

AGENDA

Meeting of the Board of Trustees
University of Kentucky
1:00 P.M.
January 23, 2007
18th Floor Patterson Office Tower

Roll Call

Approval of Minutes - (Consent)

Minutes – December 12, 2006

President's Report and Action Items

- PR 1 President's Report to the Trustees
College of Social Work Report – Dean Kay Hoffman
- PR 2 Personnel Actions (Consent)
- PR 3 Proposed Revision of University of Kentucky Governing Regulation

Academic Affairs Committee Report

- AACR 1 Academic Degree Recommendation
- AACR 2 Establishment of the Institute for Workplace Innovation

Finance Committee Report

- FCR 1 R. Bruce Bacon Pledge (Consent)
- FCR 2 Gift and Pledges to the Virginia T. Barrow Professorship in Brain Disease Research (Consent)
- FCR 3 William Stamps Farish Fund Gift and Pledge (Consent)
- FCR 4 Gifts and Pledges to the John R. Gaines Endowed Chair in the Humanities Fund (Consent)
- FCR 5 Gifts and Pledges to the Endowed Professorship for Neuro -Urologic Research (Consent)
- FCR 6 James and Diane Stuckert Pledge (Consent)
- FCR 7 Gifts and Pledges to the Women's Circle Endowment (Consent)
- FCR 8 Renaming of Paul A. Thornton Graduate Fellowship in Clinical Nutrition and Acceptance of Michael P. Thornton Pledge
- FCR 9 Proposed 2007-08 Room and Board Rates
- FCR 10 Proposed 2007-08 Tuition and Mandatory Registration Fee Schedules

Student Affairs Committee Report

University Hospital Committee Report

Update on UK Albert B. Chandler Hospital - Michael Karpf, M.D.

UHCR 1 Kentucky Medical Services Foundation, Inc. ("KMSF") Approval of Amended and Restated By-laws and Restated Articles of Incorporation

UHCR 2 UK Albert B. Chandler Hospital Certificate of Need

Other Business

Adjourn

Office of the President
January 23, 2007

1. UK Breaks into Top 20 for Faculty Scholarly Activity in *Chronicle* Ranking

A new national ranking of universities, based on faculty scholarly activity, places the University of Kentucky among the Top 20 public research universities. The 2005 Faculty Scholarly Activity Index, unveiled in January by the *Chronicle of Higher Education*, ranked UK overall as number 19, tied with the University of California - Davis. The index ranked two University of Kentucky doctoral programs as number one among programs at large research universities, with a total of seven UK programs ranked in the top ten in their respective areas. The departments of Hispanic Studies and Plant Pathology were both ranked first among doctorate-granting programs in their fields at large research universities nationwide. The Department of Anatomy and Neurobiology was ranked number three, Nursing as well as Counseling Psychology at number nine, and Educational Psychology and Entomology at number 10 among their peer programs. The index was created by Academic Analytics, a company partially owned by the State University of New York at Stony Brook. It ranks 7,294 individual doctoral programs in 104 disciplines at 354 institutions.

2. President Todd Chairs New Statewide Panel on STEM Strategy

University of Kentucky President Lee T. Todd, Jr., is chairing a new statewide Science, Technology, Engineering, and Mathematics (STEM) Task Force convened by the Council on Postsecondary Education that will develop a statewide strategic action plan to accelerate Kentucky's performance within the STEM disciplines from preschool through graduate school. The task force is composed of representatives from the executive and legislative branches of state government, postsecondary education, and K-12 education; professionals within the STEM disciplines; and the business community. The four sector groups (government, business, K-12, and higher education) will meet separately to prepare sector reports that will form the basis of a final report. The task force will also explore the critical relationship between STEM production and the knowledge economy of Kentucky. The task force will meet through March 2007 to finalize a report expected to be released during the 2007 Legislative Session that will include recommendations and accountability measures.

3. National Publication Highlights UK's Lung Cancer Blood Test Research

Research at UK on a blood test that can detect lung cancer was highlighted in the December issue of *Environmental Health Perspectives*, a national health publication. The publication focuses on the theme, "Signs of the Times: Biomarkers in Perspective." It describes five years of research by Dr. Edward A. Hirschowitz and Dr. Li Zhong to

develop a blood test to detect non-small cell lung cancer. The test could potentially help detect early stage lung cancer in people with high risk factors for developing the disease, such as age, smoking, and genetic history.

4. Gatton College MBA Students Win “Worldwide First Place” in Simulation

Competing head-to-head against not only their classmates, but also against nearly 1,100 MBA teams worldwide, a team of MBA students in the Gatton College of Business and Economics new 11-month Immersive MBA Program earned a “Worldwide First Place” ranking in the Glo-Bus global strategy simulation used in the Business Simulation course taught by management professor Walter Ferrier. This simulation-based course caps off the six-week HiDef Business Fundamentals module. It serves as a dynamic, immersive, and fun way for students to explore the essential concepts and processes associated with strategic management, functional integration, and team-based decision making. The winning team was comprised of MBA students Kelly Anne Beile, Baptiste Isambert, Tom Masthay, Julie Powell, and Aaron Rothke.

5. UK Professor’s Bestseller Is Named *USA Today*’s Book of the Year

USA Today has named Kim Edwards’ novel *The Memory Keeper’s Daughter* as its “Book of the Year” for 2006. The national newspaper noted, “We’ve done something unusual by choosing a novel that was published last year as our Book of the Year. *The Memory Keeper’s Daughter* became a phenomenon this year when it was released in paperback.” The newspaper pointed out that the book by Edwards, a UK creative writing assistant professor, has 2.5 million paperback copies in print, compared with its hardback run of 55,000 copies. The book reached the top position on *USA Today*’s bestseller list and remained in the top 10 for months. *The Memory Keeper’s Daughter* is Edwards’ first novel.

6. Nobel Laureate in Physics Delivers Lecture at UK

Nobel Laureate Wolfgang Ketterle delivered a talk titled “Ultracold Atoms – Dilute Gases with Strong Interactions” at UK on December 1. The talk, a colloquium for the Department of Physics and Astronomy, was free and open to the public. Ketterle, the John D. MacArthur Professor of Physics at the Massachusetts Institute of Technology, was one of three atomic physicists jointly awarded the 2001 Nobel Prize in Physics.

