

Minutes of the Meeting of the Executive Committee of the Board of Trustees of the University of Kentucky, Tuesday, October 15, 1985.

The Executive Committee of the Board of Trustees of the University of Kentucky met at 1 p.m. (Eastern Daylight Time) on Tuesday, October 15, 1985 in the Board Room on the 18th floor of the Patterson Office Tower on the Lexington Campus.

A. Meeting Opened and Roll Called

Mr. Robert T. McCowan, Chairman, called the meeting to order at 1 p.m., and the invocation was pronounced by Mr. William R. Black.

The following members of the Executive Committee of the Board of Trustees answered the call of the roll: Mr. Robert T. McCowan (Chairman), Mr. William R. Black, Mr. Albert G. Clay, and Mr. George W. Griffin Jr. (ex officio Secretary). Mr. Tracy Farmer and Mr. T. A. Lasseter were absent from the meeting. Members of the Board of Trustees attending the meeting included Mr. John S. Cain, Professor Timothy A. Cantrell, Mr. Henry E. Hershey, Professor James D. Kemp, 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. The Secretary reported a quorum present, and the Chairman declared the meeting officially open for the conduct of business at 1:03 p.m.

B. Minutes Approved

On motion made by Mr. Black, seconded by Mr. Clay and passed, the Minutes of the September 17, 1985 meeting of the Board of Trustees of the University of Kentucky were approved as written.

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

President Singletary reviewed briefly some of the items in PR 1, calling particular attention to the following:

- (1) Books published by the University Press of Kentucky, a number of which have gained favorable notice internationally.
- (2) Four alumni who were presented U.K. National Alumni Association Distinguished Service Awards at the annual reunion banquet: Morris Beebe, Kay King Evans, Robert Spragens, and Ron Forrester.

- (3) The 1985 National Restaurant Association/American Vocational Association's Award of Excellence in Foodservice Education which was presented to the Jefferson Community College.
- (4) The dedication on September 30 of the Media Center-Learning Laboratory at Elizabethtown Community College.
- (5) The Armand Hammer Daumier Collection at the Art Museum which will be exhibited through December 8.
- (6) The New Journal of Mineral Law and Policy published by the Mineral Law Center of the College of Law.
- (7) The national award received by the University Extension administrators for its "Downtown at Noon" program, which offers credit and non-credit courses at facilities furnished free by downtown businessmen.
- (8) The launching of a fund drive by the College of Business and Economics to establish scholarships for upper level undergraduate and graduate business students, a fund to be named in honor of Dr. Cecil C. Carpenter who was dean of the college (then called the College of Commerce) from 1948-64.
- (9) The establishment of an Alzheimer's Disease Research Center in the Sanders-Brown Research Center, funded by a National Institute on Aging \$1.2 million five-year grant.
- (10) An award of \$1,475,521 to support a Clinical Research Center given to the College of Medicine by the National Institutes of Health, Division of Research Resources. The three-year award will fund multi-disciplinary research on innovative treatments in patients with recognized diseases.

D. Personnel Actions (PR 2)

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

E. Supplemental Recommendations of the President (PR 3A)

There were no supplemental recommendations.

F. Proposed Amendments to the Governing Regulations (PR 3B)

Mr. Black moved that the proposed amendments to the Governing Regulations be received for preliminary consideration and be included on the agenda at the next regular meeting of the Board. The motion, seconded by Mr. Clay, carried without dissent. (See PR 3B at the end of the Minutes.)

G. Name Change of Educational Unit (PR 5A)

President Singletary recommended that the name of the Department of Slavic and Oriental Languages and Literatures be changed to the Department of Russian and Eastern Studies. He pointed out that the proposed name change originated in the College of Arts and Sciences and is associated with the merger of the Russian and the Russian Area Studies majors into a single major. The motion, which was made by Mr. Clay and seconded by Mr. Black, was voted on and carried. (See PR 5A at the end of the Minutes.)

H. Naming of University Departmental Library (PR 6A)

President Singletary indicated his pleasure in recommending that the Department of Ophthalmology Library be named the WILLIAM N. OFFUTT LIBRARY in honor of Dr. William Nelson Offutt, a prominent surgeon and specialist, and Dr. William Nelson Offutt III, an ophthalmologist. On motion made by Mr. Black, seconded by Mr. Clay and unanimously carried, it was so ordered. (See PR 6A at the end of the Minutes.)

I. Agreement Between University of Kentucky and Kentucky Medical Services Foundation (PR 6B)

Chancellor Bosomworth explained that since no bid had been received by June 24, 1985, the document presented to and approved by the Board at that meeting was devoid any dollar amount for the Kentucky Medical Services Foundation portion of the cost of the excess umbrella insurance policy. He added that a bid has now been received, and accepted, and is reflected in the proposed agreement. With President Singletary so recommending, on motion made by Mr. Clay, seconded by Mr. Black and unanimously carried, the proposed agreement between the University of Kentucky and Kentucky Medical Services Foundation was approved. (See PR 6B at the end of the Minutes.)

J. November Meeting Cancelled

With the concurrence of the Chairman, President Singletary announced that the November 12, 1985 meeting of the Executive Committee would be cancelled.

K. Interim Financial Report (FCR 1)

Mr. Clay, Chairman of the Finance Committee, reported that the Committee had met on the morning of October 15 and reviewed the six items to be presented for action, the first of which was the Interim Financial Report for the two months ended August 31, 1985. He then moved acceptance of the report. His motion was seconded by Mr. Black and passed without dissent. (See FCR 1 at the end of the Minutes.)

L. Acceptance of the Financial Statements of the University of Kentucky and Affiliated Corporations and Other Related Organizations for the Year Ended June 30, 1985 (FCR 2)

Mr. Clay, acting on the recommendation of the Finance Committee, moved:

that the Board of Trustees accept the audited consolidated financial statements and related reports of the University of Kentucky and the affiliated corporations for the year ended June 30, 1985, including the Management Letter and a Report on Compliance with House Bill 622 submitted by Coopers & Lybrand, Certified Public Accountants;

that the Board of Trustees accept the audited financial statements of the University of Kentucky including separate financial statements for the Housing and Dining System and the Tobacco and Health Research Institute for the year ended June 30, 1985;

that the Board of Trustees accept the audited financial statements of the affiliated corporations and other related organizations of the University of Kentucky including The Fund for Advancement of Education and Research in the University of Kentucky Medical Center, University of Kentucky Research Foundation, University of Kentucky Athletic Association, University of Kentucky Business Partnership Foundation, Inc., University of Kentucky Mining Engineering Foundation, Inc., University of Kentucky Equine Research Foundation, Inc., University of Kentucky Humanities Foundation, Health Care Collection Service Inc., University of Kentucky Alumni Association, and University of Kentucky Hospital Auxiliary for the year ended June 30, 1985.

Mr. Clay's motion was seconded by Mr. Black and carried without dissent. (See FCR 2 at the end of the Minutes.)

M. RESOLUTION ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE OF \$16,100,000 OF UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES I (FCR 3)

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

RESOLUTION RELATING TO THE \$16,100,000 UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES I

(The full resolution being attached to these minutes as Exhibit 1.)

WHEREUPON, a vote being taken on the motion, the result was as follows:

<u>Yeas</u>	<u>Nays</u>
Robert T. McCowan	None
William R. Black	
Albert G. Clay	

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 Executive Committee of the Board. (See FCR 3 at the end of the Minutes.)

N. Report on Leases (FCR 4)

Mr. Clay reminded the Trustees of Board action on December 13, 1983 authorizing the President to enter into leases and easements not exceeding \$20,000 in value. He then moved acceptance of the report on leases as listed in FCR 4. Mr. Black seconded Mr. Clay's motion, and it was so ordered. (See FCR 4 at the end of the Minutes.)

O. Delegation Authorizing the President to Enter into Leases and Easements not Exceeding \$30,000 in Value (FCR 5)

Acting on the recommendation of the Finance Committee, Mr. Clay moved that the President or his designated representative be authorized to enter into leases and easements not exceeding \$30,000 in value. He explained that the dollar value increase is being recommended in order to accommodate most of the leases and easements that affect real property transactions. Mr. Clay's motion was seconded by Mr. Black and passed without dissent. (See FCR 5 at the end of the Minutes.)

P. Registration of University Logos (FCR 6)

With the concurrence of the Finance Committee, Mr. Clay moved that the Athletics Director, University of Kentucky Athletics Association, be authorized and directed to select appropriate service marks, trademarks, designs and logos of the University of Kentucky Wildcat and to apply for trademark and/or copyright registration in the name of the University of Kentucky as presented in FCR 6. He added that the University currently has only common law protection of its logos and that registration will enhance that protection and, at the same time, will generate income. Mr. Clay's motion was seconded by Mr. Black and passed without dissent. (See FCR 6 at the end of the Minutes.)

Q. Meeting Adjourned

There being no further business, the meeting was adjourned at 1:17 p.m.

Respectfully submitted,

George W. Griffin, Jr.
Ex Officio Secretary
Executive Committee
Board of Trustees

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

0981

Office of the President
October 15, 1985

PR 2

Members, Executive Committee, 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: October 15, 1985

0197

CENTRAL ADMINISTRATION

I. BOARD ACTION

A. EARLY RETIREMENT

University Relations

Baldwin, Jacqueline C., Staff Assistant V,
Information Services, after 19.5 consecutive
years of service, effective September 30, 1985.

COMMUNITY COLLEGE SYSTEM

I. BOARD ACTION

A. EARLY RETIREMENT

Henderson Community College

Luck, Jean A., Office Assistant III in the Community College System, after 19 consecutive years of service, effective September 30, 1985.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

Hazard Community College

Greider, Arnemann R., Assistant Professor in the Community College System, 9/1/85 through 6/30/86.

Henderson Community College

Thurman, Michael E., Instructor in the Community College System, 9/1/85 through 6/30/86.

Lexington Community College

Marshall, Dennis J., Instructor in the Community College System, 8/1/85 through 6/30/86.

Madisonville Community College

Johns, Clarence D., Instructor in the Community College System, 9/1/85 through 6/30/86.

Southeast Community College

Martin, JoAnn B., Instructor in the Community College System, 8/1/85 through 6/30/86.

B. ADMINISTRATIVE APPOINTMENTS

Jefferson Community College

Calhoun-French, Diane, Associate Professor in the Community College System (with tenure), Acting Chairman, Division of Humanities, Natural Sciences and Related Technologies, 10/1/85 through 12/31/85.

C. REAPPOINTMENTS

Lexington Community College

Arnold, Keith, Assistant Professor in the Community College System, 7/1/85 through 6/30/86.

Southeast Community College

Campbell, Donna, Instructor in the Community College System (voluntary), 7/1/85 through 6/30/86.

D. LEAVES OF ABSENCE

Lexington Community College

Slone, LaVerne L., Associate Professor in the Community College System (with tenure), leave of absence without pay, 8/19/85 through 6/30/86.

LEXINGTON CAMPUS

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

College of Agriculture

Geneve, Robert L., Assistant Professor, Horticulture and Landscape Architecture, 9/1/85 through 6/30/86.
Means, Warrie J., Assistant Extension Professor, Animal Sciences, 8/15/85 through 6/30/86.
Payne, Frederick A., Associate Professor (with tenure), Agricultural Engineering, effective 8/19/85.
Williamson, Lionel, Assistant Extension Professor, Agricultural Economics, 9/1/85 through 6/30/86.
Wood, Craig H., Assistant Extension Professor, Animal Sciences, 8/5/85 through 6/30/86.

College of Architecture

Bermann, Karen R., Visiting Professor (part-time), 8/16/85 through 10/31/85.
Hennessey, Leslie G., Visiting Professor (part-time), 8/16/85 through 12/31/85.
Larrain, Andres, Visiting Professor (part-time), 8/16/85 through 12/31/85.

College of Arts and Sciences

Dahl, Veronica, Visiting Associate Professor (part-time), Computer Science, 8/16/85 through 12/31/85.
Rauszer, Cecylia, Visiting Associate Professor, Computer Science, 8/16/85 through 5/31/86.
Richards, Derek, Visiting Associate Professor, Physics and Astronomy, 8/16/85 through 5/31/86.

B. JOINT APPOINTMENTS

College of Arts and Sciences

Wilkinson, Doris, Professor (with tenure), Sociology, joint appointment as Professor (without tenure), Behavioral Sciences, College of Medicine, effective 7/1/85.

College of Business and Economics

Provan, Keith, Associate Professor (without tenure), Management, joint appointment as Associate Professor (without tenure), Preventive Medicine and Environmental Health, College of Medicine, 8/16/85 through 6/30/86.

C. REAPPOINTMENTS

College of Arts and Sciences

Madden, Edward H., Adjunct Professor, Philosophy, 7/1/85 through 6/30/86.

Stiles, Martin, Adjunct Professor, Chemistry, 7/1/85 through 6/30/87.

D. PROMOTIONS

College of Agriculture

Fehr, Robert L., from Associate Extension Professor (with tenure), Agricultural Engineering, to Extension Professor (with tenure), Agricultural Engineering, effective 7/1/85.

Louderback, Logan T., from Associate Extension Professor (with tenure), Cooperative Extension Service, to Extension Professor (with tenure), Cooperative Extension Service, effective 7/1/85.

E. RETIREMENTS

College of Agriculture

Stokes, G. W., Professor (with tenure) and Associate Dean, Dean's Office, after 33 consecutive years of service, effective 11/30/85.

College of Education

Mullins, Charlie, Equipment Manager, Health, Physical Education, and Recreation, after 29 consecutive years of service, effective 11/1/85.

Vice Chancellor for Administration

Gates, Bernice, Disabled Staff, Employee Benefits, after 16 consecutive years of service, effective 11/30/85.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Agriculture

Cui, Decai, Visiting Lecturer, Agronomy, 8/12/85 through 8/15/86.

Yu, Zhen-wen, Visiting Lecturer, Agronomy, 8/12/85 through 8/15/86.

