

Minutes of the Meeting of the Executive Committee of the Board of Trustees of the University of Kentucky, Tuesday, November 18, 1969

The Executive Committee of the Board of Trustees met in accordance with the request of the Board of Trustees on Tuesday, November 18, 1969 at 2:00 o'clock in the Board Room of the Administration Building on the University campus with the following members present: Mrs. Lucile T. Blazer, Mr. Richard E. Cooper, Dr. Harry Denham, and Mr. Robert H. Hillenmeyer. Absent was Mr. Albert G. Clay. President Otis A. Singletary, Dr. Alvin L. Morris, Dr. Lewis W. Cochran, Dr. Glenwood L. Creech, Mr. G. J. Ruschell, Dr. Donald B. Clapp, and Mr. John C. Darsie were in attendance. Mr. C. W. Grafton and Miss Lillian Fleischer, Bond Counsel, were in attendance as were members of the various news media.

A. Meeting Opened

Mr. Hillenmeyer, who presided in the absence of the Chairman, called the meeting to order at 2:12 p. m. Following the invocation pronounced by Dr. Denham, the Secretary reported a quorum present and the meeting was declared officially open for the conduct of business at 2:14 p. m.

B. Minutes Approved

On motion by Mr. Cooper, seconded by Dr. Denham, and passed, the reading of the Minutes of the October 21, 1969 meeting of the Board of Trustees was dispensed with and the Minutes were approved as published.

C. President's Report to the Trustees

President Singletary said in the interest of conserving time, he would not discuss the items in PR 1, the President's Report to the Trustees, but expressed the hope that the members would read the report at their leisure. The report was accepted with thanks by the Chairman and ordered filed.

D. Recommendations of the President (PR 2)

There were only two items in PR 2, Recommendations of the President, one of which was a routine approval of members in the Graduate Faculty. The other recommendation related to the appointment of Mr. Philip J. Brunskill, Acting Director of Development, as Director of Development, effective immediately. President Singletary mentioned that Mr. Brunskill's appointment had the full endorsement of members of the University of Kentucky Development Council

and of his immediate superior, Vice President Creech, as well as Dr. Singletary's own approval.

On motion by Mr. Cooper, seconded by Mrs. Blazer, and without dissent, PR 2 was approved as a whole and ordered made an official part of the Minutes. (See PR 2 at the end of the Minutes.)

E. Temporary Financing for \$4,290,000 of Revenue Bond Anticipation Notes Authorized (PR 4)

Mr. Ruschell called attention to the background statement in PR 4 which explained the reason why temporary financing of \$4,290,000 of Revenue Bond Anticipation (Second Renewal) Notes was needed and recommended that the Board approve the method of providing funds until the Department of Health, Education and Welfare could deliver funds to cover their bid on these notes in February 1970. Dr. Denham moved approval of the recommendation in PR 4. His motion was seconded by Mr. Cooper, and without dissent it was so ordered. (See PR 4 at the end of the Minutes.)

F. Bids on Revenue Bond Anticipation Notes

Mr. G. J. Ruschell, Acting Vice President - Business Affairs and Treasurer, announced that the following bids had been received for the University's \$28,800,000 Revenue Bond Anticipation (Renewal) Notes, dated December 11, 1969, maturing December 14, 1970:

- (a) Chemical Bank
\$28,800,000 at par for 6.50%
- (b) Bankers Trust Company
\$10,000,000 - 6.45% par plus premium \$275.00
- (c) Second National Bank
\$200,000 at par for 6.40%
\$200,000 at par for 6.30%
\$100,000 at par for 6.25%

Mr. G. J. Ruschell, Acting Vice President - Business Affairs and Treasurer of the University, recommended that the bids on the \$28,800,000 in Bond Anticipation Notes from the following firms be accepted and that Chemical Bank, New York, New York, be designated as Paying Agent:

\$18,300,000 to Chemical Bank at par for 6.50%

\$10,000,000 to Bankers Trust Company at par for 6.45% plus premium \$275.00

\$200,000 to Second National Bank at par for 6.40%
 \$200,000 to Second National Bank at par for 6.30%
 \$100,000 to Second National Bank at par for 6.25%

Upon motion of Dr. Denham, seconded by Mrs. Blazer, the Executive Committee unanimously voted to accept Mr. Ruschell's recommendation as to the award of bids, the notes to be issued in such denominations (each a multiple of \$5,000) as the purchasers may request.