7. Breast Cancer Drug Clinically Tested at UK Wins FDA Approval

A new use for the breast cancer drug Herceptin was approved by the federal Food and Drug Administration in mid-November, a move that means more treatment options for the 25 percent of breast cancer patients with early-stage HER-2 positive breast cancer. Dr. Edward Romond, a cancer specialist and researcher at UK HealthCare’s Markey Cancer Center, was instrumental in researching and analyzing the results of two massive clinical trials of early-stage breast cancer patients who received Herceptin in combination with chemotherapy. The results indicated a 52 percent decrease in the risk for breast

cancer recurrence compared with patients who received the same chemotherapy without Herceptin. Romond also served as the national media spokesperson for the new-use approval of Herceptin for its maker, Genentech.

8. Thirty-one Students Participate in Gatton College's First Global Scholars

For young people interested in pursuing a career in business, it's no longer an option to compete in a global environment, it's a must. With this in mind, the UK Gatton College of Business and Economics welcomed its first class of Global Scholars this past fall. A part of Gatton's Project Destiny initiative, this first class of Global Scholars is composed of 31 exceptional first-year students who are seeking to develop their professional acumen and leadership skills. The selective admission criteria used in the program includes an ACT score of 28 or higher (or SAT score of 1240 or higher) and an un-weighted high school grade point average of 3.6 or above. In addition to special courses scholars are required to complete, they must also spend one semester abroad during their junior year studying with students from one of a growing list of UK's partner universities. Procter & Gamble Vice President Gretchen Price, a 1976 Gatton College graduate and member of the school's alumni hall of fame, addressed the scholars, together with parents, faculty, and staff at a reception to launch the program.

9. Kentucky Geological Survey Research Highlighted on ScienCentral News

Recent work on the carbon dioxide storage capacity of Devonian shales by Brandon Nuttall, a Kentucky Geological Survey researcher, was featured in a video production of ScienCentral News, which provides syndicated news items to ABC affiliate television stations nationwide. Nuttall's research has found extensive storage potential in the shales that underlie about two-thirds of Kentucky. In addition to serving as a storage reservoir for greenhouse gas and helping to reduce global warming, this capacity of the shales could also lead to recovery of additional natural gas.

10. Gatton's Information Systems Program Ranked Nation's Fifth by Association

A recent study published by the Association for Information Systems (AIS) ranks the School of Management in the Gatton College of Business and Economics fifth in the nation in an information systems (IS) research productivity measure. UK is one of the top five along with two of its benchmark universities, the University of Minnesota and the University of California-Los Angeles, in the highest output-per-researcher published in leading IS journals during the five-year period 2001-05. Among the study's other findings, the Gatton College ranks among the Top 20 institutions worldwide (tied with the Harvard Business School and the University of Southern California) for doctoral programs supplying the most graduates who published in leading IS journals during the same period (2001-05). In addition, Gatton ranks among the Top 20 U.S. doctoral degree-granting universities which have produced the most research in leading IS journals over that same period, even though the college has a small number of IS researchers relative to other Top 20 faculties. As part of the School of Management's Decision Science and

Information Systems unit, the information systems faculty is composed of seven professors.

11. *The New York Times* Quotes Center for Business and Economic Research Study

A study conducted by the Center for Business and Economic Research (CBER) at the Gatton College of Business and Economics was recently quoted in a *New York Times* article concerning the effects of sprawl on metropolitan areas, both within city neighborhoods and outlying communities. The citation by the *Times* quoted work done previously by Gatton Endowed Associate Professor of Economics Chris Bollinger, together with the late UK professor Mark Berger, then director of CBER, and former UK faculty member Eric Thompson. The *Times* highlighted the portion of the UK study that found that the cost of government services, such as police, schools, and sewers, was much higher in counties with low-density sprawl.

12. Bulgarian State Opera Performs at Singletary Center for the Arts

The Singletary Center for the Arts presented the Bulgarian State Opera (BSO) in Giacomo Puccini's *Turandot* on Thursday, January 18. The performance, part of the 2006-07 Corner on Classics Series, was the first staged by BSO in Kentucky. Puccini's final work, *Turandot*, opened at Milan's La Scala in April 1926, 17 months after the composer's death. BSO, formerly known as the legendary company Opera Verdi Europa, was given its new name in August 2005 by the Bulgarian Parliament and the country's Ministry of Culture when the government entities named Opera Verdi Europa as the State Opera Company of Bulgaria. The company now collaborates for its productions with not only Bulgarian opera theatres and symphony orchestras, but also the opera houses of Bucharest, Budapest, Chisinau, Kiev, Theatre Nemirovich-Danchenko, and many others.

13. Architecture Students Present Urban Design Exhibition in Louisville

UK College of Design School of Architecture students and graduate students from The School of Urban and Public Affairs at the University of Louisville presented urban design work in an exhibition December 15 at the Urban Design Studio in Louisville. The exhibition, titled "SoBro - in 50 Views," drew a comparison between the past, present, and future of the urban area referred to as SoBro, a district located south of Broadway in Louisville. Drawings and models in the exhibition helped illustrate the rich history of the area and potential design opportunities. The students' designs are part of an envisioning process and planning effort to revitalize the SoBro district, which lies between downtown and the historic district of old Louisville. The work by UK and U of L students was led by Mark O'Bryan, associate professor of architecture at UK. Louisville Metro Planning and Design, in conjunction with neighborhood leaders, has proposed rezoning the area to help promote economic development and strengthen its urban character.

14. Television Actress Sara Rue Discusses Acting Profession with UK Students

UK theatre students were visited by popular television actress Sara Rue on November 21. The actress talked with theatre majors and minors about the acting profession and her experiences. She shared her thoughts about training, auditioning, and the acting profession. Students also had a chance to ask questions. Rue, probably best known as the star of ABC's *Less Than Perfect*, currently has a recurring role on the CBS television sitcom *Two and a Half Men*.