College of Arts and Sciences

Baldwin, Stan, Instructor (part-time), Statistics, 8/16/85 through 12/31/85.
Birkenhauer, Ann F., Instructor (part-time), English, 8/16/85 through 12/31/85.
Buzdygon, Bruce E., Instructor (part-time), Biological Sciences, 8/16/85 through 12/31/85.
Conway, Glenda, Instructor (part-time), English, 8/16/85 through 12/31/85.
Coventry, Sarah J., Instructor (part-time), English, 8/16/85 through 12/31/85.
Davis, Jeffrey K., Instructor (part-time), Computer Science, 8/16/85 through 12/31/85.
Dietrich, Shelle, Instructor (part-time), Psychology, 8/16/85 through 12/31/85.
Francis, Melanie, Instructor (part-time), English, 8/16/85 through 12/31/85.
Frank, Vivian, Instructor (part-time), Spanish and Italian, 9/1/85 through 12/31/85.
Geiger, Cheryl A., Instructor (part-time), English, 8/16/85 through 12/31/85.
Gleason, James, Instructor (part-time), English, 8/16/85 through 12/31/85.
Gunto, Jacqueline, Instructor (part-time), English, 8/16/85 through 12/31/85.
Guthrie, Patricia Marie, Instructor (part-time), English, 8/16/85 through 12/31/85.
Hasler, James, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Hobson, Elizabeth C., Instructor (part-time), English, 8/16/85 through 12/31/85.
Hoffman, Mary Beth, Instructor (part-time), Classics, 8/16/85 through 5/31/86, and Instructor (part-time), English, 8/16/85 through 12/31/85.
Holwerk, Mildred, Instructor (part-time), English, 8/16/85 through 12/31/85.
Howard, Michael N., Instructor (part-time), Chemistry, 8/16/85 through 5/31/86.
Howell, John Daniel, Instructor (part-time), English, 8/16/85 through 12/31/85.
Jacobs, Linda L., Instructor (part-time), English, 8/16/85 through 12/31/85.
Kosiewicz, Slawomira, Instructor (part-time), Slavic and Oriental, 8/16/85 through 12/31/85.
Lackey, Jackson B., Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Najarzadeh, Reza, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Olster, David M., Assistant Professor, History, and Assistant Professor, Honors, Undergraduate Studies, 8/16/85 through 6/30/86.

*Special Title Series

Opengart, Bea C., Instructor (part-time), English, 8/16/85 through 12/31/85.
Pandit, Lalita, Instructor (part-time), English, 8/16/85 through 12/31/85.
Parker, William, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Pugh, Billy Gene, Visiting Assistant Professor, Physics and Astronomy, 8/16/85 through 5/31/86.
Slusher, Kathleen C., Instructor (part-time), English, 8/16/85 through 12/31/85.
Smith, Michael, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Spencer, Diane, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Stigers, Stephen W., Instructor (part-time), English, 8/16/85 through 12/31/85.
Taub, Liba Chaia, Instructor, History, 8/16/85 through 5/31/86.
Vierich, Helga, Assistant Professor (part-time), Anthropology, 8/16/85 through 6/30/86.
White, Ronald F., Instructor (part-time), Philosophy, 8/16/85 through 12/31/85.
Williams, Jeff, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Witte, Florence M., Instructor (part-time), English, 8/16/85 through 12/31/85.
Yount, Kristen R., Assistant Professor, Sociology, 8/16/85 through 6/30/87.
Zahniser, Ann H., Instructor (part-time), English, 8/16/85 through 12/31/85.

College of Communications

Haas, John W., Instructor (part-time), Communication, 8/16/85 through 12/31/85.
Holwerk, David H., Instructor (part-time), Journalism, 8/16/85 through 12/31/85.
Ireland, John W., Instructor (part-time), Journalism, 8/16/85 through 12/31/85.
Skaggs, Patricia C., Instructor (part-time), Journalism, 8/16/85 through 12/31/85.
Wilson, Richard G., Instructor (part-time), Journalism, 8/16/85 through 12/31/85.
Wiseman, Lynn David, Instructor (part-time), Journalism, 8/16/85 through 12/31/85.

College of Fine Arts

Boyd, Donna, Instructor (part-time), Music, 9/1/85 through 12/31/85.
Hensley, Hunter, Instructor (part-time)*, Music, 9/1/85 through 12/31/85.

*Special Title Series

College of Home Economics

Crouch, Lori Buchan, Clinical Instructor (voluntary), Nutrition and Food Science, 8/1/85 through 6/30/86.
Dew, Nancy C., Clinical Instructor (voluntary), Nutrition and Food Science, 8/1/85 through 6/30/86.
Jones, Sharman W., Instructor, Nutrition and Food Science, 8/1/85 through 5/31/86.
Pease, Janet, Clinical Instructor (voluntary), Nutrition and Food Science, 8/1/85 through 6/30/86.
Raitz, Carol Ann, Assistant Clinical Professor (voluntary), Nutrition and Food Science, 8/1/85 through 6/30/86.
Seeley, Suzanne, Clinical Instructor (voluntary), Nutrition and Food Science, 8/1/85 through 6/30/86.
Smith, Karen, Assistant Clinical Professor (voluntary), Nutrition and Food Science, 8/1/85 through 6/30/86.

College of Law

Shepherd, Phillip J., Instructor (part-time), 10/1/85 through 2/28/86.

Libraries

McAninch, Glen A., Librarian IV, Special Collections, 10/1/85 through 9/30/86.

College of Social Work

Clark, James Joseph, Lecturer (part-time), 8/16/85 through 5/15/86.

B. REAPPOINTMENTS

College of Arts and Sciences

Allen, Susan E., Instructor (part-time), English, 8/16/85 through 12/31/85.
Bitetto, Vito, Instructor (part-time), Computer Science, 8/16/85 through 12/31/85.
Campbell, F. Diane, Instructor (part-time), English, 8/16/85 through 12/31/85.
Carter, Michael W., Instructor (part-time), English, 8/16/85 through 12/31/85.
Cetrulo, Christine L., Instructor (part-time), English, 8/16/85 through 5/31/86.
Cooper, John B., Instructor (part-time), English, 8/16/85 through 12/31/85.
Crawley, Bryan S., Instructor (part-time), Computer Science, 8/16/85 through 12/31/85.

Crocker, Lina E., Instructor (part-time), English, 8/16/85 through 12/31/85.
DeSimone, Shirley, Instructor (part-time), English, 8/16/85 through 12/31/85.
Duncan, Mary R., Instructor (part-time), English, 8/16/85 through 12/31/85.
Fazey, Mark T., Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Galloway, Lynn A., Instructor (part-time), English, 8/16/85 through 12/31/85.
Hamilton, Linda, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Hamilton, Sarah, Instructor (part-time), English, 8/16/85 through 12/31/85.
Hay, Jane, Instructor (part-time), Biological Sciences, 8/16/85 through 5/31/86.
Hayes, Shirley S., Instructor (part-time), English, 8/16/85 through 12/31/85.
Hull, Ruth F., Instructor (part-time), English, 8/16/85 through 12/31/85.
Isenhour, Janet L., Instructor (part-time), English, 8/16/85 through 12/31/85.
Lyon, Edmund D., Instructor (part-time), History, 8/16/85 through 12/31/85.
Lyon, George Ella, Instructor (part-time), English, 8/16/85 through 12/31/85.
McHenry-Hepner, Virginia, Instructor (part-time), English, 8/16/85 through 12/31/85.
Moss, Marvin Thomas, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Ralph, Margaret, Instructor (part-time), English, 8/16/85 through 12/31/85.
Robinson, Penny, Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Royster, Betty B., Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Seiler, Michael J., Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Stonecipher, Mabel A., Instructor (part-time), English, 8/16/85 through 12/31/85.
Tandy, Caron, Instructor (part-time), English, 8/16/85 through 12/31/85.
Tipton, Louise B., Instructor (part-time), English, 8/16/85 through 12/31/85.
Vass, Frank R., Instructor (part-time), English, 8/16/85 through 12/31/85.
Weber, Deborah L., Instructor (part-time), Mathematics, 8/16/85 through 12/31/85.
Weick, George P., Instructor (part-time), English, 8/16/85 through 12/31/85.

White, Alayne, Instructor (part-time), English, 8/16/85 through 12/31/85.

Witte, Florence M., Instructor (part-time), German, 8/16/85 through 12/31/85.

College of Education

Eads, Ann B., Instructor (part-time), Curriculum and Instruction, 8/16/85 through 5/15/86.

Heathman, Nancy, Instructor (part-time), Curriculum and Instruction, 8/16/85 through 5/15/86.

College of Fine Arts

Dunn, Jon R., Instructor (part-time), Art, 8/16/85 through 12/31/85.

C. PROMOTIONS WITHOUT TENURE

College of Education

Kramer, Linda, from Instructor, Curriculum and Instruction, to Assistant Professor, Curriculum and Instruction, 8/16/85 through 12/31/86.

D. CHANGES

College of Arts and Sciences

Ades, Harriet F., from Instructor (part-time), Chemistry, to Assistant Professor (full-time), Chemistry, 8/16/85 through 5/31/86.

Kleppinger, Elizabeth W., from Instructor (part-time), Chemistry, to Assistant Professor (full-time), Chemistry, 8/16/85 through 5/31/86.

College of Home Economics

Lantzsch, Susan E., from Clinical Instructor (voluntary), Nutrition and Food Science, to Instructor (part-time), Nutrition and Food Science, 8/1/85 through 12/31/85.

E. TERMINAL REAPPOINTMENTS

College of Home Economics

Pasley, Beatrice Kay, Assistant Professor, Family Studies, 7/1/85 through 6/30/86.

F. LEAVES OF ABSENCE

College of Agriculture

Bradford, Garnett L., Professor (with tenure), Agricultural Economics, Sabbatical leave with full salary, 1/1/86 through 6/30/86.

Flashman, Robert, Associate Extension Professor, Home Economics Extension, Sabbatical leave with full salary, 1/13/86 through 7/14/86.

College of Arts and Sciences

Jensen, Arne, Associate Professor (with tenure), Mathematics, Leave without pay, 7/1/85 through 6/30/86.

Tickamyer, Ann, Associate Professor (with tenure), Sociology, Sabbatical leave with full salary, 1/1/86 through 6/30/86.

College of Business and Economics

Massie, Joseph L., Professor (with tenure), Management, To rescind sabbatical leave with full salary, 8/15/85 through 12/31/85.

College of Engineering

Gard, O. W., Associate Professor (with tenure), Mechanical Engineering, Sick leave with pay, 5/16/85 through 11/15/85.

Todd, Lee T., Jr., Associate Professor (with tenure), Electrical Engineering, Leave without pay, 7/1/85 through 6/30/86.

College of Fine Arts

Young, Bernard, Associate Professor (with tenure), Art, Sabbatical leave with full salary, 1/1/86 through 6/30/86.

University Extension

Yang, Sun Chul, Professor (with tenure), Fort Knox, Sabbatical leave with half salary, 1/1/86 through 6/30/86.

F. LEAVES OF ABSENCE

College of Agriculture

Bradford, Garnett L., Professor (with tenure), Agricultural Economics, Sabbatical leave with full salary, 1/1/86 through 6/30/86.

Flashman, Robert, Associate Extension Professor, Home Economics Extension, Sabbatical leave with full salary, 1/13/86 through 7/14/86.

College of Arts and Sciences

Jensen, Arne, Associate Professor (with tenure), Mathematics, Leave without pay, 7/1/85 through 6/30/86.

Tickamyer, Ann, Associate Professor (with tenure), Sociology, Sabbatical leave with full salary, 1/1/86 through 6/30/86.

College of Business and Economics

Massie, Joseph L., Professor (with tenure), Management, To rescind sabbatical leave with full salary, 8/15/85 through 12/31/85.

College of Engineering

Gard, O. W., Associate Professor (with tenure), Mechanical Engineering, Sick leave with pay, 5/16/85 through 11/15/85.

Todd, Lee T., Jr., Associate Professor (with tenure), Electrical Engineering, Leave without pay, 7/1/85 through 6/30/86.

College of Fine Arts

Young, Bernard, Associate Professor (with tenure), Art, Sabbatical leave with full salary, 1/1/86 through 6/30/86.

University Extension

Yang, Sung Chul, Professor (with tenure), Fort Knox, Sabbatical leave with half salary, 1/1/86 through 6/30/86.

MEDICAL CENTER

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

College of Medicine

Lewis, Jeffrey W., Associate Professor (without tenure),
Surgery, 7/1/85 through 6/30/86.

Olson, William H., Clinical Professor (voluntary),
Neurology, 7/1/85 through 6/30/88.

College of Pharmacy

Mlodozeniec, Arthur R., Professor* (with tenure), effective
8/1/85.

B. ADMINISTRATIVE APPOINTMENTS

College of Allied Health Professions

Skaff, Karen O., Associate Professor* (with tenure),
Allied Health Education & Research, named Acting
Chairperson, Physician Assistant Studies, 7/1/85
through 6/30/86.

C. REAPPOINTMENTS

College of Dentistry

Fields, Hubert Jr., Professor (with tenure), Prosthodontics,
University of Louisville, joint reappointment as
Professor (without tenure), Prosthodontics, effective
7/1/85.

Lange, Karl W., Associate Professor (part-time),
Prosthodontics, joint as Associate Professor
(part-time), Community Dentistry, 7/1/85 through
6/30/86.

Lewis, Gene P., Associate Clinical Professor (voluntary),
Community Dentistry, 7/1/85 through 6/30/86.

Lutz, Bernard, Associate Professor (part-time), Restorative
Dentistry, joint as Associate Professor (part-time),
Endodontics, 7/1/85 through 6/30/86.

Stigers, Robert W., Associate Clinical Professor
(voluntary), Restorative Dentistry, joint as Associate

*Special Title Series

Clinical Professor (voluntary), Community Dentistry,
7/1/85 through 6/30/86.

College of Medicine

Ferrell, James L., Associate Clinical Professor (voluntary),
Family Practice, 7/1/85 through 6/30/88.

Golden, Abner, Professor (with tenure), Pathology,
joint reappointment as Professor (without
tenure), Medical Technology, College of Allied Health
Professions, effective 7/1/85.

Mendiondo, Oscar, Associate Clinical Professor (voluntary),
Radiation Medicine, 7/1/85 through 6/30/88.

McDaniel, William E., Associate Clinical Professor
(voluntary), Medicine, joint as Associate Clinical
Professor (voluntary), Allied Health Education &
Research, College of Allied Health Professions, 7/1/85
through 6/30/88.

Saykaly, Ronald J. Jr., Associate Clinical Professor
(part-time), Medicine, 7/1/85 through 6/30/86.

Smith, Stanford L., Professor (with tenure), Chemistry,
College of Arts and Sciences, joint reappointment as
Professor (without tenure), Diagnostic Radiology,
College of Medicine, effective 7/1/85.

College of Pharmacy

Hager, Vernon B., Associate Clinical Professor (voluntary),
7/1/85 through 6/30/88.

D. PROMOTIONS

College of Medicine

Calkins, John C., Professor (with tenure), Radiation
Medicine, joint promotion from Associate Professor
(without tenure), to Professor (without tenure),
Biological Sciences, College of Arts and Sciences,
7/1/85 through 6/30/87.

E. CHANGES

College of Allied Health Professions

Combs, Glen E., from Associate Professor* (with tenure),
Allied Health Education & Research, to Associate
Professor* (with tenure), Physician Assistant Studies,
effective 9/1/85.

*Special Title Series

College of Medicine

Lorman, James G., from Professor (with tenure), Diagnostic Radiology, to Clinical Professor (part-time), Diagnostic Radiology, 1/1/86 through 6/30/86.

Reusche, Juan, from Associate Clinical Professor (voluntary), Radiation Medicine, to Associate Clinical Professor (part-time), Radiation Medicine, 9/1/85 through 6/30/86.

F. CORRECTION IN MINUTES

College of Medicine

Daugherty, Michael E., from Assistant Clinical Professor (voluntary), Surgery, to Associate Clinical Professor (voluntary), Surgery, 7/1/85 through 6/30/88. Note: To correct rank from Assistant Clinical Professor (voluntary), to Associate Clinical Professor (voluntary), as reported in the June 24, 1985 Minutes.

