, Kentucky or Nashville or Memphis, Tennessee or Cincinnati, Ohio at no expense to the purchaser or at any other place in the Continental United States desired by the purchaser at its expense; provided, however, the Purchaser shall bear any bank service charge for processing the delivery of the Bonds and closing the transaction if delivery is made at a location other than the principal office of the Bond Registrar. Payment shall be made in FEDERAL FUNDS.

Delivery may be effected through the use of a fully registered manuscript (typed) Master Bond in the name of the manager of the purchasing syndicate in the full amount of the Issue. Each member of the purchasing syndicate shall be required to supply the Bond Registrar with the name, address, taxpayer identification number and principal amount and principal maturities for each party in whose name Bonds are to be registered upon the initial delivery.

The Board will furnish the Purchaser with the final approving legal opinion of Henry M. Reed III, Bond Counsel, subject to whose legal opinion the Bonds are sold and will furnish printed bond certificates and the usual closing proofs, including the customary no-litigation and non-arbitrage certificates.

BY ORDER OF THE BOARD:

s/George W. Griffin, Secretary,
Board of Trustees
University of Kentucky

OFFICIAL BID FORM

To the Honorable Chairman and Members of
The Board of Trustees of the
University of Kentucky
c/o Mr. Henry Clay Owen
University Treasurer, Office of the President
Administration Building
Lexington, Kentucky 40506

Gentlemen:

Pursuant to your "Official Terms and Conditions of Bond Sale", the undersigned offers to purchase your "University of Kentucky Housing and Dining System Revenue Bonds, Series L", dated June 1, 1986, in accordance with and subject to the terms set forth in the Official Terms and Conditions of Bond Sale.

We hereby bid for said \$3,790,000 principal amount of Bonds the sum of \$_____ (not less than \$3,714,200); plus accrued interest from June 1, 1986, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>
1987	\$ 85,000	_____
1988	85,000	_____
1989	90,000	_____
1990	90,000	_____
1991	85,000	_____
1992	105,000	_____
1993	110,000	_____
1994	120,000	_____
1995	120,000	_____
1996	125,000	_____
1997	135,000	_____
1998	135,000	_____
1999	155,000	_____
2000	185,000	_____
2001	200,000	_____
2002	265,000	_____
2003	375,000	_____
2004	400,000	_____
2005	385,000	_____
2006	550,000	_____

BOARD OF TRUSTEES RESOLUTION
EXHIBIT D

It is understood that such Bonds are offered for sale subject to the principal and interest on such Bonds not being subject to Federal or Kentucky ad valorem or income taxation on the date of their delivery to the successful bidder. It is also understood that the Board of Trustees of the University of Kentucky will furnish a final approving Legal Opinion of Henry M. Reed III, Bond Counsel, Louisville, Kentucky, subject to whose approving Legal Opinion said Bonds are sold, and will furnish printed bond forms and the usual closing proofs, including the customary no-litigation certificate to the successful bidder.

The successful bidder shall not be required to take up and pay for said Bonds unless delivery is made within thirty days from the date said bid is accepted. Upon delivery the successful bidder shall take up and pay for said Bonds in FEDERAL FUNDS. It is anticipated that the Bonds will be tendered for delivery on June 2, 1986.

A certified check or bank cashier's check in the amount of \$75,800, payable to the University of Kentucky is enclosed in accordance with the Official Terms and Conditions of Bond Sale.

Respectfully submitted,

Authorized Signature

Name of Bidder

Address

Accepted this _____ day of May, 1986, by Resolution of the Board of Trustees of the University of Kentucky.

BOARD OF TRUSTEES,
UNIVERSITY OF KENTUCKY

By: _____
Chairman

ATTEST:

Secretary, Board of Trustees

Office of the President
April 1, 1986

FCR 6

Members, Board of Trustees:

RESOLUTION ACCEPTING THE SUCCESSFUL
BID FOR THE PURCHASE OF \$2,890,000
OF UNIVERSITY OF KENTUCKY COMMUNITY
COLLEGES EDUCATIONAL BUILDINGS REVENUE
BONDS, SERIES E

Recommendation: That the Board of Trustees accept the bid of J. C. Bradford & Co. and Associates offering to purchase the Bonds at a net interest cost of 6.97209% and that the coupon rates as shown on the attached copy of the successful bid be approved and adopted.

Background: On March 4, 1986, the Executive Committee of the Board of Trustees approved a Resolution authorizing the issuance of \$2,890,000 University of Kentucky Community Colleges Educational Buildings Revenue Bonds, Series E. Said resolution also authorized the public advertising for sealed, competitive bids to be received on April 1, 1986. Bids were received by the Finance Committee and the recommended bid is the lowest net interest cost to the University.