15. Advanced Architecture Studio Presents *Stock Exchange* in Gallery Hop

UK's Advanced Architecture Studio taught by Karen Lewis, an assistant professor of architecture, presented an exhibition on the Blue Grass Stockyards titled *Stock Exchange* and took part in Lexington's Downtown Gallery Hop in November. The exhibition visually explored the Blue Grass Stockyards through architecture, graphic design, and social awareness. Students presenting proposals in *Stock Exchange* included Brian Buckner, Chris Clarke, Brock Hinze, Beth Hunter, Catharine Lowery, and Matt Storrie.

16. Documentary on Iraqi Insurgency Is Shown at Worsham Theater

Meeting Resistance, a non-fiction, feature-length film set in the streets of Baghdad, Iraq, was shown on October 30 in Worsham Theater. *Meeting Resistance* enters the physical and psychological heart of the insurgency against the American occupation. Photojournalists and directors Steve Connors and Louisville native Molly Bingham spent 10 months among the insurgents in Iraq to create this insightful, and yet horrifying, film about their lives. Bingham began working as a photojournalist in earnest in 1994, traveling to Rwanda in the wake of the genocide. From 1998 through 2001, she worked as an official photographer to the office of the Vice President of the United States. Bingham and Connors both attended the screening. Bingham will return to campus in April to give the annual Creason Lecture.

17. School of Music, University Bands Present 'Band Spectacular'

UK School of Music and the University Bands presented the UK Band Spectacular on November 19 at the Singletary Center for the Arts. The concert is an annual event featuring four outstanding UK bands or ensembles from the School of Music: the Wind Ensemble under the direction of John Cody Birdwell, director of bands; the Jazz Ensemble under the direction of Miles Osland, director of jazz studies and professor of saxophone; the Steel Drum Band under the direction of James Campbell, director of percussion studies and professor of music; and the Wildcat Marching Band under the direction of George R. Boulden, associate director of bands and associate professor of music.

18. Markey Cancer Center Program Wins Maximum Reaccreditation

The Blood and Marrow Transplant program at Markey Cancer Center received the maximum three-year reaccreditation from the Foundation for the Accreditation of Cellular Therapy.

19. Army Muslim Chaplain Describes Effort for Civil Liberties at Guantanamo Bay

James Yee, a third-generation Chinese-American, a graduate of West Point, a U.S. Army veteran, a devout Muslim, and the recipient of two Army Commendation medals, delivered a talk, “An Army Muslim Chaplain’s Struggle for Justice: Civil Liberties and Guantanamo Bay,” at the William T. Young Library. An open reception and book signing followed his talk. Yee appeared on WUKY radio and other local media.

20. Architecture Studio Unveils Possible Military History Museum Designs

UK College of Design Comprehensive Architecture Studio presented a public exhibition of possible designs for the Kentucky Military History Museum on December 8 at the Thomas D. Clark Center for Kentucky History in Frankfort. The proposals were prepared this semester by students of Stephen Deger, professor of architecture, and Bruce Swetnam, associate professor of architecture. Students, whose work was included, were Eric Baxter, Brandi Berryman, Ben Clements, Cameron Coleman, Erik Dyer, Anna Gregory, Amanda Hardaway, Rudy Renfrow, Phil Schilffarth, Aaron Smith, Emily Stallone, Jeff Stark, Natalie Wheatley, Ashley Wright, and Katie Zurlage.

21. Niles Center for American Music Offers Concert Series

The John Jacob Niles Center for American Music has presented a number of concerts as part of a series titled “Appalachia in the Bluegrass.” The series explores traditional music in the Appalachian region. The series’ performances concluded this winter with appearances by popular WoodSongs folk artist Michael Johnathon and the old-time string band, the Red State Ramblers. The Red State Ramblers presented a holiday concert “Breakin’ Up Christmas,” which refers to a Blue Ridge holiday tradition. The band includes native and adopted Kentuckians with connections to UK’s School of Music, Nikos Pappas and Kevin Kehrberg, doctoral candidates in musicology; Jeff Keith, a doctoral candidate in history; and Will Bacon, UK alumnus and owner of BaConstruction.

22. UK Libraries Joins Interface to Expand Search-engine Capabilities

The UK Libraries will join Innovative Interfaces Inc. in developing Encore, a next-generation library interface that expands UK Libraries’ current search-engine capabilities and makes for an easier searching experience for students and faculty. UK joins 13 other partners that are engaged in development partnerships to create this new library-technology product. Encore will become available to the UK community in 2007. The Encore discovery services platform transforms the user experience of the library. As a unified search and access tool, Encore is a new way of creating public access to

libraries on the Web. New features include the ability to bring more kinds of information to the user from a single keyword search, including results from UK's many subscription databases; community features that allow students and faculty to rate, review, and "tag" library items (as is done on Web sites like del.icio.us); and a more dynamic and interactive interface that brings new search results without refreshing the Web page or interrupting the user's flow.

23. Gregory Turay Performs at Washington Event Honoring Steven Spielberg

UK Opera Theatre alumnus Gregory Turay recorded a performance of *Make Our Garden Grow* with Harolyn Blackwell and the United States Army Chorus under the baton of Maestro John Williams for the Kennedy Center Honors Awards Show on December 3. The performance honored Steven Spielberg, Oscar-award winning director, and aired December 26. In addition to the awards show, Turay was invited to the White House by President and Mrs. George Bush for a reception, to a dinner hosted by Secretary of State Condoleeza Rice, to a brunch, and to a gala dance in honor of the Kennedy Center honorees.

24. UK Orthopaedic Surgeon Becomes Lexington's First to Use New Knee System

UK orthopaedic surgeon Dr. Mauro Giordani became Lexington's first to perform partial knee replacement surgery using the Oxford® Unicompartmental Knee System. The partial knee replacement procedure allows patients to return to their active lifestyle more quickly and with less pain and complications compared to a traditional total knee replacement. The Oxford Knee became available in the United States last year, although it has been used in Europe for more than 20 years. It is the only FDA-approved device of its kind available in the United States. Unlike total knee replacement involving removal of all the knee joint surfaces, a partial knee replacement replaces only the damaged side of the knee joint. The Oxford Knee procedure also allows all ligaments to remain intact. By retaining all of the undamaged parts, the joint can function more naturally. And because it is a minimally invasive surgery with only a small incision, the Oxford Knee procedure provides a more rapid recovery than a total knee replacement.