University Hospital

Smith, Nell L., Account Clerk III, Patient Accounts, after 15 consecutive years of service, effective 9/28/85. Note: Effective date was not noted in the September 17, 1985 Minutes.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Allied Health Professions

Bruck, Vickie A., Clinical Instructor (voluntary), Physical Therapy, 9/15/85 through 6/30/88.

Connelly, Robin E., Clinical Instructor (voluntary), Physical Therapy, 8/15/85 through 6/30/88.

Hedgespeth, Dale A., Clinical Instructor (voluntary), Physical Therapy, 8/15/85 through 6/30/88.

Lyons, Lynne, Instructor (Adjunct Series), Medical Technology, 7/1/85 through 6/30/86.

Wessels, Sandy, Clinical Instructor (voluntary), Physical Therapy, 8/15/85 through 6/30/88.

College of Dentistry

Daugherty, Larry E., Assistant Professor (part-time), Community Dentistry, 7/19/85 through 6/30/86.

Freano, Marion Doyle, Assistant Professor (part-time), Oral Diagnosis & Oral Medicine, 8/12/85 through 6/30/86.

Moody, Carolyn S., Assistant Professor (part-time),
Pediatric Dentistry, joint as Assistant Professor
(part-time), Community Dentistry, 8/1/85 through
6/30/86.

Steckler, Munro, Assistant Professor (part-time),
Pediatric Dentistry, 9/1/85 through 6/30/86.

College of Medicine

Bingcang, Cornelia, Assistant Clinical Professor
(part-time), Psychiatry, 8/1/85 through 6/30/86.

Buecher, Joseph W., Clinical Instructor (voluntary),
Medicine, 7/1/85 through 6/30/88.

Doebler, Jeffrey A., Assistant Research Professor,
Biochemistry, 9/1/85 through 6/30/86.

Duncan, Thomas J., Clinical Instructor (voluntary),
Obstetrics & Gynecology, 7/1/85 through 6/30/88.

Guiler, David Scott, Clinical Instructor (voluntary),
Obstetrics & Gynecology, 8/1/85 through 6/30/88.

Hajjar, Naji E., Assistant Clinical Professor (voluntary),
Obstetrics & Gynecology, 10/1/85 through 6/30/88.

Hogan, E. Gary, Assistant Clinical Professor (voluntary),
Family Practice, 9/1/85 through 6/30/88.

McNicholas, Laura F., Instructor (part-time), Pharmacology,
9/1/85 through 6/30/86.

Pedigo, Norman W., Assistant Professor, Pharmacology,
joint as Assistant Professor, Anesthesiology, 10/1/85
through 6/30/86.

College of Pharmacy

Wilson, Janet L., Clinical Instructor (voluntary), 8/1/85
through 6/30/88.

Winkle, Vernon, Assistant Clinical Professor (voluntary),
9/1/85 through 6/30/86.

Sullivan, Clarence F. III, Clinical Instructor (voluntary),
7/1/85 through 6/30/88.

B. REAPPOINTMENTS

College of Allied Health Professions

Baker, Marcella, Clinical Instructor (voluntary), Medical
Technology, 7/1/85 through 6/30/88.

Barr, Michael R., Clinical Instructor (voluntary), Physical
Therapy, 7/1/85 through 6/30/88.

Campbell, Phyllis E., Clinical Instructor (voluntary),
Medical Technology, 7/1/85 through 6/30/88.

Downey, Geneva, Clinical Instructor (voluntary), Medical
Technology, 7/1/85 through 6/30/88.

Flanary, Phillip G., Clinical Instructor (voluntary),
Medical Technology, 7/1/85 through 6/30/88.

Shackelford, Ellen, Assistant Clinical Professor
(voluntary), Medical Technology, 7/1/85 through
6/30/88.

Spohn, Betty Bowling, Assistant Professor (Adjunct Series),
Allied Health Education & Research, 7/1/85 through
6/30/86.

Wells, Joberta, Clinical Instructor (voluntary), Medical
Technology, 7/1/85 through 6/30/88.

College of Dentistry

Cruise, Sidney E., Assistant Clinical Professor (voluntary),
Restorative Dentistry, joint as Assistant Clinical
Professor (voluntary), Community Dentistry, 7/1/85
through 6/30/86.

Frazier, Paul M., Assistant Professor (part-time),
Restorative Dentistry, 7/1/85 through 6/30/86.

Hankla, John W., Assistant Professor (part-time),
Restorative Dentistry, joint as Assistant Professor
(part-time), Community Dentistry, 7/1/85 through
6/30/86.

Head, Marylou S., Assistant Professor (part-time),
Restorative Dentistry, 7/1/85 through 6/30/86.

Henny, Paul A., Assistant Professor (part-time),
Restorative Dentistry, joint as Assistant Professor
(part-time), Community Dentistry, 7/1/85 through
6/30/86.

Higgins, Howard L., Assistant Professor (part-time),
Restorative Dentistry, 7/1/85 through 6/30/86.

Jones, Stephen B., Instructor (part-time), Community
Dentistry, 7/1/85 through 6/30/86.

Kluemper, Joan, Assistant Professor (part-time),
Restorative Dentistry, 7/1/85 through 6/30/86.

Kopczyk, Anthony J., Assistant Professor (part-time),
Periodontics, joint as Assistant Professor
(part-time), Community Dentistry, 7/1/85 through
6/30/86.

Lasheen, Joe, Assistant Professor (part-time),
Restorative Dentistry, 7/1/85 through 6/30/86.

Pence, Damon, Assistant Professor (part-time), Oral
Diagnosis & Oral Medicine, joint as Assistant
Professor (part-time), Endodontics, 7/1/85 through
6/30/86.

Reid, Stephen L., Assistant Professor (part-time),
Restorative Dentistry, 7/1/85 through 6/30/86.

Rosenthal, Ira M., Assistant Professor (part-time),
Periodontics, 7/1/85 through 6/30/86.

Schell, Susan C., Instructor (part-time), Community
Dentistry, joint as Instructor (part-time), Oral
Diagnosis & Oral Medicine, 7/1/85 through 6/30/86.

Vose, Charles, Assistant Professor (part-time),
Restorative Dentistry, 7/1/85 through 6/30/86.

Wells, Richard S., Instructor (part-time), Restorative Dentistry, 7/1/85 through 6/30/86.

College of Medicine

Buechler, Mary F., Assistant Clinical Professor (voluntary), Medicine, 7/1/85 through 6/30/88.

Janson, Paul A., Assistant Clinical Professor (voluntary), Medicine, 7/1/85 through 6/30/88.

College of Nursing

Teague, Barbara R., Instructor (part-time) (temporary), 7/1/85 through 6/30/86.

College of Pharmacy

Stone, Laura M., Clinical Instructor (voluntary), 7/1/85 through 6/30/88.

Wilson, Alton, Clinical Instructor (voluntary), 7/1/85 through 6/30/88.

C. PROMOTIONS

College of Pharmacy

Abell, Robert J., from Instructor (part-time), to Assistant Professor (part-time), 7/1/85 through 6/30/86.

D. CHANGES

College of Allied Health Professions

Bryant, Jane, from Assistant Professor (part-time), Medical Technology, to Assistant Professor (Adjunct Series), Medical Technology, 7/1/85 through 6/30/86.

Gairola, Gerry, from Assistant Professor, Allied Health Education & Research, to Assistant Professor, Physician Assistant Studies, 9/1/85 through 6/30/86.

Heinlein, Harold F., from Clinical Instructor (voluntary), Medical Technology, to Instructor (Adjunct Series), Medical Technology, 7/1/85 through 6/30/86.

Lloyd, Brenda, from Instructor (part-time), Medical Technology, to Instructor (Adjunct Series), Medical Technology, 7/1/85 through 6/30/86.

Overman, Sue, from Instructor (part-time), Medical Technology, to Instructor (Adjunct Series), Medical Technology, 7/1/85 through 6/30/86.

Rapp, Doris A., from Assistant Professor*, Allied Health Education & Research, to Assistant Professor*, Physician Assistant Studies, 9/1/85 through 6/30/86.

*Special Title Series

Sims, Priscilla A., from Instructor (part-time), Medical Technology, to Instructor (Adjunct Series), Medical Technology, 7/1/85 through 6/30/86.
Weeks, Terry, from Clinical Instructor (voluntary), Medical Technology, to Instructor (Adjunct Series), Medical Technology, 7/1/85 through 6/30/86.
Wildman, Robert J., from Assistant Professor*, Allied Health Education & Research, to Assistant Professor*, Physician Assistant Studies, 9/1/85 through 6/30/86.

College of Dentistry

Elvidge, Kevin L., from Assistant Professor (part-time), Prosthodontics, to Assistant Clinical Professor (voluntary), Prosthodontics, 7/1/85 through 6/30/88.

College of Medicine

Saunders, John H., from Clinical Instructor (part-time), Ophthalmology, to Clinical Instructor (voluntary), Ophthalmology, 7/1/85 through 6/30/88.

E. LEAVES OF ABSENCE

College of Dentistry

McEvoy, Susan A., Associate Professor* (with tenure), Restorative Dentistry, joint as Associate Professor* (without tenure), Pediatric Dentistry, change Sabbatical leave at full-salary from 9/1/84 through 11/30/84 and 9/1/85 through 11/30/85 to 9/1/84 through 11/30/84 and 5/1/86 through 7/31/86 (previously approved by the Board of Trustees 9/18/84).

College of Medicine

Fer, Mehmet F., Assistant Professor, Medicine, Leave without pay, 9/6/85 through 11/22/85.

*Special Title Series

Office of the President
October 15, 1985

PR 3B

Members, Executive Committee, Board of Trustees:

PROPOSED AMENDMENTS TO THE GOVERNING REGULATIONS

Recommendation: that the following amendments to the Governing Regulations of the University of Kentucky (December 1984) be received at this time for preliminary consideration and, at the next regular meeting of the Board of Trustees, be included on the agenda for action.

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

Amendment #1 -- Change Part X.C.2 to read:

X.C.2. Vacation Leave

All full-time faculty members on a ten-month, eleven-month, or twelve-month assignment basis shall be entitled to [one month] 22 working days of vacation leave with pay [during an] per assignment period. With prior administrative approval, faculty members may take vacation leave at appropriate times during the period in which they are eligible to take such leave; however, each member of the teaching faculty shall be in actual attendance at least until after Commencement and until all reports have been made, and at least three days prior to the first day of registration for the fall semester, unless for special reasons leave is approved. Vacation leave normally cannot be accumulated from one assignment period to another, except [to the extent] that a faculty member on a twelve-month assignment basis may[, with advance approval of the dean or director of the college,] take vacation leave either during the assignment period in which the vacation leave is earned or [within the first two months thereafter] during the subsequent assignment period. Under unusual circumstances, provided it is in the best interest of the University and has advance approval by the appropriate chancellor, a faculty member on a ten-month or an eleven-month assignment basis also may take unused vacation leave during the assignment period following that in which the vacation leave was earned. [All members of the teaching faculty shall be in actual attendance at least until after Commencement and until all reports have been made, and at least three days prior to the first day of registration for the fall semester unless for special reasons special leave is approved.] Pay for unused vacation leave shall be limited to a maximum of 22 days at the end of employment.

[Full-time faculty members employed on an academic year basis shall be on assignment from August 16 through May 15 and are expected to be normally available for participation in appropriate academic activities during this period. To insure opportunities for vacations, faculty members employed on this basis shall be limited to a maximum of two and one-half months of employment in activities funded by the University or its affiliated corporations during the summer period (May 16 through August 15).]

Background for Amendment #1: University of Kentucky policy governing faculty use of vacation leave has been much more restrictive than such policies at most other comparable institutions. The proposed changes in the first paragraph of Part X.C.2 primarily affect faculty on a twelve-month assignment basis and are designed to help eliminate operational problems during summer periods for certain University units, especially the University Hospital. Some of the other changes are intended to provide greater consistency in terminology between the University's Governing Regulations and Administrative Regulations. The deletion of the last sentence in the second paragraph of Part X.C.2 will make it possible for some faculty on regular nine-month assignment basis to be employed for three full months during the period of May 16 through August 15, provided appropriate funding is available from sources such as contracts or grants. This change, which has been recommended by the deans of several colleges, the Vice Chancellor for Research and the Dean of the Graduate School, and the Chancellor for the Lexington Campus, should provide greater incentive for faculty on regular nine-month assignment to obtain contracts and grants which include full funding of faculty positions throughout the period of May 16 through August 15. The remainder (first sentence) of the second paragraph also is deleted since it does not logically fit under the topic of vacation leave.

Amendment #2 -- Change Part VII.A.1, first paragraph, to read:

The basic organization of the educational units of the University System shall be departments, schools, [institutes, and] colleges, graduate centers, and multidisciplinary research centers and institutes.

Amendment #3 -- Change Part VII.A.1, sixth paragraph, to read:

[An] A multidisciplinary research center or institute is an educational unit established for the administration of [interdisciplinary] multidisciplinary programs which are primarily research in nature. [The term "center" may, in some cases, be used as a synonym for research institute.] Such an educational unit is administratively responsible to the Vice Chancellor for Research and Dean of the Graduate School unless the administrative responsibility specifically has been delegated otherwise. The chief administrative officer of [an] a multidisciplinary research center or institute is a director.

Amendment #4 -- Change Part VII.A.6, second paragraph, to read:

The departmental faculty has jurisdiction over matters concerning its internal educational policies, insofar as these do not conflict with those of other departments or with the rules of the University Senate or the faculties of the school or college of which the department is a part. It should hold regularly scheduled meetings and is authorized, with the approval of the dean of the college and the appropriate chancellor, to establish rules for procedure and a committee structure to deal with matters over which it has jurisdiction, copies being filed with the secretary (secretaries) of the school and/or college of which the department is a member. It has primary responsibility for the development of policies on such matters as academic requirements, courses of study, class schedules, graduate and research programs, and service functions. Jointly with the department chairman, it should establish: (1) procedures to be used within the department in making recommendations on the appointment of new members of the department, promotions, reappointments, terminal reappointments, decisions not to reappoint, post-retirement appointments, and the granting of tenure; and (2) the procedures to be used within the department in the faculty performance evaluations and in the preparation of budget requests. The procedures in (1) and (2), except those for the preparation of budget requests, shall include consultation with directors of multidisciplinary research centers and institutes for those faculty who are or will be associated with such centers or institutes.

Amendment #5 -- Change Part VII.A.7, to read:

Staffs of [Interdisciplinary] Multidisciplinary Research Centers and Institutes (University System)

The staff of [an interdisciplinary] a multidisciplinary research center or institute shall consist of: (1) a director who also shall be a faculty member of a department, school, or college; (2) [regular] faculty members on a joint appointment basis; (3) faculty members on a faculty associate basis (each such faculty associate appointed, on recommendations of both the director of the center or institute and the appropriate educational unit administrator, by the Vice Chancellor for Research and Dean of the Graduate School or other administrator who has administrative responsibility for the center or institute); and [2] (4) non-faculty employees appointed for the duration of a specific project [(3) a director who shall also be a member of an academic department].