Four bids were received and tabulated as follows:

J. C. Bradford & Co. and Associates	\$2,586,356.67	6.97209%
Merrill Lynch Pierce Fenner & Smith Inc.	\$2,592,410.20	6.988413%
J. J. B. Hilliard & Lyons	\$2,593,623.21	6.9916834%
Seasongood & Mayer	\$2,633,215.21	7.0984%

Action: Approved Disapproved _____ Other _____

Date: April 1, 1986

RESOLUTION RELATING TO THE
\$2,890,000 UNIVERSITY OF KENTUCKY
COMMUNITY COLLEGES EDUCATIONAL BUILDINGS
REVENUE BONDS, SERIES E

WHEREAS, the Board of Trustees of the University of Kentucky ("the Board"), acting by and through its Executive Committee (the "Executive Committee"), at a meeting of the Executive Committee on March 4, 1986, passed and adopted a Resolution, entitled

A RESOLUTION CLARIFYING, AMENDING, AND RESTATING PROVISIONS OF RESOLUTIONS AUTHORIZING THE ISSUANCE OF \$2,890,000 UNIVERSITY OF KENTUCKY COMMUNITY COLLEGES EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES E,

said Resolution being referred to herein as "the Series E Resolution;" and

WHEREAS, pursuant to Section 2.11 of the Series E Resolution, the Treasurer has caused to be published a Notice of Bond Sale with respect to the Series E Bonds for the information of potential bidders and has furnished copies of an Official Statement and Official Terms and Conditions of Bond Sale to interested persons requesting the same; and

WHEREAS, under the terms of the Notice of Bond Sale and the Official Terms and Conditions of Bond Sale, it is provided that proposals for purchase of the Series E Bonds would be received by the Board until 10:30 a.m. on April 1, 1986; and

WHEREAS, the following proposals for purchase of the Series E Bonds have been received in due time and acceptable form:

A. Bidder: J. C. Bradford & Co. and Associates

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered (%)</u>	<u>Net Interest Cost = 2,586,356.67</u>
1987	\$ 75,000	5.00	6.97209%
1988	\$ 80,000	5.25	
1989	\$ 80,000	5.50	
1990	\$ 85,000	5.60	
1991	\$ 90,000	5.75	
1992	\$ 95,000	6.00	
1993	\$105,000	6.10	
1994	\$110,000	6.25	
1995	\$115,000	6.40	
1996	\$125,000	6.50	
1997	\$135,000	6.60	
1998	\$145,000	6.70	
1999	\$155,000	6.80	
2000	\$165,000	6.90	
2001	\$180,000	7.00	
2002	\$200,000	7.00	
2003	\$210,000	7.00	
2004	\$225,000	7.00	
2005	\$250,000	7.00	
2006	\$265,000	7.00	

B. Bidder: Merrill Lynch Capital Markets and Associates

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered (%)</u>	<u>Net Interest Cost = 2,592,410.20</u>
1987	\$ 75,000	4.75	6.988413%
1988	\$ 80,000	5.00	
1989	\$ 80,000	5.25	
1990	\$ 85,000	5.50	
1991	\$ 90,000	5.75	
1992	\$ 95,000	6.00	
1993	\$105,000	6.25	
1994	\$110,000	6.50	
1995	\$115,000	6.60	
1996	\$125,000	6.70	
1997	\$135,000	6.80	
1998	\$145,000	6.80	
1999	\$155,000	6.90	
2000	\$165,000	6.90	
2001	\$180,000	6.90	
2002	\$200,000	6.90	
2003	\$210,000	7.00	
2004	\$225,000	7.00	
2005	\$250,000	7.00	
2006	\$265,000	7.00	

C. Bidder: J. J. B. Hilliard W. L. Lyons

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered (%)</u>	<u>Net Interest Cost = 2,593,623.21</u>
1987	\$ 75,000	5.00	6.9916834%
1988	\$ 80,000	5.25	
1989	\$ 80,000	5.50	
1990	\$ 85,000	5.75	
1991	\$ 90,000	6.00	
1992	\$ 95,000	6.10	
1993	\$105,000	6.20	
1994	\$110,000	6.30	
1995	\$115,000	6.40	
1996	\$125,000	6.50	
1997	\$135,000	6.60	
1998	\$145,000	6.70	
1999	\$155,000	6.80	
2000	\$165,000	6.90	
2001	\$180,000	7.00	
2002	\$200,000	7.05	
2003	\$210,000	7.05	
2004	\$225,000	7.05	
2005	\$250,000	7.05	
2006	\$265,000	7.05	