25. Markey Cookbook Is Now on Sale at UK Chandler Hospital, Center

The *Markey Recipes & Remembrances Cookbook* is now available for purchase at UK Chandler Hospital. Proceeds of the cookbook will help offset the cost of cancer patients traveling to Lexington for their outpatient care. Cookbooks can be purchased at the gift shop at the hospital and at various Markey Cancer Center locations – the first floor registration desk in the Roach Building, the first floor check-out desk in the Whitney-Hendrickson Building, and either of the chemotherapy suites. Cost for the cookbooks is \$10 each. Checks should be made payable to University of Kentucky, with Markey Cookbook written on the memo line.

26. PBS's *Antiques Roadshow* Returns to UK for Event

The Public Broadcasting System's popular *Antiques Roadshow* returned to the UK Singletary Center for the Arts for Discovery Day: Antique Appraisal and White Elephant Sale on January 6. The fundraising event for the UK Art Museum offered the public an opportunity to get antique appraisals from nationally recognized experts, including UK alumnus Wes Cowan and fellow appraisers Danica Farnand, Ann Hays, Ken Hays, Lark Mason, Zeff Maloney, and Buck Pennington. The group of experts appraised items such as art glass, jewelry, silver, dolls, toys, musical instruments, paintings, pottery, prints, photographs, manuscripts, autographs, Civil War and American West memorabilia, folk art, Asian art, and Native American art.

27. Student Awards and Achievements

Shaye Rabold, Martin School of Public Policy and Public Administration alumna, was featured in the *Lexington Herald-Leader* for her role managing the campaign of Lexington Fayette Urban County Government Mayor-elect Jim Newberry.

28. Faculty and Staff Awards and Achievements

Sara Boyd, Interdisciplinary Human Development Institute, received the Association of University Centers on Disabilities Anne Rudigier award. The award is given each year to one trainee in the national network who best exemplifies the values of leadership and advocacy for people with developmental disabilities.

Stephen Dobson, Entomology, received \$330,000 from the National Institutes of Health for year one of a five-year grant to eliminate a mosquito that transmits tropical diseases.

Walter Ferrier, Management, was recently recognized as having published one of the "most interesting" management research articles of all time. In a 2004 survey, members of the editorial board of the *Academy of Management Journal* cited Ferrier's 1999 article, "The Role of Competitive Action in Market Share Erosion and Industry Dethronement: A Study of Industry Leaders and Challengers," also published in the *Academy of Management Journal*, as one of the 20 most interesting articles.

Gilbert H. Friedell, former director of UK HealthCare's Markey Cancer Center, received the 2006 Leadership Award from the Institution for the Advancement of Multicultural and Minority Medicine. The award was given in recognition of his contributions to lessen racial and ethnic disparities in health and health care in multicultural communities.

Jack Groppo and Tom Robl, Center for Applied Energy Research, each received the Special Recognition Award in Innovation at the U.S. Environmental Protection Agency's Coal Combustion Products Partnership conference. The award is for investigations of advanced coal by-product processing at the Ghent, Ky., power plant.

Donald Gross, Political Science, was featured in a segment on the FOXNews show *Special Report with Brit Hume* on October 25. Gross commented on congressional races in Kentucky. The segment aired as part of an overall story on Kentucky politics

during the 2006 election season. Gross also served as a political commentator for *The New York Times* and other media.

Carol Hanley, Tracy Farmer Center for the Environment, received \$190,000 from the Kentucky Department of Military Affairs for implementation of a solid waste management educational program.

Gerald Huffman, Consortium for Fossil Fuel Science, has been elected as a Fellow in the American Physical Society, a recognition based on outstanding contributions to physics.

Larry Jones, Agricultural Economics, received \$146,000 from the Kentucky Agricultural Development Board for conducting the Kentucky Agricultural Leadership Development program that supports emerging farm and agribusiness leaders.

Aardra Kachroo, Plant Pathology, received \$187,000 from the USDA Cooperative State Research, Education, and Extension Service for research involving dissection of soybean defense pathways.

Harold Kleinert, Interdisciplinary Human Development Institute, has two articles forthcoming focused on effectiveness studies of pre-service health-training project modules. The first article will appear in the *Journal of Nursing Education*; the second will be published in the February issue of the *Journal of Dental Education*.

Saratha Kumudini, Plant and Soil Sciences, heads an international project and associated Web site that features a yield loss prediction tool for field-specific risk management of Asian soybean rust. The aim of this study is to develop an interactive software tool that will determine a farmer's current yield potential and predicted yield loss if soybean rust should defoliate the crop.

Charlene Leach, International Affairs, received the Leo R. Dowling Award for Compassion, Integrity and Leadership at the Region Six conference of NAFSA: Association of International Educators.

Linda S. Levstik, Education, led a discussion about her new book, *Teaching History for the Common Good*, at the Project Archaeology Ninth Annual Coordinators Conference at Shaker Village at Pleasant Hill. The book was published in 2004 by Lawrence Erlbaum Associates Inc., Mahwah, New Jersey.

Krish Muralidhar, Gatton Endowed Professor in the School of Management in the Gatton College of Business and Economics, recently was awarded a 2006 Distinguished Doctoral Alumni Award from Texas A&M University's Mays Business School.

Beth Rous, Interdisciplinary Human Development Institute, received the 2006 Division for Early Childhood Merle B. Karnes Service Award for her contribution in the areas of leadership, service, research, advocacy, and publications. She also recently co-authored and published a book, *Tools for Transition in Early Childhood: A Step by Step Guide for Agencies, Teachers, and Families*.

Carrie Saunders, Social Work, was presented an Excellence in Service Award at the state's first Adoption Conference in October. The Department for Community Based Services presented the award to Saunders for her work in promoting and supporting Kentucky's adoptive families. It is the only award presented to a social work professional at the conference. Saunders is an alumna of UK as well.

William Silvia, Animal and Food Sciences, has been awarded the 2006 George Fleming Literary Prize by *The Veterinary Journal*. Silvia, along with colleagues Ben

Hatler, Susan Hayes, and Les Anderson, published an article on increasing reproductive efficiency in dairy animals.