Academic rank shall not be conferred by an [interdisciplinary] multidisciplinary research center or institute nor tenure acquired solely through service in such a unit.

[An interdisciplinary] A multidisciplinary research center or institute shall be administratively responsible to the Vice Chancellor for Research and Dean of the Graduate School unless specifically designated otherwise. A faculty advisory committee shall be appointed for each research center or institute by the officer to whom the unit is administratively responsible.

Amendment #6 -- Change Part VII.B.5, second paragraph, to read:

The department chairman is responsible for recommendations on the appointment of new members of the department, promotions, reappointments, terminal appointments, decisions not to reappoint, post-retirement appointments, and the granting of tenure. Procedures and criteria used in preparing recommendations shall be those established by the University, the college, and the department faculty. As a minimum, the procedures must include consultation with all tenured members of the department, with the directors of any multidisciplinary research centers or institutes with which the affected individuals are or will be associated, and with all full-time non-tenured faculty members (except those appointed in the research title or visiting series) with the actual or equivalent rank of assistant professor or higher who have been members of the department for two years, except as noted below. All recommendations on matters listed above, excluding reappointments and post-retirement appointments, shall include the written judgment of each consulted member of the department and of each director of pertinent multidisciplinary research centers and institutes, along with the recommendation of the chairman. The following exceptions may be made: (1)
....

Amendment #7 -- Add as new Part VII.B.6, renumbering present Parts VII.B.6-VII.B.8 as Parts VII.B.7-VII.B.9, respectively:

Directors of Multidisciplinary Research Centers and Institutes
(University System)

The administrative officer of a multidisciplinary research center or institute is a director, who also shall be a faculty member in a department, school, or college.

The director of a multidisciplinary research center or institute is charged with the planning, implementation, coordination, and efficient management of the program and activities of the center or institute. The director shall have the same responsibilities as those of a department chairman relative to faculty with joint appointments and non-faculty personnel in the center or institute. The director shall provide recommendations and advice to appropriate educational unit administrators concerning space, financial, and other resources, as well as the identification and appointment of faculty associates in the center or institute. The director shall submit the core budget request for the center or institute and administer this budget after its approval. In addition, the director may have other responsibilities delegated by the Vice Chancellor for Research and Dean of the Graduate School or other specific administrator to whom the center or institute is administratively responsible.

In connection with the above major administrative functions, the director shall seek the advice of the staff of the center or institute,

individually or as a group, or of advisory committees that may be appointed by the director of the center or institute or by the administrator to whom the center or institute is administratively responsible. The director shall speak for the center or institute and be an ex officio member of all of its committees.

Amendment #8 -- Add as Part VIII.A.4.d:

Terms of Chairman and Directors

d. Directors of Multidisciplinary Research Centers and Institutes (University System)

The director of a multidisciplinary research center or institute shall be appointed for a term of six years. A director may be reappointed, however, when an ad hoc committee appointed to review and evaluate the center or institute (AR II-1.0-6) finds that the particular circumstances and needs of the center or institute make such a reappointment desirable.

Amendment #9 -- Change Part IX, footnote, to read:

* Includes departments, schools, graduate centers, [institutes, interdisciplinary units,] colleges, [and] individual community colleges, interdisciplinary instructional programs, and multidisciplinary research centers and institutes.

Background for Amendments #2 through #9: The University's planning for the future in the Medical Center and Lexington Campus sectors places major emphasis on the creation of several multidisciplinary research centers and institutes, as illustrated by those proposed in the University of Kentucky Five Year Plan 1985-1990. Amendments #2 through #9 are designed to provide modified and new sections in the Governing Regulations which will establish needed policy and procedures relative to multidisciplinary research centers and institutes. The proposed amendments have been reviewed and approved by the Vice Chancellor for Research and Dean of the Graduate School, the Chancellor for the Medical Center, the Chancellor for the Lexington Campus, and the University Senate Council.

1141A

Action taken: Approved Disapproved Other

Date: October 15, 1985

Office of the President
October 15, 1985

PR 5A

Members, Executive Committee, Board of Trustees:

NAME CHANGE OF EDUCATIONAL UNIT

Recommendation: that the name of the Department of Slavic and Oriental Languages and Literatures be changed to the Department of Russian and Eastern Studies.

Background: This proposed departmental name change originated in the College of Arts and Sciences and is associated with the merger of the Russian and the Russian Area Studies majors into a single major. The faculty of the Department of Slavic and Oriental Languages and Literatures, the Arts and Sciences College Council, the Chancellor for the Lexington Campus, the University Senate Committee on Academic Organization and Structure, and the University Senate Council have recommended approval of this change.

1269A

Action taken: Approved Disapproved Other

Date: October 15, 1985

Office of the President
October 15, 1985

PR 6A

Members, Executive Committee, Board of Trustees:

NAMING OF UNIVERSITY DEPARTMENTAL LIBRARY

Recommendation: that the Board of Trustees approve the name WILLIAM N. OFFUTT LIBRARY for the Department of Ophthalmology Library.

Background: Dr. William Nelson Offutt, prominent surgeon and specialist, practiced in Lexington for many years. He was a graduate of the University of Louisville medical school and spent a year in England doing post-graduate work. Dr. Offutt was an avid sportsman and was active in the work of his church and the community, particularly with the Boy Scouts of America. As a member of the Rotary Club, he was instrumental in the purchase of the camp on the Kentucky river for boy scouts. He died on April 3, 1935.

Dr. William Nelson Offutt III was an ophthalmologist in Lexington. He was a member of the Fayette County Medical Society for 40 years. He was highly respected by his peers. Two sons are graduates of the University of Kentucky College of Medicine and practice ophthalmology in Central Kentucky. He received his premedical degree at Washington and Lee University and his M.D. from the University of Pennsylvania in 1933. He did his post graduate training at Tulane University. He died on July 8, 1976.

One of his sons has established an endowment fund in support of the Department of Ophthalmology Library. The interest income from the endowed fund will be used to purchase books for the library.

In accordance with University policy on naming buildings, the Committee for Naming University Buildings has made its recommendation to the Chancellor of the Medical Center who recommends to the President and Board of Trustees that this Library be named the WILLIAM N. OFFUTT LIBRARY in honor of Dr. William Nelson Offutt and Dr. William Nelson Offutt, III.

Action taken: Approved Disapproved Other

Date: October 15, 1985

Office of the President
October 15, 1985

PR 6B

Members, Executive Committee, Board of Trustees:

AGREEMENT BETWEEN UNIVERSITY OF KENTUCKY AND
KENTUCKY MEDICAL SERVICES FOUNDATION

Recommendation: That the Board approve the attached agreement between the Board of Trustees of the University of Kentucky and Kentucky Medical Services Foundation, Inc. which was negotiated pursuant to the "Board of Trustees Resolution Regarding Medical Practice Plan" adopted on June 20, 1978.

Background: The Board action on June 20, 1978 provided that:

"The President is authorized to negotiate and execute a contract subject to approval of the Board of Trustees, with an appropriately qualified organizational entity for carrying out necessary functions and assuming the responsibilities involved in the administration of income for professional services under the plan."

Kentucky Medical Services Foundation, Inc. meets the "criteria" specified under Section III-A for the appropriately qualified organization. The attached agreement conforms to the provisions of the June 20 Board resolution and specifically satisfied the "conditions" set forth in Section III-B.

The document presented to and approved by the Board of Trustees on June 24, 1985 was void any dollar amount for the Kentucky Medical Services Foundation portion of the cost of the excess umbrella insurance policy. We had not received a bid at the time the Board met on June 24, 1985. A bid has been received and accepted. On page 20, Section 18-A the Kentucky Medical Services Foundation portion is listed at \$212,211.

Section 18-C has been added to indicate that the Kentucky Medical Services Foundation has agreed to and has deposited the sum of \$675,000 with an additional sum of \$221,305 to be deposited in twelve equal installments during the 1985-86 fiscal year to meet the reserve requirements recommended by the University of Kentucky Medical Center.

Action taken: Approved Disapproved Other

Date: October 15, 1985

THIS AGREEMENT made and entered into this 24th day of June, 1985 by and between the BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, a statutory body corporate existing pursuant to Section 164.100 et seq of the Kentucky Revised Statutes (hereinafter referred to as the University) and KENTUCKY MEDICAL SERVICES FOUNDATION, INC., a non-stock, non-profit corporation formed pursuant to Chapter 273 of the Kentucky Revised Statutes (hereinafter referred to as the Foundation).

WITNESSETH:

Section 1. RECITALS

A. Foundation is organized for the purposes stated in its Articles of Incorporation as a non-stock, non-profit corporation and will use and apply the whole or any part of its income and principal exclusively for charitable, scientific, or educational purposes at or for the benefit of, the University of Kentucky Medical Center.

B. A substantial number of University's faculty in its College of Medicine have heretofore executed agreements with Foundation, known as "Practice Agreements and Assignments" whereby said faculty have assigned to Foundation their professionally generated clinical income.

C. The recruitment and retention of the members of the medical faculty of the University will be improved by permitting the said members to supplement, by income from the practice of medicine, the salaries provided by the University.

D. The University recognizes that the medical practice activities of its faculty members can be conducted in a more efficient and economical manner if those faculty members who produce income are permitted, through the medium of the Foundation, to exercise a larger voice in the expenditure of the funds so produced.

E. The University has heretofore established, in addition to its previously adopted Physicians Service Plan, a "geographic full-time medical service plan", the said geographic full-time plan having been adopted on June 20, 1978, as amended on June 19, 1984; said action is hereby incorporated by reference as is set out in full herein.

F. The aforementioned action of University's Board of Trustees authorized the University's President to negotiate and execute a contract, subject to the approval of said Board, with an appropriately qualified entity for carrying out necessary functions and assuming the responsibilities involved in the administration of income for professional services under the plan.

NOW THEREFORE, the parties hereto agree as follows:

Section 2. DEFINITIONS

A. "The Plan" means the geographic full-time medical service plan for the University of Kentucky College of Medicine established by action of the Board of Trustees of said University dated June 20, 1978, as amended on June 19, 1984.

B. "Clinical Income" means (1) all payments for professional services rendered to or with respect to patients whether denominated as diagnosis, treatment, evaluation, or consultation and whether said payments be characterized as fees, retainers, or otherwise, and (2) all payments whether direct or in kind, (excluding actual travel costs) for oversight or administration of, or consultation with, facilities, programs, or other operations providing care, services or evaluation relating to patients, and (3) witness fees or other payments relating to depositions or other evaluations in the capacity of an expert witness. Provided, however, that nothing contained herein shall be deemed to include in the term "clinical income" any item excluded therefrom by paragraph II, B of the plan.

C. "Practice Agreements" means those documents, denominated Practice Agreements and Assignments heretofore executed by certain members of University's faculty, the University, The Fund for Advancement of Education and Research in the University of Kentucky Medical Center and the Foundation.

Section 3. NATURE OF THE AGREEMENT

Pursuant to Paragraph III, A. of the aforementioned action of University's Board of Trustees dated June 20, 1978, as amended on June 19, 1984, University hereby recognizes Foundation as an "appropriately qualified organizational entity" as described therein for carrying out necessary functions and assuming the responsibilities involved in the administration of income for professional services under University's "geographic full-time medical services plan".

Section 4. BILLING AND COLLECTION

Foundation agrees that it will accept, pursuant to practice agreements, the assignment of all clinical income by participants in the plan and, in accordance with such assignment, agrees to bill the amount of duly established charges for professional services to parties determined to be responsible for payment of such charges.

Section 5. REIMBURSEMENT OF UNIVERSITY

A. In accord with paragraph II, D. 2 of the plan, the parties recognize that Foundation must reimburse University for actual expenses incurred by it which are attendant to the production of clinical income.

B. To provide for said reimbursement, Foundation agrees that it will, on or before the first working day of each month in which reimbursable expenses are due as provided hereinafter, deposit the funds necessary to make such payments in a separate account maintained by it and that funds held in the said account will be invested only in accord with the provisions of Section 17 hereof.

C. Foundation agrees to pay to University, from said account, as reimbursement for the remainder of the expenses attendant to the production of clinical income, University's actual annual costs, as determined by joint evaluation of Foundation and University, the sum of Two Million Two Hundred Four Thousand Two Hundred Forty-One (\$2,204,241.00) Dollars, composed of \$2,204,241 as reimbursement of personnel expenses and other current expenses, in direct support of the operation of the AMS Clinic.

Payments hereunder shall be in the following manner:

1. Twelve (12) monthly installments of One Hundred Eighty-Three Thousand Six Hundred Eighty-Six and 75 Cents (\$183,686.75) each on the last calendar day of each month beginning July 31, 1985.

2. Any increase in direct costs of personnel and current expenses will be additive to the \$2,204,241.00 annual amount and will be borne by the Foundation. Likewise, direct cost savings in personnel and current expenses experienced through mutual management efforts of University and Foundation, will be deducted from the \$2,204,241.00 yearly reimbursement as adjusted and the monthly payments to University will be adjusted accordingly. Within 30 days of the end of each quarter, University and Foundation officials will reconcile the direct cost expenditures for clinic operations to determine if direct cost expenditures exceed the \$2,204,241.00 yearly amount or if direct cost savings have been experienced. If it is determined that direct cost savings will be experienced during the last quarter of the 1985-86 fiscal year, Foundation will hold an estimated amount in escrow from the last monthly (June 1986) payment until the final quarter reconciliation is made.

D. In addition to the above, Foundation agrees that it will reimburse University for all "plan income", as that term is defined in paragraph II, C., 2 of the plan, paid to faculty by University.

Section 6. REIMBURSEMENT OF FOUNDATION

A. The parties recognized that University receives certain services from Foundation, for which it is due reimbursement as specified hereinbelow.

B. University agrees to pay to Foundation on behalf of members of the Department of Diagnostic Radiology for the provision of x-ray interpretation services to the University Student Health Service during the period July 1, 1985 - June 30, 1986 a sum not to exceed Fifteen Thousand (\$15,000.00) Dollars.

C. University agrees to pay to Foundation on behalf of members of the Department of Surgery, for the harvesting of transplantable kidneys from appropriate cadavers, for University Hospital, the sum of One Thousand Two Hundred (\$1,200.00) dollars for each kidney harvest. In addition the University also agrees to pay for appropriate professional fees as defined by Medicare, Part A reimbursement regulations for live donor kidney acquisitions and cadaver kidney acquisitions.

In the event Medicare reduces Hospital reimbursement for professional fees paid as outlined above, the Foundation agrees to refund said amounts.

D. In consideration of the furnishing of a computer prepared listing of Outpatient Diagnosis by Foundation to the Department of Patient Accounts of University Hospital on a monthly basis, University agrees to pay Foundation its actual cost.

E. University agrees to pay to Foundation on behalf of members of the Department of Neurology, for provision of EEG interpretation services to the University Student Health Service, a fee of Forty-Five (\$45.00) dollars for each such service rendered.