G. Budget Revisions for 1969-70 Approved (PR 6)

President Singletary indicated that the budget revisions in PR 6 were routine and recommended approval. On motion by Dr. Denham, seconded by Mr. Cooper, and passed, the budget revisions recommended in PR 6 were authorized and approved. (See PR 6 at the end of the Minutes.)

H. Memorandum of Understanding and Deed of Conveyance Approved (PR 7)

Mr. Ruschell explained that the recommendation to execute a Memorandum of Understanding and a Deed of Conveyance pursuant thereto between the University of Kentucky and the Department of Highways for certain property on the University's South Farm at the intersection of Higbee Mill and Nicholasville Roads to permit the widening of the intersection had the approval of all concerned.

On motion by Mr. Cooper, seconded by Dr. Denham, and passed unanimously, the recommendation in PR 7 was approved. (See PR 7 at the end of the Minutes.)

I. Meeting Adjourned

The Chairman, having first determined that there was no further business to come before the meeting, called for a motion for adjournment. Adjournment was moved by Mr. Cooper and seconded by Mrs. Blazer. Without objection the meeting was adjourned at 2:30 p. m., Eastern Standard Time.

Respectfully submitted,

Lucile T. Blazer, Secretary

(PR 2, PR 4, PR 6 and PR 7 which follow are official parts of the Minutes of the November 18, 1969 meeting of the Executive Committee of the Board of Trustees.)

Missing report(s)

PR 2

Members, Executive Committee, Board of Trustees:

RECOMMENDATIONS OF THE PRESIDENT

I. Graduate Faculty Appointments

Recommendation: that approval be given to the following persons for membership in the Graduate Faculty.

Background: The persons whose names appear below have been appointed by the Board of Trustees and are now eligible for membership in the Graduate Faculty.

Betty Jean Brannan - Professor of Home Economics
James G. Coke - Professor of Planning
Harold H. Traurig - Associate Professor of Anatomy

II. Appointment of Director of Development

Recommendation: that Mr. Philip J. Brunskill, presently acting director of development, be appointed director of development, effective immediately.

Background: Since the resignation of Mr. Leonard L. Wilson as director of development on April 30, 1969, Mr. Brunskill has served very ably as acting director.

His experience in the Office of Development also includes three years as associate director, in which capacity he was responsible for promotion of corporate and foundation gifts, for special publications utilized in the development program, and the special gifts program.

Before joining the University's development staff in 1966, Mr. Brunskill was employed successively as an advertising specialist of United Air Lines, as assistant to the vice president and treasurer of Wittenberg University in Ohio, and as alumni field secretary for the University of Michigan. He holds the bachelor's degree in business administration from Michigan, and has completed graduate studies there and at Wittenberg.

Members of the University Development Council, at their meeting on campus last month, endorsed Mr. Brunskill for the position of director of development and recommended that he be appointed to that post by the Board of Trustees.

Action: Approved X Disapproved _____ Other _____

Date: November 18, 1969

Office of the President
November 18, 1969

PR 4

Members, Executive Committee, Board of Trustees:

AUTHORIZATION FOR TEMPORARY FINANCING OF \$4,290,000 OF
REVENUE BOND ANTICIPATION (2nd RENEWAL) NOTES

Recommendation: that the Board authorize a temporary advance of \$1,290,000 from University funds for redeeming a portion of the \$33,200,000 in Bond Anticipation Notes which mature in December, 1969 and that the Board appropriate \$22,500 for payment of interest on a \$3,000,000 advance of funds in the Series "C" Bonds. Further, that the Vice President for Business Affairs be authorized to execute an agreement for the temporary loan of \$3,000,000.