Mark Stuhlfaut, Journalism and Telecommunications, has an article appearing in the *Journal of Mass Communications and Society* titled "Is Advertising a Personal or a Social Process?" It evaluates a series of moments of creation and applies a social model for deeper insight into the creative process.

Lucian Taylor, Education, received an award for his distinguished career of achievement in service to the Kentucky Association for Health, Physical Education, Recreation and Dance and the profession.

John Thelin, Education, was a featured speaker at the American Enterprise Institute's conference in Washington, D.C., on "Footing the Tuition Bill." Attended by 200 representatives from federal agencies, congressional staffs, higher education associations, and national foundations, the conference dealt with the emergence of an unprecedented student loan industry.

PR 2

Office of the President
January 23, 2007

Members, Board of Trustees:

PERSONNEL ACTIONS

Recommendation: that approval be given to the attached appointments, actions, and/or other staff changes which require Board action; and 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 provost/executive vice president through the president and have the president's 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. These items of report follow the recommendations requiring Board approval.

Action taken: Approved Disapproved Other _____
--see correction in minutes

PRESIDENT
AND
EXECUTIVE VICE PRESIDENT
FOR
FINANCE AND ADMINISTRATION

I. BOARD ACTION

A. RETIREMENTS

Executive Vice President for Finance and Administration

Lewis, Verna, Food Service Worker II, Employee Benefits, after 17 years, 1 month of consecutive service, under AR II-1.6-1, Section III.B, effective 12/31/06.

B. EARLY RETIREMENTS

Executive Vice President for Finance and Administration

Johnson, James, Custodial Worker I, Employee Benefits, after 25 years, 5 months of consecutive service under AR II-1.6-1, Section III.A.2, effective 11/30/06.

Vice President for Facilities Management

Bivens, Raymond, Building Operator III, Auxiliary Services, after 31 years, 10 months of consecutive service and 32 years, 5 months of total service, under AR II-1.6-1, Section III.A.2, effective 1/12/07.

Carpenter, James, Building Operator III, Auxiliary Services, after 29 years, 9 months of consecutive service under AR II-1.6-1, Section III.A.2, effective 2/2/07.

Lane, Danny G., Maintenance Superintendent IV, Physical Plant Division, after 33 years, 7 months of consecutive service under AR II-1.6-1, Section III.A.2, effective 1/1/07.

Snapp, Clyde A., Grounds Worker II, Physical Plant Division, after 18 years, 3 months of consecutive service under AR II-1.6-1, Section III.A.2, effective 11/25/06.

Winburn, Terry, Carpenter III, Medical Center Physical Plant Division, after 26 years, 3 months of consecutive service and 30 years, 8 months of total service, under AR II-1.6-1, Section III.A.2, effective 1/12/07.

Associate Vice-President for Human Resources

Hardwick, Bonnie, HR Manager Compensation, Human Resources, after 30 years, 4 months of consecutive service and 34 years of total service, under AR II-1.6-1, Section III.A.2, effective 3/1/07.

II. ADMINISTRATIVE ACTIONS

A. CHANGES

Vice President for Information Technology

Cotter, William, from Technical Project Specialist II, Information Technology/CNS, to Information Technology Manager III, Information Technology/CNS, effective 1/1/07.

McCarty, Wendell, from Network Manager, Information Technology/CNS, to Lead Systems Programmer, Information Technology/CNS, effective 1/1/07.

PROVOST

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

- Andreatta, Richard D., College of Health Sciences, Associate Professor (with tenure), Rehabilitation Sciences, effective 8/1/06.
- Dupont-Versteegden, Esther E., College of Health Sciences, Associate Professor (with tenure), Rehabilitation Sciences, effective 9/1/06.
- Hays, Ray G., College of Medicine, Clinical Assistant Professor, Family and Community Medicine, 1/16/07 through 6/30/07.
- High, Karin W., College of Medicine, Professor (with tenure), Physiology, effective 1/1/07.
- High, Walter M., College of Medicine, Associate Professor (without tenure), Physical Medicine and Rehabilitation, and joint appointment as Associate Professor (without tenure), Surgery, 10/16/06 through 6/30/07.
- Khan, Abid A., College of Health Sciences, Professor (voluntary), Clinical Sciences, 7/1/06 through 6/30/11.
- Khan, Qutubuddin G., College of Medicine, Clinical Assistant Professor, Neurology, and joint appointment as Clinical Assistant Professor, Pediatrics, 1/23/07 through 6/30/07.
- Park-Sarge, Ok-Kyong, College of Medicine, Associate Professor (with tenure), Physiology, and joint appointment as Assistant Professor, Toxicology, Graduate School, appointed to the Dr. Thomas L. Skinner Professorship in Physiology, 7/1/06 through 6/30/09.
- Peterson, Charlotte A., College of Health Sciences, Professor (without tenure), Rehabilitation Sciences, appointed to the Joseph Hamburg Professorship in Rehabilitation Services, 7/1/06 through 6/30/11.
- Peterson, Charlotte A., College of Health Sciences, Professor (with tenure), Rehabilitation Sciences, and joint appointment as Professor (without tenure), Clinical Sciences, effective 7/1/06.
- Ritchie-Dabney, Rosalind, College of Medicine, Clinical Assistant Professor, Anesthesiology, 1/1/07 through 6/30/07.
- Stevens, Scott D., College of Medicine, Clinical Assistant Professor, Diagnostic Radiology, 1/1/07 through 6/30/07.

B. ADMINISTRATIVE APPOINTMENTS

- Carlson, Charles, College of Arts and Sciences, Professor (with tenure), Psychology, and joint appointments as Associate Professor (without tenure), Oral Health Science, College of Dentistry and Professor (without tenure), Behavioral Science, College of Medicine, reappointed Chair, Psychology, 7/1/07 through 6/30/10.

- Chassen-Lopez, Francie, College of Arts and Sciences, Professor (with tenure), History, appointed Chair, History, 7/1/07 through 6/30/11.
- Fiedler, Theodore, College of Arts and Sciences, Professor (with tenure), Modern and Classical Languages, Literatures and Cultures, reappointed Chair, Modern and Classical Languages, Literatures and Cultures, 7/1/07 through 6/30/11.
- Stromberg, Arnold, College of Arts and Sciences, Professor (with tenure), Statistics, reappointed Chair, Statistics, 7/1/07 through 6/30/11.
- Thomas, Mark V., College of Dentistry, Associate Professor* (with tenure), Oral Health Practice, appointed Chair, Oral Health Practice, effective 1/1/07 through 12/31/12.