F. University agrees to pay to Foundation on behalf of members of the Department of Medicine, for provision of executive physical examinations to certain University employees identified by the University President, a fee for each examination.

G. University will make payment to Foundation monthly, on the last calendar day of each month beginning July 31, 1985, for services as described in paragraphs B, C, D, E, and F hereinabove.

Section 7. ACADEMIC ENRICHMENT FUND

A. Consonant with Section II, D. 3 of the plan adopted by University's Board of Trustees on June 20, 1978, as amended on June 19, 1984, Foundation agrees that it will pay to The Fund for Advancement of Education and Research in the University of Kentucky Medical Center (hereinafter Fund), an amount equal to three (3%) percent of the actual clinical income collected by said Foundation. The Fund will deposit said payments in an account maintained for the purpose of providing an academic enrichment fund to be used by the Dean of the College of Medicine in support of the programs of said College and for related purposes. Amounts due hereunder will be computed by Foundation on a monthly basis as income is received and remitted to the Fund within twenty-five (25) days after the close of each monthly accounting period.

B. Foundation further agrees that it will deposit, in an account maintained by Foundation, on the same basis as provided in subsection A. hereinabove, an additional amount equal to six (6%) percent of the actual clinical income collected by said Foundation, said funds to be used by the Dean of the College of Medicine for the enrichment of the programs of the College and for related purposes in his sole discretion.

Section 8. PARTICULAR COVENANTS OF THE FOUNDATION

A. Foundation's Articles of Incorporation, as filed with the Secretary of State of the Commonwealth of Kentucky on June 19, 1978, have been inspected by the University as a condition precedent to University's entry into this agreement. Foundation covenants that it will not, absent the written agreement of the University, amend or otherwise alter said Articles or adopt any by-law or other operating practice which would effectively alter the character of said Foundation.

B. Foundation covenants that it will not engage in the practice of medicine, nor will it solicit, administer, receive, perform or accept any gift, grant, devise, bequest, contract or other arrangement with or from any governmental unit, entity, or subdivision or any person, corporation, partnership, association or other entity whatsoever except as specifically permitted herein. Provided, however, that nothing contained herein shall be construed to prohibit the Foundation (subject to the approval of the Dean of the College of Medicine) from negotiating and executing contracts providing exclusively for professional services by faculty who have executed practice agreements.

C. Foundation covenants that it will not merge with any other corporation or convey any substantial portion of its assets to any other corporation, partnership, or other entity except as specifically provided herein and that, in the event of its dissolution its Board of Directors shall cause its assets to be applied and distributed as follows: (a) all liabilities and obligations of the corporation shall be paid, satisfied and discharged, or adequate provisions shall be made therefore; (b) assets held by the corporation upon a condition which occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements; and (c) all of the remaining assets of the corporation shall be transferred or conveyed to the Board of Trustees of the University of Kentucky, or its successor, to be used for medical education and research, if said University or its successor, shall qualify as a public corporation and an instrumentality of the State of Kentucky or as an exempt organization under Section 501(c) (3) of the Internal Revenue Code of 1954, as amended; and if said University or its successor shall not so qualify, then to some other organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes in the field of medicine as shall at the time qualify as an exempt organization or organizations under Section 501(c) (3) of the Internal Revenue Code of 1954, as amended.

Section 9. MEMBERSHIP AND BENEFITS

A. University agrees that it will assist the Foundation to enforce the terms of the practice agreements entered into by members of University's clinical departments of its College of Medicine by requiring adherence to said agreements as a condition of continued employment as a member of University's faculty.

B. University agrees that it will require, as a condition of employment as a member of University's faculty in a clinical department in which a majority of the faculty members have executed practice agreements, that new members of its faculty execute said practice agreement in form identical to said agreements heretofore executed or as the form of same may be modified by mutual agreement of the parties hereto from time to time.

C. Foundation agrees that it will not, absent the written consent of University, bill for, collect or administer any item of income for any person or entity not holding membership in the plan, nor will it permit persons not members to serve on its Board of Directors, nor will it provide any benefit or other thing of value to any person or entity not a member of the plan except for (1) termination benefits to former members as provided by action of Foundation's Board of Directors, (2) incidental benefits indirectly accruing to employees of the Medical Center by virtue of Foundation's activities, (3) students and House Staff of University, (4) payment to nurses incident to their recruitment to the University Medical Center, (5) education and technical training costs of persons involved in patient care activities or (6) education and technical training costs of persons indirectly involved in patient care activities if approved on a case by case basis by the Dean of the College of Medicine or the Chancellor for the Medical Center.

D. In order to provide University of Kentucky Health Plan patients with a unified bill, Foundation is authorized to bill and collect the following items: clinic Pharmacy charges, patient deductible and non-covered items, and oral Surgery fees. The collection and billing shall be in accord with that certain contract entered into between the University and the Foundation.

E. Foundation shall on or before November 1, 1985, assume responsibility for the costs of drugs and supplies to be used in the patient care programs in the clinics and is hereby authorized to bill, collect, and deposit in foundation accounts revenue from these non ancillary items.

F. Foundation agrees that it will strictly enforce the terms of its practice agreements, report promptly to University in the event any individual fails or refuses to abide thereby and join with University in any appropriate action, in law or equity, necessary to secure compliance therewith.

Section 10. PERSONNEL

The parties recognize that the Foundation must employ various individuals to carry out its functions hereunder; however, the parties also recognize, and hereby declare their intention to adhere to, those provisions of the plan adopted by University's Board of Trustees on June 20, 1978, as amended on June 19, 1984, particularly those portions which provide that University must retain responsibility and authority for the appointment of faculty and house staff, the determination of institutional staffing patterns and the maintenance of balance among programs and their component activities.

Accordingly, with respect to employment of personnel by Foundation, the parties agree as follows:

A. Foundation staff

The Foundation may employ an executive director and such assistants, including secretarial and clerical personnel as may be determined by its Board of Directors to be necessary to permit said Foundation to bill and collect

professional fee income and to administer its funds in accord with the terms of the geographic full-time plan.

The Foundation is authorized to house computer equipment as may be required to communicate with its central computer and house two FTE employees in the University Medical Plaza building for the purpose of providing billing and financial information to patients of University physicians who are members of KMSF.

B. Other personnel

During the term of this contract Foundation agrees that it will not employ persons other than the two FTE Employee authorized in Section 10.A. to perform services in University's patient care or college programs. Provided, however, that this provision shall not be construed to prohibit specific agreements between the parties whereby University will employ personnel for such service and/or research duties with reimbursement of salary, fringe benefits and other direct costs by Foundation. Where such personnel are employed for service in a specific department or unit, employment will not occur unless (1) the department or unit where service is to be performed has consented in writing to said appointment, (2) the Dean of the College of Medicine has approved the employment and the job description related thereto and (3) funds for the salary, fringe benefits, and other costs related to said employee are either on hand or reasonably anticipated in the departmental or unit budget.

C. Equal opportunity--affirmative action

Foundation agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age or handicap. The Foundation agrees that it will take affirmative

action to ensure that applicants are employed and employees are treated during employment, without regard to their race, color, religion, sex, national origin, age or handicap. Such action shall include, but not be limited to the following: employment, upgrading demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other compensation; and selection for training. The Foundation agrees that it will, in all solicitations or advertisements for employees, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age or handicap. The Foundation agrees that it will indemnify and save harmless the University, the Board of Trustees of the University including the individual members thereof, officers, agents and employees of the University by reason of any action at law or equity or by reason of any administrative proceeding initiated by any person arising out of any such employment action or practice of Foundation, including the payment of attorney fees and other costs of such action or proceeding.

Section 11. USE OF UNIVERSITY FACILITIES

The parties recognize that paragraphs III, B. 4, b, d, g and i of the "geographic full-time plan" adopted by University's Board of Trustees on June 20, 1978, as amended on June 19, 1984, require that institutional control be maintained with respect to direction and supervision of institutional activities and programs, assignment and use of space in institutional facilities, determination of goals, objectives and priorities and the maintenance of balance among programs and their component activities.

Accordingly, Foundation and University agree that University will provide space for the Ophthalmology Clinic, the Chambers Building, appropriate assigned space in the University Medical Plaza and the Emergency Room (exclusive of faculty offices and classroom space contained therein) and other space officially designated for the conduct of the patient care operation.

With respect to any other facilities which University may from time to time provide to Foundation, Foundation shall be deemed a licensee without any property right whatsoever in said premises or facilities and shall, upon demand of University, vacate same.

Section 12. MEDICAL RECORDS

The parties agree that all medical records relating to the care of patients in University facilities or as a part of University programs, are and shall remain the property of University and that Foundation has no right or property interest therein. Provided, however, that nothing herein shall be construed to limit access to said records by members of University's faculty, staff, and students pursuant to existing University procedures. Provided, further, that University agrees to provide or make available to Foundation such information and data from patient records and program data maintained by University as may be necessary for Foundation to perform its billing and collection functions herein provided, including such information and data as may be necessary to meet the requirements of third-party or other payors as the basis for payment for services.

Section 13. INSPECTION AND AUDIT

A. Foundation agrees that, in accord with paragraph II, B. 1, of the action of University's Board of Trustees dated June 20, 1978, as amended on June 19, 1984, its books, records and accounts are open at all reasonable times to inspection and audit by appropriately designated University representatives.

B. The parties agree that the University's Internal Auditors will conduct an audit of Foundation's operations and accounts for the period ending June 30, 1985 and such other audits, including audits to determine compliance with this agreement, the terms of the action of University's Board of Trustees on June 20, 1978, as amended on June 19, 1984, and the terms of the departmental agreements referred to in Section 19 hereof, as may be specified by the University of Kentucky Controller and Treasurer, and that Foundation's agents and employees will cooperate to the fullest extent possible with University's auditors designated to conduct same. Further, the parties agree that a firm of Certified Public Accountants, mutually agreeable to the parties, will be employed by the Foundation to perform an independent audit of the Foundation's books, records and accounts for the year ended June 30, 1986.

C. The Parties agree that Foundation will be furnished information by University sufficient for Foundation to verify the nature and detail of expenditure of funds paid to University under the provisions of Section 5.c.2. hereinabove.

Foundation agrees that it will furnish to University the following reports.

Annually

Audited Financial Statements to include:

Opinion of Independent Certified Public Accountants
Balance Sheet
Statement of Changes in Fund Balances
Statement of Current Revenues and Expenditures
Supplementary Schedules

Quarterly

Financial Statements to include:

Balance Sheet
Statement of Operations
Gross Billings
Collections
Financial Allowances
Bad Debts

Aging Trial Balance of Accounts Receivable by:

Patient liability
Third party payor

Reports of Delinquent Account Activity to include:

Referrals
Collections
Close and returns

Section 14. DEFAULT

A. In the event of any failure of Foundation to pay any sum due to University hereunder within thirty (30) days after written notice of such default shall have been mailed to Foundation, or any failure to perform any other of the terms, conditions or covenants of this agreement to be observed or performed by Foundation for more than thirty (30) days after written notice of such default shall have been mailed to Foundation, or if Foundation shall become bankrupt or insolvent, or file any debtor proceedings, or take or have taken against Foundation in any court pursuant to any statute either of the United States or of any State a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Foundation's property, or if Foundation makes an assignment for the benefit of creditors, or petitions for or enters into an arrangement therewith, then University may terminate this agreement. Provided however, that should any default occur which cannot reasonably be corrected within such thirty (30) day period then Foundation shall have such additional time to correct said default as may be reasonably necessary if Foundation promptly initiates, and expeditiously carries out, appropriate action to correct such default.

B. University may at its election terminate this agreement with respect to any department without termination of the entire agreement for the same reasons and in the same manner as provided hereinabove.

Section 15. PROFESSIONAL LIABILITY

Nothing contained herein shall be construed to provide that any member of University's clinical faculty, house staff or student is acting as an agent of Foundation when providing care to patients in University facilities or as a part of an approved University program. University agrees that, when so acting, said faculty, house staff and students shall be considered agents of said University and that payment of claims or judgments may be made on their behalf from the fund provided pursuant to KRS 164.941 or other University funds or funds provided through any policy or policies of insurance maintained for said purpose.

Section 16. APPLICATION OF INCOME

University agrees that it will not, during the operation of this contract, cause charges for services rendered after July 1, 1978 by members of the faculty who have executed Practice Agreements and Assignments to be deposited in the accounts of the Fund for Advancement of Education and Research in the University of Kentucky pursuant to the provisions of University of Kentucky Administrative Regulation AR II-4.0-1; deposits of such charges attributable to faculty who have not executed said Practice Agreements and Assignments shall continue pursuant to said regulation.

Section 17. MANAGEMENT AND INVESTMENT POLICIES

A. The parties recognize and agree that the reimbursement of University costs incurred attendant to the production of professional income

and the provision of a sum equal to nine (9%) percent of Foundation's gross income for the purpose of providing an academic enrichment fund for University's College of Medicine constitute the second and third charges, respectively, upon Foundation's gross income, the first charge being Foundation's ordinary and necessary expenses incurred in billing and collecting said income and providing for the central administration of Foundation. The mutual goal will be to raise the College of Medicine Academic Enrichment Fund tax to ten (10%) percent, but this is dependent upon the outcome of the bids we are seeking for umbrella medical malpractice insurance.

B. Accordingly, Foundation agrees that it will deposit the funds necessary to meet its obligations for reimbursement of the University and the provision of the aforementioned academic enrichment fund in a separate account as received and that the funds in said account shall be invested only in the following: (1) direct obligations of the United States Treasury; (2) other appropriate securities issued by federal agencies (including the Federal National Mortgage Association, the Export Import Bank, Federal Intermediate Credit Bank, Federal Home Loan Banks, Federal Land Banks); and (3) certificates of deposit collateralized by direct obligations of the federal government, federal agency obligations which qualify for direct investment under this recommendation, general obligations of the Commonwealth of Kentucky or obligations of the University of Kentucky.

Foundation shall be entitled to the investment income derived from said account, provided however investment income derived from balances attributed to the academic enrichment fund identified in subparagraph A. and Section 7, paragraph B. hereinabove shall be credited to said account.

Section 18. PROVISION OF PROFESSIONAL LIABILITY INSURANCE

A. Foundation agrees that it will pay to University, as reimbursement to University for its portion of costs attendant to (i) payments required pursuant to KRS 164.941, a sum certain of One Hundred Thirty-Nine Thousand Thirty-Seven (\$139,037) Dollars, (ii) costs of claims administration, the sum of Thirty-Eight Thousand Seven Hundred Sixty (\$38,760) Dollars in Twelve (12) equal installments, the first said installment being due and payable on July 31, 1985 and monthly thereafter until June 30, 1986 and (iii) premiums to be paid for excess aggregate professional liability insurance, the sum of Two Hundred Twelve Thousand Two Hundred Eleven (212,211) Dollars payable when premium(s) is(are) due from the University of Kentucky.