D. Bidder: Seasongood & Mayer

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered (%)</u>	<u>Net Interest Cost = 2,633,215.21</u>
1987	\$ 75,000	5.25	7.0984%
1988	\$ 80,000	5.50	
1989	\$ 80,000	5.70	
1990	\$ 85,000	5.85	
1991	\$ 90,000	6.00	
1992	\$ 95,000	6.10	
1993	\$105,000	6.20	
1994	\$110,000	6.30	
1995	\$115,000	6.40	
1996	\$125,000	6.50	
1997	\$135,000	6.60	
1998	\$145,000	6.70	
1999	\$155,000	6.80	
2000	\$165,000	6.90	
2001	\$180,000	7.00	
2002	\$200,000	7.10	
2003	\$210,000	7.15	
2004	\$225,000	7.20	
2005	\$250,000	7.25	
2006	\$265,000	7.25	

E. Bidder: None

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered (%)</u>	<u>Net Interest Cost =</u>
1987	\$ 75,000	_____	
1988	\$ 80,000	_____	
1989	\$ 80,000	_____	
1990	\$ 85,000	_____	
1991	\$ 90,000	_____	
1992	\$ 95,000	_____	
1993	\$105,000	_____	
1994	\$110,000	_____	
1995	\$115,000	_____	
1996	\$125,000	_____	
1997	\$135,000	_____	
1998	\$145,000	_____	
1999	\$155,000	_____	
2000	\$165,000	_____	
2001	\$180,000	_____	
2002	\$200,000	_____	
2003	\$210,000	_____	
2004	\$225,000	_____	
2005	\$250,000	_____	
2006	\$265,000	_____	

F. Bidder: None

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered (%)</u>	<u>Net Interest Cost =</u>
1987	\$ 75,000	_____	
1988	\$ 80,000	_____	
1989	\$ 80,000	_____	
1990	\$ 85,000	_____	
1991	\$ 90,000	_____	
1992	\$ 95,000	_____	
1993	\$105,000	_____	
1994	\$110,000	_____	
1995	\$115,000	_____	
1996	\$125,000	_____	
1997	\$135,000	_____	
1998	\$145,000	_____	
1999	\$155,000	_____	
2000	\$165,000	_____	
2001	\$180,000	_____	
2002	\$200,000	_____	
2003	\$210,000	_____	
2004	\$225,000	_____	
2005	\$250,000	_____	
2006	\$265,000	_____	

WHEREAS, the Board has considered the matter of which bid is most advantageous to the Board;

NOW, THEREFORE, THE BOARD HEREBY RESOLVES AS FOLLOWS:

1. That the Series E Resolution, as passed and adopted by the Executive Committee on March 4, 1986, is hereby approved, ratified, and confirmed in all respects;

2. That the proposal of J.C. Bradford & Co. and Associates as follows, for the purchase of the \$2,890,000 "University of Kentucky Community Colleges Educational Buildings Revenue Bonds, Series E," dated April 1, 1986, ("the Series E Bonds") is hereby accepted as the highest and best bid:

<u>Bonds</u> <u>Maturing</u> <u>May 1,</u>	<u>Interest</u> <u>Rate (%)</u>	<u>Aggregate</u> <u>Principal</u> <u>Amount</u>
1987	5.00	\$ 75,000
1988	5.25	\$ 80,000
1989	5.50	\$ 80,000
1990	5.60	\$ 85,000
1991	5.75	\$ 90,000
1992	6.00	\$ 95,000
1993	6.10	\$105,000
1994	6.25	\$110,000
1995	6.40	\$115,000
1996	6.50	\$125,000
1997	6.60	\$135,000
1998	6.70	\$145,000
1999	6.80	\$155,000
2000	6.90	\$165,000
2001	7.00	\$180,000
2002	7.00	\$200,000
2003	7.00	\$210,000
2004	7.00	\$225,000
2005	7.00	\$250,000
2006	7.00	\$265,000

Net Interest Cost = $\frac{2,586,356.67}{6.97209\%}$

3. That the interest rates on the Series E Bonds are hereby fixed at the rates set out in the said accepted proposal;

4. That the Series E Bonds as identified in the Series E Resolution shall be delivered by the

officers of the Board in accordance with the terms of the Series E Resolution as soon as ready;

5. That the confirmation of the said accepted proposal subjects the Board to no liability if it is unable to obtain the final approving legal opinion of Wyatt, Tarrant & Combs, Louisville, Kentucky, Bond Counsel, or if the interest on the Series E Bonds should become subject to federal or Kentucky income taxation, or if the Series E Bonds should become subject to Kentucky ad valorem taxation, prior to the delivery of the Series E Bonds; but also that the purchaser shall not be required to take up the Series E Bonds without the final approving legal opinion of Bond Counsel aforesaid or if the Series E Bonds or interest thereon should become so subject to taxation; and

6. That this Resolution shall be in full force and effect from and after its adoption.