C. JOINT APPOINTMENTS

- Saatman, Kathryn E., College of Medicine, Associate Professor (without tenure), Physiology, joint appointment as Associate Professor (without tenure), Surgery, 12/1/06 through 6/30/07.

D. REAPPOINTMENTS

- Bada-Ellzey, Henrietta S., College of Medicine, Professor (with tenure), Pediatrics, and joint appointment as Professor (without tenure), Epidemiology, College of Public Health, appointed to the Mary Florence Jones Professorship in Neonatology, 10/1/06 through 9/30/11.
- Greenberg, Richard N., College of Medicine, Professor (with tenure), Internal Medicine, appointed to the Professorship in HIV Clinical Research in the Department of Internal Medicine, 10/1/06 through 9/30/11.
- Kasarskis, Edward J., College of Medicine, Professor (with tenure), Neurology, and joint appointment as Professor (without tenure), Toxicology, Graduate School, appointed to the Cynthia Shaw Crispen Lectureship, 10/1/06 through 9/30/11.
- Markesbery, William R., College of Medicine, Professor (with tenure), Pathology and Laboratory Medicine, and joint appointments as Professor (without tenure), Anatomy and Neurobiology and Professor (without tenure), Surgery and Professor (without tenure), Neurology, appointed to the Sanders-Brown Center on Aging Endowed Chair, 7/1/06 through 6/30/11.
- Omery, Anna K., College of Nursing, Associate Professor (part-time, visiting), 1/1/07 through 5/31/07.
- Shedlofsky, Steven I., College of Medicine, Professor (with tenure), Internal Medicine, and joint appointment as Professor (without tenure), Toxicology, Graduate School, appointed to the Marcos Lins Andrade Endowed Chair in Gastroenterology, 4/1/06 through 6/30/07.

*Special Title Series

E. PROMOTIONS

- Corso, Alberto, College of Arts and Sciences, from Assistant Professor, Mathematics, to Associate Professor (with tenure), Mathematics, effective 1/1/07.
- Hayes, Jane E., College of Engineering, from Assistant Professor, Computer Science, to Associate Professor (with tenure), Computer Science, effective 1/1/07.
- Ko, Chemyong, College of Health Sciences, from Assistant Professor, Clinical Sciences, to Associate Professor (with tenure), Clinical Sciences, effective 7/1/06.
- Wang, Changyou, College of Arts and Sciences, from Associate Professor (with tenure), Mathematics, to Professor (with tenure), Mathematics, effective 1/1/07.
- Williams, Mark A., College of Agriculture, from Assistant Professor, Horticulture, to Associate Professor (with tenure), Horticulture, effective 1/1/07.

F. CHANGES

- Bullard, Steven H., College of Agriculture, from Professor (temporary), Forestry, to Professor (with tenure), Forestry, effective 7/1/06.
- Radun, Arthur V., College of Engineering, from Professor (with tenure), Electrical and Computer Engineering, to Adjunct Professor, Electrical and Computer Engineering, 8/7/06 through 6/30/09.
- Sekulic, Dusan P., College of Engineering, from Adjunct Professor, Mechanical Engineering, to Professor (without tenure), Mechanical Engineering, 1/1/07 through 12/31/07.

G. RETIREMENTS

- Cohen, Alfred M., College of Medicine, Professor (with tenure), Surgery, and Director, Markey Cancer Center, after 6 years and 3 months of consecutive service, under AR II-1.6-1, Section III.B, effective 1/2/07.
- Stanifer, Robert, College of Medicine, Scientific Technologist Specialist II, Physiology, after 39 years and 7 months of consecutive service, under AR II-1.6-1, Section III.B, effective 12/31/06.

H. EARLY RETIREMENTS

- Gaines, Deborah, College of Business and Economics, Student Affairs Director, Undergraduate Advising, after 23 years and 3 months of consecutive service, and a total of 24 years of service, under AR II-1.6-1, Section III.A.2, effective 11/30/06.

- Hopkins, Anna L., College of Medicine, Administrative Support Associate I, Physiology, after 42 years and 7 months of consecutive service, under AR II-1.6-1, Section III. A.2, effective 12/31/06.
- Reese, Linda, Student Affairs, Office Assistant, Residence Life, after 32 years and 4 months of consecutive service, under AR II-1.6-1, Section III.A.2, effective 1/2/07.
- Wheaton, Richard, College of Medicine, Staff Technician II, Internal Medicine, after 27 years and 8 months of consecutive service, under AR II-1.6-1, Section III. A.2, effective 2/2/07.

I. POST-RETIREMENT APPOINTMENTS

- Graves, Donald H., College of Agriculture, Professor (part-time), Forestry, 1/1/07 through 12/31/07.
- Stinnett, Nancy F., College of Medicine, Administrative Support Associate I, Internal Medicine, 2/7/06 through 2/6/08.

J. PHASED RETIREMENT APPOINTMENTS

- Fortune, William, College of Law, Professor (with tenure), 7/1/07 through 6/30/12.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

- Barr, Garland A., College of Arts and Sciences, Instructor (part-time), Political Science, 8/16/06 through 12/31/06.
- Bogdanov, Kristina, College of Fine Arts, Instructor (part-time), Art, 8/1/06 through 6/30/07.
- Dennis, Andrea L., College of Law, Assistant Professor, 8/16/06 through 6/30/08.
- Dimayuga, Filomena O., College of Medicine, Adjunct Instructor, Anatomy and Neurobiology, 1/2/07 through 6/30/07.
- Divers, Walter A., College of Medicine, Assistant Professor (voluntary), Obstetrics and Gynecology, 11/15/06 through 6/30/11.
- Dukes, Edna A., College of Nursing, Instructor (part-time), 1/10/07 through 6/30/07.
- Dvorak, Eduard, College of Medicine, Assistant Professor (part-time), Radiation Medicine, 1/2/07 through 6/30/07.
- Fouch, Brandy B., College of Medicine, Assistant Professor (voluntary), Pediatrics, 11/1/06 through 6/30/11.
- Gershtenson, Joseph A., College of Arts and Sciences, Instructor (part-time), Political Science, 8/16/06 through 12/31/06.
- Gregg, Timothy, College of Medicine, Assistant Professor (voluntary), Anesthesiology, 12/1/06 through 6/30/11.