B. In addition, Foundation has agreed that between July 1, 1985 and June 30, 1986, it will cause to be deposited in a separate account the sum of One Hundred Forty-Five Thousand Three Hundred Fifty (\$145,350) Dollars, said account together with interest accruing thereto to be held solely for the purpose of payment of claims or judgments arising for liabilities defined in KRS 164.941 (3). No monies in said account shall be expended for any other purpose than as provided in this Section without the written agreement of University, nor shall such monies be encumbered, pledged or otherwise hypothecated. The monies in said account shall be invested only as provided in Section 17 hereof. Payment to the separate account may be in equal installments, provided that the full \$145,350.00 is deposited by June 30, 1986.

C. In addition, Foundation has agreed to and has deposited the sum of Six Hundred Seventy-Five Thousand (\$675,000) Dollars to the separate account to fulfill its obligation to establish reserves at the level recommended by the University of Kentucky Medical Center. Also, Foundation has agreed to

deposit Two Hundred Twenty-One Thousand Three Hundred Five (\$221,305) Dollars to this separate account in twelve equal installments during fiscal year 1985-86, the first and second installments being due and payable on or before August 31, 1985 and monthly thereafter until June 30, 1986.

Section 19. ADMINISTRATION OF DEPARTMENTAL FUNDS

A. Foundation agrees that it will, after making provision for: (1) the costs of its administration and costs relating to billing and collection, (2) reimbursement of University expenses pursuant to Section 5 hereof and (3) the College of Medicine Academic Enrichment Fund pursuant to Section 7 hereof, maintain its accounts in such a manner that income attributable to the professional clinical activities of each of the following departments or divisions shall be shown separately on books maintained by the Foundation from any other fund or funds held by said Foundation:

Anesthesiology
Diagnostic Radiology
Emergency Medicine
Family Practice
Medicine
Neurology
Ob/Gyn
Ophthalmology
Pathology
Pediatrics
Preventive Medicine & Environmental Health
Psychiatry
Radiation Medicine
Rehabilitation Medicine
Surgery

B. Thereafter, Foundation agrees that it will expend the funds maintained by it in the aforementioned accounts only in accord with the departmental or divisional agreement relating to each department or division. Said departmental agreements are recognized as a material portion of this agreement. Therefore the parties agree that University shall retain custody of all funds accruing to the account of departments for which an approved departmental agreement has not been executed. Said departmental or divisional agreements may be amended from time to time, as provided in said agreements, with the approval of the Dean of the College of Medicine.

Section 20. NOTICES

All notices, demands and requests hereunder shall be in writing and shall be given by United States Registered or Certified Mail or by messenger delivery, in the case of University to:

Dean, College of Medicine
MN-150
University Medical Center
800 Rose Street
Lexington, Kentucky 40536

In the case of Foundation to:

Kentucky Medical Services Foundation, Inc.
729 S. Limestone
Lexington, Kentucky 40508

Each party may from time to time change its address for purposes of notice by giving to the other party notice of such change of address. Any notice, demand or request given by United States Registered or Certified Mail, as provided herein, shall be deemed served on the date it is deposited in the United States mails properly addressed and with postage fully prepaid.

Section 21. RECORDS ACCESS

Pursuant to Public Law 96-499, Section 952, the Foundation agrees to make available upon written request from the Secretary of Health and Human Resources, the Comptroller General, or the Department of Human Services of the State of Kentucky or any of their duly authorized representatives, access to this contract and all other service agreements written or oral entered into or renewed since December 5, 1980, and access to books, documents, and records necessary to verify costs of services provided by such arrangements exceeding \$10,000 in a 12-month period. Access will be permitted until four years have expired after completion of services furnished, and in accordance with the applicable federal regulations.

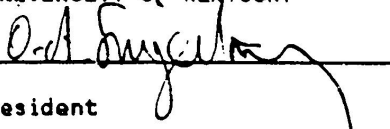
If the Foundation carries out any of the duties under this contract through a sub-contract with a related organization, with a value or cost of \$10,000 or more over a 12-month period, such sub-contract shall contain a clause to the effect that until the expiration of four years after the furnishing of such services pursuant to the sub-contract, the related organization shall make available, upon written request from the Secretary or Comptroller General, or any of their duly authorized representatives, the sub-contract, books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

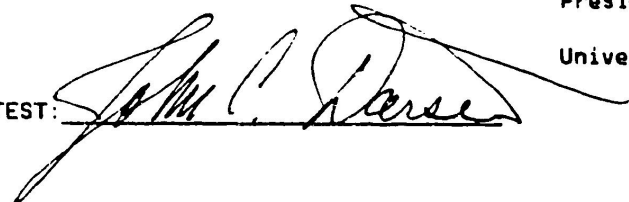
Section 22. TERM

The term of this agreement shall begin on July 1, 1985 and end on June 30, 1986.

IN WITNESS WHEREOF, the parties hereto have executed this agreement, pursuant to proper authorization of their respective governing boards, as of the day and year first above written.

BOARD OF TRUSTEES OF
THE UNIVERSITY OF KENTUCKY

BY: 
President
University of Kentucky

ATTEST: 

KENTUCKY MEDICAL SERVICES
FOUNDATION, INC.

BY: 

ATTEST: _____

Office of the President
October 15, 1985

FCR 1

Members, Executive Committee, Board of Trustees:

INTERIM FINANCIAL REPORT

Recommendation: that the Board of Trustees accept the University of Kentucky financial report for the two months ended August 31, 1985.

Background: As of August 31, 1985, the University of Kentucky had realized income of \$115,221,139, representing 27% of the 1985-86 estimate of \$426,994,841. Expenditures and commitments total \$63,375,058 or 15% of the approved budget of \$426,994,841.

Action taken: Approved Disapproved Other

Date: October 15, 1985

Statement I

University of Kentucky
Balance Sheet
August 31, 1985
With Comparative Figures for 1984-85

	1985-86	1984-85
Current Funds		
Unrestricted		
Cash and cash equivalents	\$ 37,997,104	\$ 28,499,496
	-----	-----
Total cash and cash equivalents	37,997,104	28,499,496
Petty cash and travel advances	675,370	661,792
Due from other funds and affiliated corporations	2,396,144	7,524,214
Investments	1,538,060	1,215,982
Accounts receivable	13,279,550	12,981,400
Accrued interest	921,361	
Inventories	4,624,514	6,288,762
Unrealized income (Statement 3)	206,566,716	185,514,403
	-----	-----
Total unrestricted	267,998,819	242,686,049
Restricted		
Cash in banks and cash equivalents	22,837,717	16,549,215
Cash on deposit with State Treasurer	1,525,465	1,909,633
	-----	-----
Total cash and cash equivalents	24,363,182	18,458,848
Accrued interest receivable	1,256,538	630,076
Accounts receivable	127,213	
Inventory	112,511	113,500
Investments		
Short term (Schedule 1)	35,550,619	29,641,012
Other	6,494	12,032
Unrealized income		
Restricted (Statement 3)	24,671,160	17,246,215
Tobacco Research Trust Fund (Statement 3)	3,482,492	2,923,412
	-----	-----
Total restricted	89,570,209	69,025,095
	-----	-----

Statement 1

University of Kentucky
Balance Sheet
August 31, 1985
With Comparative Figures for 1984-85

LIABILITIES AND FUND BALANCES

	1985-86	1984-85
Current Funds		
Unrestricted		
Outstanding encumbrances	\$ 6,205,054	\$ 7,977,849
Accrued payroll	1,528,378	1,988,905
Accounts payable	106,132	106,132
Accrued expenses - disability, w/c, unemployment	5,078,499	2,173,882
Deferred income	681,926	535,595
Accrued vacation	4,513,900	4,243,900
Unencumbered balance, departmental appropriations (Statement 4)	240,016,150	218,285,966
Fund balances		
Allocated for working capital (Statement 2)	9,974,912	7,373,820
Total unrestricted	267,998,819	242,686,049
Restricted		
Payroll deposits and general fund collections	18,664,624	19,701,748
Outstanding encumbrances	763,124	788,161
Due to other funds and affiliated corporations	24,186,014	15,464,582
Deferred income	115,074	60,260
Refundable deposits	91,714	85,531
Other liabilities	102,541	107,605
Realized income in excess of estimate/mining & Mineral Trust Fund		
Unencumbered balance, departmental appropriations (Statement 4)	22,338,259	15,493,185
Unencumbered balance, Tobacco Research Trust Fund		
appropriation (Statement 4)		
Fund balances	3,323,442	4,184,061
Restricted fund (Statement 2)	17,167,157	11,656,695
Contracts and grants	595,476	483,233
Tobacco Research Trust Fund - unallocated funds (Statement 2)	1,465,795	582,490
Mining and Minerals Trust Fund (Statement 2)	756,989	362,508
Total restricted	89,570,209	69,025,095

Statement 1

University of Kentucky
Balance Sheet
August 31, 1985
With Comparative Figures for 1984-85

	1985-86	1984-85
ASSETS		
Hospitals and Clinics		
Due from other funds and affiliated corporations	22,152,280	14,497,193
Accounts receivable, net of allowance for doubtful accounts of \$7,460,743 in 1984-85 and \$11,562,144 in 1983-84	26,764,516	17,441,683
Inventories	1,095,320	358,218
Unrealized income (Statement 3)	56,637,418	53,496,582
	-----	-----
Total hospital and clinics	106,649,534	85,793,676
	-----	-----
Housing and dining system		
Cash and cash equivalents	1,732,324	2,995,445
	-----	-----
Total cash	1,732,324	2,995,445
	-----	-----
Accrued interest receivable	201,195	
Accounts receivable	6,198,782	5,947,107
Inventories	770,124	790,698
Prepaid expenses	64,240	81,894
Unrealized income (Statement 3)	15,827,240	19,764,482
	-----	-----
Total housing and dining system	24,793,905	29,579,626
	-----	-----
Other auxiliary enterprises		
Cash and cash equivalents	1,347,796	1,574,412
	-----	-----
Total cash	1,347,796	1,574,412
	-----	-----
Accounts receivable	74,743	213,338
Inventories	745,908	759,974
Unrealized income (Statement 3)	4,588,676	5,838,892
	-----	-----
Total auxiliary enterprises	6,757,123	8,386,616
	-----	-----
TOTAL CURRENT FUNDS	\$ 495,769,590	\$ 435,471,062
	-----	-----

Statement 1

University of Kentucky
Balance Sheet
August 31, 1985
With Comparative Figures for 1984-85

LIABILITIES AND FUND BALANCES

	1985-86	1984-85
Hospitals and clinics		
Outstanding encumbrances	9,335	119,405
Accounts payable	7,100,989	3,781,192
Accrued vacation	1,056,111	1,057,693
Unexpended balance, departmental appropriation (Statement 4)	78,400,482	59,113,154
Fund balances - allocated (Statement 2)		
Working capital	16,036,641	19,643,940
Future operating purposes	4,045,976	2,078,292
Total fund balance (Statement 2)	20,082,617	21,722,232
Total hospital and clinics	106,649,534	85,793,676
Housing and dining system		
Accrued expenses	215,000	160,486
Accrued wages	1,925	
Accrued vacation	175,000	215,000
Accounts payable	374,862	349,122
Due to other funds and affiliated corporations	1,672,808	2,398,225
Refundable deposits	89,114	97,928
Deferred income	4,723,017	6,025,328
Unexpended balance, departmental appropriation (Statement 4)	16,043,281	19,235,419
Fund balance		
Allocated for future operations - scholarships	400,000	
Allocated for future operations - other	365,353	
Allocated for working capital	733,545	1,098,118
Total fund balances	1,498,898	1,098,118
Total housing and dining system	24,793,905	29,579,626
Other auxiliary enterprises		
Outstanding encumbrances	16,378	118,931
Due to other funds and affiliated corporations	207,767	911,838
Unencumbered balance, departmental appropriation (Statement 4)	4,344,914	5,363,688
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	6,757,123	8,386,616
TOTAL CURRENT FUNDS	\$ 495,769,590	\$ 435,471,062

Statement 1

University of Kentucky
Balance Sheet
August 31, 1985

With Comparative Figures for 1984-85

	1985-86	1984-85
ASSETS		
Loan funds		
Cash in bank	\$ 2,093,398	\$ 1,857,807
Notes receivable, net allowance for doubtful accounts of \$2,231,193 in 1985-86 and \$2,489,679 in 1984-85	12,171,045	12,038,194
Due from other funds and affiliated corporations	58,438	14,822
Due from United Student Aid loan fund	2,000	2,000
	-----	-----
TOTAL LOAN FUNDS	\$ 14,324,881	\$ 13,912,823
	-----	-----
Endowment funds		
Investments	\$ 25,072,570	\$ 22,107,002
	-----	-----
TOTAL ENDOWMENT FUNDS	\$ 25,072,570	\$ 22,107,002
	-----	-----
Plant funds		
Unexpended		
Cash on deposit with State Treasurer	\$ 37,789,903	\$ 38,578,967
Cash and cash equivalents	37,789,903	38,578,967
	-----	-----
Total cash on deposit with State Treasurer		
Construction in progress	13,389,730	11,968,194
Due from other funds and affiliated corporations	7,631,946	8,542,542
	-----	-----
Total unexpended plant funds	58,811,579	59,089,703
	-----	-----

Statement 1

University of Kentucky
Balance Sheet
August 31, 1985
With Comparative Figures for 1984-85

LIABILITIES AND FUND BALANCES

	1985-86	1984-85
Loan funds		
Federal sponsored loan funds		
Federal Government	\$ 9,075,184	\$ 9,070,596
University matching funds	1,227,345	1,182,106
Accumulated interest income	2,329,531	2,068,895
Total federal sponsored loan funds	12,632,060	12,321,597
University loan funds		
University student aid funds	83,631	80,162
University special student loan funds	1,607,190	1,509,064
United Student Aid loan funds	2,000	2,000
Total university loan funds	1,692,821	1,591,226
TOTAL LOAN FUNDS	\$ 14,324,881	\$ 13,912,823
Endowment funds		
Fund balances	\$ 25,072,570	\$ 22,107,002
TOTAL ENDOWMENT FUNDS	\$ 25,072,570	\$ 22,107,002
Plant funds		
Unexpended		
Outstanding encumbrances	\$ 11,862,812	\$ 7,935,988
Bonds payable	8,500,000	13,364,412
Bond anticipation notes payable		3,500,000
Fund balances allocated for construction - renovation	38,448,767	34,289,303
Total unexpended plant funds	58,811,579	59,089,703