Background: The \$33,200,000 in Bond Anticipation Notes matures December, 1969 and must be redeemed. For redemption, the Board has accepted bids on \$4,290,000 from the United States Department of Health, Education and Welfare and has advertised for bids on \$28,800,000 in new Bond Anticipation Notes. The need for this action arises from the fact that the United States Department of Health, Education and Welfare cannot deliver funds until approximately February 1, 1970. That Department has agreed to advance \$3,000,000 at a 3% interest rate. The \$1,290,000 advance from University funds is the difference between the \$4,290,000 Bond Issue and the \$3,000,000 advance.

The interest will be an offset. The accrued interest on the \$4,290,000 would have been paid from University funds during this period if the sale had been made as anticipated.

Action: Approved X Disapproved _____ Other _____

Date: November 18 , 1969

Office of the President
November 18, 1969

PR 6

Members, Executive Committee, Board of Trustees:

1969-70 Budget Revisions

Recommendation: that the following revisions in the 1969-70 budget be authorized and approved.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. <u>Restricted Funds</u>			
1. Income estimates	\$ 3,370,268	\$ 3,401,768	\$ 31,500
2. Expenditures			
General Expenses	40,000	52,500	12,500
Agriculture			
Agricultural Economics	100	4,100	4,000
Agricultural Engineering	-0-	15,000	<u>15,000</u>
			31,500
3. <u>Comments</u> - The increase in General Expense is to come from the Haggin Fund. Additional income has been received to support the other proposed expenditures.			
B. <u>Auxiliary Funds</u>			
1. Income estimates			
Community College			
Bookstores	\$ 651,281	\$ 748,618	\$ 97,337
2. Expenditures			
Community College			
Bookstores	651,281	748,618	97,337
3. <u>Comments</u> - The additional expenditures will be funded from income carried forward from the prior year.			

C. General Funds

1. Income estimates

Fund Balances	\$ 4,285,000	\$ 4,412,000	\$ 127,000
Student Fees			
Miscellaneous	127,994	137,994	10,000
Federal Appropriation			
Agricultural Cooper- ative Extension	3,071,890	3,119,492	47,602

2. Expenditures

University Hospital			
Equipment and			
Renovation	250,000	377,000	127,000
Pharmacy			
Continuing Education	-0-	10,000	10,000
Agricultural Coopera- tive Extension			
Appalachian Com- munity Impact			
Project	-0-	47,602	<u>47,602</u>
			184,602

3. Comments - Additional federal funds have been received in support of the Appalachian Community Impact Project. Additional student fee income is anticipated in support of the Continuing Education program in the College of Pharmacy. It is proposed that general fund balances be appropriated in support of the equipment and renovation needs of the University Hospital.

Action: Approved X Disapproved Other

Date: November 18 , 1969

Office of the President
November 18, 1969

PR 7

Members, Executive Committee, Board of Trustees:

AUTHORIZATION TO EXECUTE DEED OF CONVEYANCE TO
HIGHWAY DEPARTMENT

Recommendation: that the Executive Committee of the Board of Trustees authorize the Acting Vice President-Business Affairs and Treasurer to execute a Memorandum of Understanding to the Department of Highways and a Deed of Conveyance pursuant thereto.

Background: The Department of Highways has requested permanent and temporary easements over the University's South Farm property in the vicinity of the intersection of Higbee Mill and Nicholasville Roads. Plans call for the widening of the intersection so as to provide adequate turn lanes.

The Memorandum of Understanding requires the Department of Highways to replace, in kind, all existing woven wire and wooden fences with new materials.

This project has been reviewed and approved by Charles E. Barnhart, Dean of the College of Agriculture.

Action: Approved X Disapproved _____ Other _____

Date: November 18 , 1969