- Haney, Charlotte, College of Dentistry, Assistant Professor (part-time), Oral Health Science, 1/1/07 through 2/28/07.
- Hill, Andrea L., College of Health Sciences, Instructor (voluntary), Clinical Sciences, 11/1/06 through 6/30/11.
- Jameel, Sajjad, College of Medicine, Instructor (voluntary), Internal Medicine, 11/1/06 through 6/30/11.
- Jenkins, William S., College of Dentistry, Assistant Professor (voluntary), Oral Health Science, 8/1/06 through 6/30/11.
- Johnson, Lucy S., College of Fine Arts, Instructor (part-time), Art, 8/1/06 through 6/30/07.
- Lindner, Todd M., College of Arts and Sciences, Instructor, Military Science, 7/1/06 through 6/30/10.
- Liu, Youcheng, College of Public Health, Assistant Professor, Preventive Medicine and Environmental Health, 7/1/06 through 6/30/07.
- McDougal, Shane, College of Health Sciences, Instructor (voluntary), Clinical Sciences, 11/1/06 through 6/30/11.
- Mercer, Randall D., Agriculture, Assistant Research Professor, Entomology, 7/1/06 through 6/30/07.
- Meurer, Kathryn, College of Health Sciences, Assistant Professor (voluntary), Clinical Sciences, 11/1/06 through 6/30/11.
- Mimbs, Cheryl A., College of Agriculture, Assistant Professor, Family Studies, 8/16/06 through 6/30/07.
- Nah, Seungahn, College of Agriculture, Assistant Professor, Community and Leadership Development, 7/1/06 through 6/30/07.
- Pampati, Mahender, College of Medicine, Assistant Professor (voluntary), Diagnostic Radiology, 10/1/06 through 6/30/11.
- Paudel, Kalpana S., College of Pharmacy, Assistant Research Professor, 12/1/06 through 6/30/07.
- Piercy, Jonathan A., College of Medicine, Instructor (voluntary), Internal Medicine, 12/1/06 through 6/30/11.
- Pike, Charles L., College of Engineering, Adjunct Instructor, Computer Science, 1/1/07 through 6/30/07.
- Price, Melynda J., College of Law, Assistant Professor, 8/16/06 through 6/30/08.
- Robinson, Jeremy S., College of Agriculture, Assistant Professor, Community and Leadership Development, 7/1/06 through 6/30/07.
- Shank, Walter A., College of Medicine, Assistant Professor (voluntary), Internal Medicine, 12/1/06 through 6/30/11.
- Shay, Elaine C., College of Fine Arts, Instructor (part-time), Art, 8/1/06 through 6/30/07.
- Sherry, Gregory J., College of Medicine, Instructor (voluntary), Internal Medicine, 1/1/07 through 6/30/11.
- Shi, Geng-Xian, College of Medicine, Assistant Research Professor, Molecular and Cellular Biochemistry, 1/1/07 through 6/30/07.
- Stewenius, Henrik, College of Engineering, Assistant Research Professor, Computer Science, 12/1/06 through 6/30/07.

Stines, Elsie M., College of Medicine, Clinical Instructor, Pediatrics, and joint appointment as Clinical Instructor, College of Nursing, 1/17/07 through 6/30/07.

Stoker, Patrick D., College of Arts and Sciences, Instructor, Military Science, 7/1/06 through 6/30/10.

Suman, Surendranath P., College of Agriculture, Assistant Professor, Animal and Food Sciences, 8/22/06 through 6/30/07.

Uy, Kimberly B., College of Health Sciences, Instructor (voluntary), Clinical Sciences, 11/1/06 through 6/30/11.

Zheng, Guangrong, College of Pharmacy, Assistant Research Professor, 11/1/06 through 6/30/07.

B. ADMINISTRATIVE APPOINTMENTS

Biddle, Martha, College of Nursing, RICH Program Operations Director, effective 12/4/06.

Force, James, College of Arts and Sciences, Professor (with tenure), Philosophy, appointed Acting Chair, Philosophy, 1/1/07 through 6/30/07.

Goldberg, Sanford, College of Arts and Sciences, Associate Professor (with tenure), Philosophy, appointed Acting Chair, Philosophy, 1/1/08 through 6/30/08.

Larkin, John, College of Pharmacy, Quality Systems Manager, Center for Pharmaceutical Science and Technology, effective 11/26/06.

Means, Robert T., College of Medicine, Professor (with tenure), Internal Medicine, appointed Interim Director of the Markey Cancer Center, 11/15/06 through 11/14/07.

Neathery, James K., Research, Engineer Associate Program Manager I, Center for Applied Energy Research, effective 11/20/06.

C. REAPPOINTMENTS

Blair, Colby A., College of Agriculture, Instructor (part-time), Agricultural Economics, 8/23/06 through 12/31/06.

Cox, John J., College of Agriculture, Assistant Adjunct Professor, Forestry, 7/1/06 through 6/30/07.

Fei, Songlin, College of Agriculture, Assistant Professor, Forestry, 8/16/06 through 6/30/07.

Hamblin, Pierce W., College of Law, Instructor (part-time), 8/16/06 through 6/30/07.

Hunter, Pauline L., College of Agriculture, Instructor (part-time), Nutrition and Food Science, 8/1/06 through 6/30/07.

Johnson, Douglas, College of Medicine, Assistant Professor (voluntary), Family and Community Medicine, 7/1/06 through 6/30/11.

Krause, Alison E., College of Medicine, Instructor (voluntary), Internal Medicine, 7/1/06 through 6/30/11.