Statement 1

University of Kentucky
Balance Sheet

August 31, 1985

With Comparative Figures for 1984-85

ASSETS

	1985-86	1984-85
Renewal and replacement Cash and cash equivalents	\$ 3,407,112	\$ 2,524,710
Total cash	3,407,112	2,524,710
Accrued interest receivable Investments held by Trustees	61,339	27,737
Total renewal and replacements	1,732,393	1,571,553
	5,200,844	4,124,000
Retirement of indebtedness Cash on deposit with State Treasurer	185,651	60,152
Total cash	185,651	60,152
Accrued interest receivable Investments held by Trustees Due from other funds and affiliated corporations	305,383	367,352
	12,740,068	11,399,851
	95,000	95,000
Total retirement of indebtedness	13,231,102	11,922,355
Investment in plant Land Buildings Equipment	23,830,565	25,046,480
	323,766,682	310,857,071
	140,538,273	130,073,463
Total investment in plant	488,135,500	465,977,014
TOTAL PLANT FUNDS	\$ 565,379,025	\$ 541,113,072
Agency funds Cash in bank Accounts receivable Due from other funds and affiliated corporations Investments short - term (Schedule 1)	\$ 352,729	\$ 520,179
	3,781	149
	38,975	15,000
	15,000	15,000
TOTAL AGENCY FUNDS	\$ 410,485	\$ 535,328

Statement 1

University of Kentucky
Balance Sheet
August 31, 1985
With Comparative Figures for 1984-85

LIABILITIES AND FUND BALANCES

	1985-86	1984-85
Renewal and replacement		
Outstanding encumbrances	680	4,777
Due to other funds and affiliated corporations	723,786	221,138
Fund balances		
Restricted (Schedule 4)	1,154,000	1,154,000
Unrestricted (Schedule 4)	3,322,378	2,744,085
Total fund balances	4,476,378	3,898,085
Total renewal and replacements	5,200,844	4,124,000
Retirement of indebtedness		
Bonds payable (Schedule 3)	1,078,000	1,168,000
Fund balances (Schedule 3)	12,153,102	10,754,355
Total retirement of indebtedness	13,231,102	11,922,355
Investment in plant		
Bonds payable	116,608,000	115,440,568
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	341,905,178
Total investment in plant	488,135,500	465,977,014
TOTAL PLANT FUNDS	\$ 565,379,025	\$ 541,113,072
Agency funds		
Due to other funds and affiliated corporations	\$ 8,335	\$ 188,176
Outstanding encumbrances	402,150	347,152
Funds held in custody for others	\$ 410,485	\$ 535,328
TOTAL AGENCY FUNDS	\$ 820,970	\$ 870,656

Statement 2

University of Kentucky
 Statement of Changes in Fund Balances-Current Funds
 Two Months Ended August 31, 1985

	Unrestricted Allocated	Other Restricted	Tobacco Research Trust Fund	Mining and Minerals Trust Fund	Hospitals and Clinics	Housing 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	77,728,264	4,284,579	517,508		29,127,060	2,625,321	938,407
Realized income in excess of estimate							
Unrealized income	206,566,716	24,671,160	3,482,492		56,637,418	15,827,240	4,588,676
Total estimated income	284,294,980	28,955,739	4,000,000	0	85,764,478	18,452,561	5,527,083
Less fund balance appropriated	12,238,700				12,535,000		
Net current estimated income	272,056,280	28,955,739	4,000,000		73,229,478	18,452,561	5,527,083
Total available	294,269,892	46,718,372	5,465,795	756,989	105,847,095	19,951,459	7,715,147
Current year expenditures/ encumbrances	44,278,830	6,617,480	676,558		7,363,996	2,409,280	1,182,169
Unencumbered balances, appropriations	240,016,150	22,338,259	3,323,442		78,400,482	16,043,281	4,344,914
Total authorized appropriations	284,294,980	28,955,739	4,000,000	0	85,764,478	18,452,561	5,527,083
Fund balances August 31, 1985	\$ 9,974,912	\$ 17,762,633	\$ 1,465,795	\$ 756,989	\$ 20,082,617	\$ 1,498,898	\$ 2,188,064

University of Kentucky
 Summary of Current Funds Revenues and Appropriated Balances
 Two Months Ended August 31, 1985 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	\$ 42,613,662	\$ 13,559,232	\$ 40,883,300	\$ 15,109,968
Federal appropriations	13,859,200	2,389,645	13,647,425	2,251,118
County appropriations	3,185,100	264,026	3,035,961	173,386
Endowment and trust fund income	679,200	0	279,200	0
Investment income	9,225,400	351,096	7,806,200	1,017,126
Gifts and grants				
Affiliated corporations	3,963,000	537,585	4,346,200	520,728
Other funds	1,588,700	268,475	349,100	0
Other	1,411,300	134,604	1,124,749	164,883
Sales, services, other income	9,213,618	1,385,544	6,718,595	1,097,568
Subtotal	85,739,180	18,890,207	78,190,730	20,334,777
State appropriations	186,317,100	46,599,357	170,376,300	42,717,850
Fund balance appropriated	12,238,700	12,238,700	12,292,533	12,292,533
Total unrestricted	284,294,980	77,728,264	260,859,563	75,345,160
Restricted				
Tobacco Research Trust Fund				
Appropriations	4,000,000	517,508	3,200,000	276,588
Fund balance appropriated			1,604,000	1,604,000
Total Tobacco Research Trust Fund	4,000,000	517,508	4,804,000	1,880,588
Mining & Minerals Trust Fund				55,036
Other Restricted	28,955,739	4,284,579	18,873,563	1,627,348
Hospitals and clinics				
State appropriations	1,017,000	241,175	7,281,800	1,820,450
Hospital earned income-net	72,212,478	16,350,885	64,603,798	16,568,566
Appropriated fund balance	12,535,000	12,535,000		
Total hospital and clinics	85,764,478	29,127,060	71,885,598	18,389,016
Housing and dining system	18,452,561	2,625,321	21,326,720	1,562,238
Other auxiliary enterprises	5,527,083	938,407	6,749,913	911,021
TOTAL CURRENT FUNDS AND APPROPRIATED BALANCES	\$ 426,994,841	\$ 115,221,139	\$ 384,499,357	\$ 99,770,407

University of Kentucky
 Summary of Current Funds Expenditures
 Two Months Ended August 31, 1985
 With Comparative Figures for 1984-85

Fund or Function	1985-86		1984-85	
	Appropriation for the Year	Expended Encumbered to Date	Appropriation for the Year	Expended Encumbered to Date
Unrestricted				
Instruction	\$ 111,819,880	\$ 18,891,273	\$ 97,881,563	\$ 19,487,946
Research	22,113,400	4,205,077	18,479,800	3,631,007
Public service	33,015,700	5,358,806	30,210,700	5,222,740
Academic support	26,976,900	5,714,124	17,147,600	2,237,174
Student services	10,246,700	1,223,161	7,306,200	1,144,366
Staff Benefits	7,339,400	846,745	28,323,500	1,137,089
Institutional support	14,913,500	5,043,654	11,980,200	5,996,978
Maintenance and operation of plant	25,114,054	3,614,954	21,203,191	3,626,111
Renovation, office furniture, etc.	534,446	127,052	160,909	82,909
Debt service	12,426,700		10,407,400	
Scholarships and fellowships	4,309,100	100,729	3,551,100	1,144,366
Reserves	15,585,200		14,207,400	
	-----	-----	-----	-----
Total unrestricted	284,294,980	45,125,575	260,859,563	43,710,686
	-----	-----	-----	-----
		16		17

Statement 4

University of Kentucky
 Summary of Current Funds Expenditures
 Two Months Ended August 31, 1985
 With Comparative Figures for 1984-85

Fund or Function Restricted	1985-86			1984-85		
	Appropriation for the Year	Expended Encumbered to Date	% Expended Encumbered to Date	Appropriation for the Year	Expended Encumbered to Date	% Expended Encumbered to Date
Robacco Research Trust Fund	4,000,000	676,558	17	4,804,000	619,939	13
Other Restricted						
Instruction	1,841,390	224,681	12	3,061,221	374,197	12
Research	10,748,806	2,969,022	28	6,566,934	872,357	13
Public service	1,195,911	236,069	20	507,413	65,551	13
Academic support	838,018	152,961	18	70,811	12,693	18
Student services	6,574,790	1,875,914	29	653,360	219,880	34
Institutional support	132,334	18,113	14	223,556	14,191	6
Student aid	9,465,880	1,365,401	14	7,790,268	1,821,509	23
Student aid						
Total other restricted	28,955,739	6,617,480	23	18,873,563	3,380,378	18
Hospitals and clinics	85,764,478	7,363,996	9	71,885,598	12,772,444	18
Housing and dining system	18,452,561	2,409,280	13	21,326,720	2,091,301	10
Other auxillary enterprises	5,527,083	1,182,169	21	6,749,913	1,386,225	21
TOTAL CURRENT FUNDS EXPENDITURES	\$ 426,994,841	\$ 63,375,058	15	\$ 384,499,357	\$ 63,960,973	17

Schedule 1

University of Kentucky
 Schedule of Short Term Investments
 August 31, 1985

	Maturity Value	Cost
Restricted Current Funds		
Government securities		
U.S. Treasury Bills, 10.20%, 10/31/85	\$ 5,500,000	\$ 5,008,795
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
Federal Farm Credit Bank, 15.10%, 6/2/86	1,785,000	1,897,678
Total government securities	15,970,000	15,798,973
Certificates of deposit		
Bank of Commerce, 8.0%, 10/23/85	751,646	751,646
Bank of Commerce, 10.0%, 11/13/85	5,000,000	5,000,000
Central Bank, 10.0%, 11/20/85	5,000,000	5,000,000
First Security National Bank, 9.60%, 12/04/85	5,000,000	5,000,000
Bank of Commerce, 8.50%, 12/10/86	4,000,000	4,000,000
Total	19,751,646	19,751,646
TOTAL RESTRICTED FUNDS	\$ 35,721,646	\$ 35,550,619
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 Two Months Ended August 31, 1985

Source of Funds	Estimated	Realized	% Realized
Unrestricted current funds	\$ 12,426,700		
Housing and dining system	116,688		
Auxiliary enterprises current funds	\$ 12,543,388		
TOTAL RETIREMENT OF INDEBTEDNESS FUNDS			
	Appropriated	Expended	% Expended
Debt Service			
Current unrestricted funds debt			
Consolidated Educational Buildings-Series A	509,600		
Consolidated Educational Buildings-Series B	483,960		
Consolidated Educational Buildings-Series C	234,800		
Consolidated Educational Buildings-Series D	2,413,255		
Consolidated Educational Buildings-Series E	291,628		
Consolidated Educational Buildings-Series F	525,330		
Consolidated Educational Buildings-Series G	2,219,747		
Consolidated Educational Buildings-Series H	1,122,865		
Consolidated Educational Buildings-Series I	1,851,111		
Community Colleges Educational Buildings-Series A-E	2,774,404		
Subtotal	12,426,700		
Housing and Dining System Revenue Bonds-Series A-L			
Other Auxiliary Enterprises			
Alpha Delta Pi	7,529		
Dorms G-L	48,953		
Phi Delta Theta	7,945		
Alpha Tau Omega	8,228		
Housing Bonds of 1960	14,094		
Student Housing Bonds of 1964	29,939		
Subtotal	116,688		
TOTAL RETIREMENT OF INDEBTEDNESS FUNDS	\$ 12,543,388		

Schedule 3

University of Kentucky
 Schedule of Retirement of Indebtedness Sinking Funds
 August 31, 1985

	Total Sinking Funds	Bonds Payable	Fund Balances
Bond Issue with Reserves Fully Funded			
Consolidated Educational Buildings Project and Interest Sinking Fund			
Series A	\$ 630,066		\$ 630,066
Series B	643,400		643,400
Series C	224,834		224,834
Series D	2,349,311		2,349,311
Series E	281,605		281,605
Series F	561,302		561,302
Series G	1,365,129		1,365,129
Series H	688,764		688,764
Community College Educational Buildings Project Bond and Interest Sinking Fund			
Series A-E	2,250,429		2,250,429
Housing and Dining System Revenue Bond and Interest Sinking Fund			
Student Housing Bond and Interest Sinking Fund of 1964	2,580,795		2,580,795
Student Housing Bond and Interest Sinking Fund of 1960	196,465		196,465
Dormitory Revenue Bonds of 1956	142,137		142,137
	50,000		50,000
	-----		-----
Total Bond Issues with Reserves Fully Funded	11,964,237		11,964,237
	-----		-----
Bonds Fully Funded by Escrow Accounts			
Cooperstown Future Bond and Interest Fund	1,266,865	1,078,000	188,865
	-----	-----	-----
TOTAL SINKING FUNDS	\$ 13,231,102	\$ 1,078,000	\$ 12,153,102
	-----	-----	-----

Schedule 4

University of Kentucky
 Schedule of Renewal and Replacement
 For the Two Months Ended August 31, 1985

	Restricted	Unrestricted	Total Fund Balances
Repair and Maintenance Reserves			
Housing and Dining System	\$ 1,074,000	\$ 647,867	\$ 1,721,867
Student Housing Buildings of 1964	50,000	23,124	73,124
Student Housing Buildings of 1960	30,000	9,864	39,864
Total repair and maintenance reserves	1,154,000	680,855	1,834,855
Renewal and Replacement Funds			
Housing and Dining Funds		1,908,624	1,908,624
Other Auxiliary Enterprises		732,899	732,899
Total renewal and replacement funds		2,641,523	2,641,523
GRAND TOTAL	\$ 1,154,000	\$ 3,322,378	\$ 4,476,378

Office of the President
October 15, 1985

FCR 2

Members, Executive Committee, Board of Trustees:

ACCEPTANCE OF THE FINANCIAL STATEMENTS OF
THE UNIVERSITY OF KENTUCKY AND AFFILIATED
CORPORATIONS AND OTHER RELATED ORGANIZATIONS
FOR THE YEAR ENDED JUNE 30, 1985

Recommendation: that the Board of Trustees accept the audited consolidated financial statements and related reports of the University of Kentucky and the affiliated corporations for the year ended June 30, 1985, including the Management Letter and a Report on Compliance with House Bill 622 submitted by Coopers & Lybrand, Certified Public Accountants;

that the Board of Trustees accept the audited financial statements of the University of Kentucky including separate financial statements for the Housing and Dining System and the Tobacco and Health Research Institute for the year ended June 30, 1985;

that the Board of Trustees accept the audited financial statements of the affiliated corporations and other related organizations of the University of Kentucky including The Fund for Advancement of Education and Research in the University of Kentucky Medical Center, University of Kentucky Research Foundation, University of Kentucky Athletic Association, University of Kentucky Business Partnership Foundation, Inc., University of Kentucky Mining Engineering Foundation, Inc., University of Kentucky Equine Research Foundation, Inc., University of Kentucky Humanities Foundation, Health Care Collection Service, Inc., University of Kentucky Alumni Association, and University of Kentucky Hospital Auxiliary for the year ended June 30, 1985.

Background: The Finance Committee of the Board of Trustees has reviewed the audited financial statements and related reports in conjunction with the administration of the University of Kentucky. These financial statements have been audited by Coopers & Lybrand, Certified Public Accountants, and are presented to the Board for acceptance.

Note: The above reports are not included in the Minutes of the meeting but are included in the official files.

Action: Approved ✓ Disapproved Other

Date: October 15 , 1985

Office of the President
October 15, 1985

FCR 3

Members, Executive Committee, Board of Trustees:

RESOLUTION ACCEPTING THE SUCCESSFUL
BID FOR THE PURCHASE OF \$16,100,000
OF UNIVERSITY OF KENTUCKY CONSOLIDATED
EDUCATIONAL BUILDINGS REVENUE BONDS,
SERIES I

Recommendation: that the Board of Trustees accept the bid of J.J.B. Hilliard, W.L. Lyons, Inc. offering to purchase the Bonds at a net interest cost of 9.0909062% and that the coupon rates as shown on the attached copy of the successful bid be approved and adopted.

Background: On September 17, 1985, the Board of Trustees approved a Resolution authorizing the issuance of \$16,100,000 University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series I. Said Resolution also authorized the public advertising for sealed, competitive bids to be received on October 15, 1985. Bids were received by the Finance Committee and the recommended bid is the lowest net interest cost to the University.

Five bids were received and tabulated as follows:

J.J.B. Hilliard, W.L. Lyons	9.0909062%
Shearson Lehman Brothers, Inc.	9.092292%
Morgan Guaranty	9.1468%
Smith Barney, Harris Upham	9.171315%
Paine Webber, Inc.	9.174607%

Action: Approved Disapproved Other

Date: October 15, 1985

0959

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 of 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 Consolidated Educational Buildings Revenue Bonds, Series I," dated October 1, 1985, in accordance with and subject to the terms set forth in the Official Terms and Conditions of Bond Sale.

We hereby bid for said \$16,100,000 principal amount of Bonds the sum of \$15,858,500⁰⁰ (not less than \$15,858,500); plus accrued interest from October 1, 1985, at the following rates (interest on ascending scale; rate differential not to exceed 5%):

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
1987	\$315,000	<u>7.25</u>	1997	\$ 745,000	<u>8.60</u>
1988	345,000	<u>7.25</u>	1998	810,000	<u>8.80</u>
1989	375,000	<u>7.25</u>	1999	885,000	<u>9.00</u>
1990	410,000	<u>7.25</u>	2000	965,000	<u>9.05</u>
1991	445,000	<u>7.75</u>	2001	1,050,000	<u>9.10</u>
1992	485,000	<u>8.00</u>	2002	1,145,000	<u>9.15</u>
1993	530,000	<u>8.25</u>	2003	1,250,000	<u>9.20</u>
1994	575,000	<u>8.25</u>	2004	1,360,000	<u>9.20</u>
1995	625,000	<u>8.40</u>	2005	1,485,000	<u>9.25</u>
1996	685,000	<u>8.45</u>	2006	1,615,000	<u>9.25</u>

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 Wyatt, Tarrant & Combs, Louisville, Kentucky, Bond Counsel, 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 such Bonds unless delivery is made within forty-five days from the date said bid is accepted. Upon delivery the successful bidder shall take up and pay for such Bonds in FEDERAL FUNDS. It is anticipated that such Bonds will be tendered for delivery on or prior to November 12, 1985.

A certified check or bank cashier's check in the amount of \$161,000, payable to the University of Kentucky, is enclosed in accordance with the Official Terms and Conditions of Bond Sale.

Respectfully submitted,


Authorized Signature

J. J. B. Hillman, L. L. Gani, Inc.
Name of Bidder

545 S. Union Street, Louisville, Ky.
Address

The foregoing is our purchase bid. We submit our own computation thereof only for your information and convenience:

(a) Total interest cost at stated interest rates from October 1, 1985, to final maturity	\$ 19,970,009.00
(b) Plus discount or less premium	\$ 241,500.00
(c) Net Interest Cost	\$ 20,211,509.00
(d) Equivalent to	<u>9.090909%</u>

Accepted this _____ day of October, 1985, by Resolution of the Executive Committee of the Board of Trustees of the University of Kentucky.

BOARD OF TRUSTEES
UNIVERSITY OF KENTUCKY
Lexington, Kentucky

By- _____
Chairman

ATTEST:

Secretary, Board of Trustees

Return of Bid deposit hereby
acknowledged:

Authorized Representative

(EXHIBIT I)

RESOLUTION RELATING TO THE
\$16,100,000 UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS
REVENUE BONDS, SERIES I

WHEREAS, the Board of Trustees of the University of Kentucky ("the Board") at its meeting on September 17, 1985, passed and adopted a Resolution, entitled

A RESOLUTION AUTHORIZING THE ISSUANCE OF
\$16,100,000 UNIVERSITY OF KENTUCKY CONSOLIDATED
EDUCATIONAL BUILDINGS REVENUE BONDS,
SERIES I,

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

WHEREAS, pursuant to Section 2.11 of the Series I Resolution, the Treasurer has caused to be published a Notice of Bond Sale with respect to the Series I 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 I Bonds would be received by the Board until 10:30 a.m. on October 15, 1985; and

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

A. Bidder: J. J. B. Hilliard, W. L. Lyons, Inc.

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered</u>	<u>Net Interest Cost</u>
1987	\$ 315,000	7.25	9.0909062%
1988	\$ 345,000	7.25	
1989	\$ 375,000	7.25	
1990	\$ 410,000	7.25	
1991	\$ 445,000	7.75	
1992	\$ 485,000	8.00	
1993	\$ 530,000	8.25	
1994	\$ 575,000	8.25	
1995	\$ 625,000	8.40	
1996	\$ 685,000	8.45	
1997	\$ 745,000	8.60	
1998	\$ 810,000	8.80	
1999	\$ 885,000	9.00	
2000	\$ 965,000	9.05	
2001	\$1,050,000	9.10	
2002	\$1,145,000	9.15	
2003	\$1,250,000	9.20	
2004	\$1,360,000	9.20	
2005	\$1,485,000	9.25	
2006	\$1,615,000	9.25	

B. Bidder: Shearson, Lehman Brothers, Inc.

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered</u>	<u>Net Interest Cost</u>
1987	\$ 315,000	8.25	9.092292%
1988	\$ 345,000	8.25	
1989	\$ 375,000	8.25	
1990	\$ 410,000	8.25	
1991	\$ 445,000	8.25	
1992	\$ 485,000	8.25	
1993	\$ 530,000	8.25	
1994	\$ 575,000	8.25	
1995	\$ 625,000	8.25	
1996	\$ 685,000	8.50	
1997	\$ 745,000	8.75	
1998	\$ 810,000	9.00	
1999	\$ 885,000	9.10	
2000	\$ 965,000	9.125	
2001	\$1,050,000	9.125	
2002	\$1,145,000	9.125	
2003	\$1,250,000	9.125	
2004	\$1,360,000	9.125	
2005	\$1,485,000	9.125	
2006	\$1,615,000	9.125	

C. Bidder: Morgan Guaranty Trust Company of New York & Associates

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered</u>	<u>Net Interest Cost</u>
1987	\$ 315,000	8.90	9.1468%
1988	\$ 345,000	8.90	
1989	\$ 375,000	8.90	
1990	\$ 410,000	8.90	
1991	\$ 445,000	8.90	
1992	\$ 485,000	8.90	
1993	\$ 530,000	8.90	
1994	\$ 575,000	8.90	
1995	\$ 625,000	8.90	
1996	\$ 685,000	8.90	
1997	\$ 745,000	8.90	
1998	\$ 810,000	9.00	
1999	\$ 885,000	9.00	
2000	\$ 965,000	9.00	
2001	\$1,050,000	9.00	
2002	\$1,145,000	9.10	
2003	\$1,250,000	9.10	
2004	\$1,360,000	9.10	
2005	\$1,485,000	9.10	
2006	\$1,615,000	9.10	

D. Bidder: Smith Barney, Harris Upham & Co., Incorporated

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered</u>	<u>Net Interest Cost</u>
1987	\$ 315,000	8.00	9.171315%
1988	\$ 345,000	8.00	
1989	\$ 375,000	8.00	
1990	\$ 410,000	8.00	
1991	\$ 445,000	8.00	
1992	\$ 485,000	8.00	
1993	\$ 530,000	8.00	
1994	\$ 575,000	8.25	
1995	\$ 625,000	8.50	
1996	\$ 685,000	8.70	
1997	\$ 745,000	8.90	
1998	\$ 810,000	9.00	
1999	\$ 885,000	9.00	
2000	\$ 965,000	9.125	
2001	\$1,050,000	9.25	
2002	\$1,145,000	9.25	
2003	\$1,250,000	9.25	
2004	\$1,360,000	9.25	
2005	\$1,485,000	9.25	
2006	\$1,615,000	9.25	

E. Bidder: Paine Webber, Inc.

<u>Bonds Maturing May 1,</u>	<u>Aggregate Principal Amount Sought</u>	<u>Interest Rate Offered</u>	<u>Net Interest Cost</u>
1987	\$ 315,000	7.75	9.174607%
1988	\$ 345,000	7.75	
1989	\$ 375,000	7.75	
1990	\$ 410,000	7.75	
1991	\$ 445,000	7.75	
1992	\$ 485,000	7.75	
1993	\$ 530,000	8.00	
1994	\$ 575,000	8.20	
1995	\$ 625,000	8.40	
1996	\$ 685,000	8.60	
1997	\$ 745,000	8.80	
1998	\$ 810,000	9.00	
1999	\$ 885,000	9.00	
2000	\$ 965,000	9.20	
2001	\$1,050,000	9.25	
2002	\$1,145,000	9.30	
2003	\$1,250,000	9.30	
2004	\$1,360,000	9.30	
2005	\$1,485,000	9.30	
2006	\$1,615,000	9.30	

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	\$ 315,000		
1988	\$ 345,000		
1989	\$ 375,000		
1990	\$ 410,000		
1991	\$ 445,000		
1992	\$ 485,000		
1993	\$ 530,000		
1994	\$ 575,000		
1995	\$ 625,000		
1996	\$ 685,000		
1997	\$ 745,000		
1998	\$ 810,000		
1999	\$ 885,000		
2000	\$ 965,000		
2001	\$1,050,000		
2002	\$1,145,000		
2003	\$1,250,000		
2004	\$1,360,000		
2005	\$1,485,000		
2006	\$1,615,000		

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

NOW, THEREFORE, THE EXECUTIVE COMMITTEE HEREBY RESOLVES AS FOLLOWS:

1. That the proposal of J.J.B. Hilliard, W.L. Lyons, Inc. as follows, for the purchase of the \$16,100,000 "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series I," dated October 1, 1985, ("the Series I Bonds") is hereby accepted as the highest and best bid:

<u>Bonds Maturing May 1,</u>	<u>Interest Rate</u>	<u>Aggregate Principal Amount</u>
1987	7.25	\$ 315,000
1988	7.25	\$ 345,000
1989	7.25	\$ 375,000
1990	7.25	\$ 410,000
1991	7.75	\$ 445,000
1992	8.00	\$ 485,000
1993	8.25	\$ 530,000
1994	8.25	\$ 575,000
1995	8.40	\$ 625,000
1996	8.45	\$ 685,000
1997	8.60	\$ 745,000
1998	8.80	\$ 810,000
1999	9.00	\$ 885,000
2000	9.05	\$ 965,000
2001	9.10	\$1,050,000
2002	9.15	\$1,145,000
2003	9.20	\$1,250,000
2004	9.20	\$1,360,000
2005	9.25	\$1,485,000
2006	9.25	\$1,615,000

Net Interest Cost = \$20,211,509.00 equivalent to 9.0909062%

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

3. That the Series I Bonds as identified in the Series I Resolution shall be delivered by the Officers of the Board in accordance with the terms of the Series I Resolution as soon as ready;

4. 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 I Bonds should become subject to federal or Kentucky income taxation, or if the Series I Bonds should become subject to Kentucky ad valorem taxation, prior to the delivery of the Series I Bonds; but also that the purchaser shall not be required to take up the Series I Bonds without the final approving legal opinion of Bond Counsel aforesaid or if the Series I Bonds or interest thereon should become so subject to taxation; and

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

Office of the President
October 15, 1985

FCR 4

Members, Executive Committee, Board of Trustees:

Report on Leases

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

The execution of a lease between the Department of Community Dentistry and Hazard Investment Corporation, Bruce Stephens, Jr., President, P. O. Box 269, Hazard, Kentucky, effective September 30, 1985 through March 28, 1986, for office space, rental rate for six month period \$3,000.00, be accepted and made a matter of record;

The execution of a lease between the Department of Agronomy and Harold Wiles, Route 1, Dunnville, Kentucky, for the lease of land (1.2 acres) for the 1985 season for tobacco experiment, annual rental rate \$1,000.00, be accepted and made a matter of record;

The execution of a lease between the Department of Agronomy and Wilbert Perkins, Route 1, Frankfort, Kentucky, for the lease of land (1.7 acres) for the 1985 season for tobacco experiment, annual rental rate \$1,200.00, be accepted and made a matter of record.

Background: FCR 3, dated December 13, 1983, authorized the President to enter into leases and easements not exceeding \$20,000 in value and required that all leases entered into under this authority be reported to the Board.

Action taken: Approved Disapproved Other

Date: October 15, 1985

#0299V-p11

Office of the President
October 15, 1985

FCR 5

Members, Executive Committee, Board of Trustees:

DELEGATION AUTHORIZING THE PRESIDENT TO
ENTER INTO LEASES AND EASEMENTS
NOT EXCEEDING \$30,000 IN VALUE

Recommendation: that the President or his designated representative be authorized and directed to negotiate and finalize, on behalf of the University of Kentucky any and all leases and easements affecting real property owned by or for the benefit of the University of Kentucky; further, that the President or his designated representative be authorized and directed to negotiate and finalize such leases and easements upon such terms and conditions as the President or his designated representative deems to be in the best interests of the University of Kentucky; provided, however, this authorization shall not include any transactions involving leases and easements the value of which exceeds \$30,000; and that all leases and easements covered by this Resolution shall be reported to the Board of Trustees.

Background: On December 13, 1983, the Board of Trustees authorized the President or his designated representative to enter into leases and easements not exceeding \$20,000 in value.

The \$20,000 limit is being raised to \$30,000 to accommodate most of the leases and easements that affect real property transactions.

Action taken: Approved Disapproved Other

Date: October 15, 1985

Office of the President
October 15, 1985

FCR 6

Members, Executive Committee, Board of Trustees:

Registration of University Logos

Recommendation: that the Athletics Director, University of Kentucky Athletics Association, be and is hereby authorized and directed to select appropriate service marks, trademarks, designs and logos of the University of Kentucky Wildcat, and other marks, designs and logos of the University of Kentucky, and apply for trademark and/or copyright registration of same in the name of the University of Kentucky.

Background: Currently, the University of Kentucky has only common law protection of its marks, designs and logos. Registration will enhance that protection and, at the same time, allow enhancement of the athletic programs of the University of Kentucky by generating income from the sale of rights to the use of these marks, designs, and logos. As with many major universities, the sale of these rights is expected to provide an additional source of income not heretofore utilized to any significant degree. All net revenues are to be divided equally between the University and the Athletics Association. The current trend of the courts based on a number of recent decisions is to recognize the rights of universities in this regard. Many universities have moved in the last two years to register their logos, marks, etc.

Action taken: Approved Disapproved Other

Date: October 15, 1985