- Kwon, Hyun Ju, College of Agriculture, Instructor (part-time), Merchandising, Apparel & Textiles, 1/1/07 through 6/30/07.
- Larson, Raymond W., College of Law, Instructor (part-time), 8/16/06 through 6/30/07.
- Lyon, Henry B., College of Arts and Sciences, Instructor (part-time), Political Science, 8/16/06 through 12/31/06.
- McGarvey, John T., College of Law, Instructor (part-time), 8/16/06 through 6/30/07.
- Newton, William D., College of Medicine, Assistant Professor (voluntary), Surgery, 7/1/06 through 6/30/11.
- Payne, Joey, College of Agriculture, Adjunct Instructor, Nutrition and Food Science, 1/1/07 through 6/30/07.
- Pearce, Dennis, College of Business and Economics, Instructor (part-time), Management, 1/1/07 through 6/30/07.
- Quarles, Clinton R., College of Agriculture, Instructor (temporary), Agricultural Economics, 8/23/06 through 12/31/06.
- Quayyum, Abdul, College of Business and Economics, Instructor (part-time), Management, 1/1/07 through 6/30/07.
- Richardson, Tadarro, College of Medicine, Assistant Professor (voluntary), Internal Medicine, 7/1/06 through 6/30/11.
- Rowland, Leroy W., College of Law, Instructor (part-time), 8/16/06 through 6/30/07.
- Sullivan, Cynthia D., College of Agriculture, Instructor (part-time), Nutrition and Food Science, 1/1/07 through 6/30/07.
- Tapp, John C., College of Medicine, Assistant Professor (voluntary), Family and Community Medicine, 7/1/06 through 6/30/11.
- Thomas, Brian N., College of Agriculture, Instructor (part-time), Agricultural Economics, 8/23/06 through 12/31/06.
- Wolfgang, Steve, College of Communications and Information Studies, Instructor (part-time), Journalism and Telecommunications, 8/16/06 through 6/30/07.

D. PROMOTIONS WITHOUT TENURE

- Short, Gwendolyn S., College of Nursing, from Clinical Instructor, to Clinical Assistant Professor, 1/1/07 through 6/30/07.

E. CHANGES

- Akbarzadeh, Amir, College of Engineering, from Engineer Associate I/Research, Visualization and Virtual Environments, to Engineer Associate IV/Research, Visualization and Virtual Environments, effective 11/15/06.
- Badger, Karen L., College of Social Work, from Clinical Instructor, to Assistant Professor, 8/16/05 through 6/30/07.

- Davis, Helane, College of Law, Assistant Professor, and joint appointment as Librarian III, Libraries, from 7/1/06 through 6/30/07, to 7/1/06 through 6/30/08.
- Dilorenzo, Amy, Research, from Disability Program Administrator Associate, Human Development Institute, to Disability Program Administrator Associate Senior, Human Development Institute, effective 1/1/07.
- Farrell, Herman D., College of Fine Arts, from Instructor (part-time), Theatre, to Assistant Professor, Theatre, 7/1/06 through 6/30/07.
- Jessa, Peace N., College of Public Health, from Assistant Professor (part-time), Preventive Medicine and Environmental Health, and joint appointment as Assistant Professor (part-time), Family and Community Medicine, College of Medicine, to Assistant Professor, Preventive Medicine and Environmental Health, and joint appointment as Assistant Professor, Family and Community Medicine, College of Medicine, 8/1/06 through 6/30/07.
- King, Michael R., College of Medicine, from Clinical Assistant Professor, Family and Community Medicine, to Assistant Professor*, Family and Community Medicine, 1/1/07 through 6/30/07.
- Martin, Laurel R., Research, from Development Administrator II, College of Education, to Director Associate, Center for Research on Violence Against Women, effective 1/1/07.
- Milbrandt, Todd A., College of Medicine, from Clinical Assistant Professor, Orthopaedic Surgery, and joint appointment as Clinical Assistant Professor, Pediatrics, to Assistant Professor*, Orthopaedic Surgery, and joint appointment as Assistant Professor*, Pediatrics, 2/1/07 through 6/30/07.
- Wade, James, College of Fine Arts, from Instructor (part-time), Art, to Lecturer, Art, 8/1/06 through 6/30/07.
- Wheeler, Kathleen S., College of Fine Arts, from Instructor (part-time), Art, to Lecturer, Art, 8/6/06 through 6/30/07.

F. TERMINAL REAPPOINTMENTS

- Oz, Helieh S., College of Medicine, Assistant Research Professor, Internal Medicine, 7/1/06 through 2/28/07.

G. LEAVES OF ABSENCE

- Adams, Ruth E., College of Fine Arts, Associate Professor (with tenure), Art, Sabbatical leave at half salary, 7/1/07 through 6/30/08.
- Cappe, Yvonne, College of Communications and Information Studies, Associate Professor* (with tenure), Journalism and Telecommunications, Leave without pay, 1/1/06 through 6/30/06.
- DeYoung, Alan, College of Education, Professor (with tenure), Educational Policy Studies and Evaluation, and joint appointment as Professor

*Special Title Series

- (without tenure), Sociology, College of Arts and Sciences, Sabbatical leave at full salary, 1/1/08 through 5/15/08.
- Douglas, Craig C., College of Engineering, Professor (with tenure), Computer Science, Sabbatical leave at half salary, 7/1/07 through 6/30/08.
- Fields, Nelson E., College of Fine Arts, Associate Professor (with tenure), Theatre, Sabbatical leave at full salary, 1/1/08 through 6/30/08.
- Hayes, Jane E., College of Engineering, Associate Professor (with tenure), Computer Science, Sabbatical leave at half salary, 7/1/07 through 6/30/08.
- Holm-Hudson, Kevin J., College of Fine Arts, Associate Professor (with tenure), Music, Sabbatical leave at full salary, 7/1/07 through 12/31/07.
- Menguc, M. Pinar, College of Engineering, Professor (with tenure), Mechanical Engineering, Sabbatical leave at full salary, 1/1/07 through 6/30/07.
- Reid, Herbert, College of Arts and Sciences, Professor (with tenure), Political Science, Sabbatical leave at full salary, 7/1/07 through 12/31/07.
- Weiner, Andrew, College of Education, Associate Professor (with tenure), Kinesiology and Health Promotion, from Sabbatical leave at full salary, 1/1/07 through 5/15/07, to Sabbatical leave at half salary, 1/1/07 through 5/15/07 and Sabbatical leave at half salary, 1/1/08 through 5/15/08.
- Zirkle, Ross E., College of Fine Arts, Associate Professor (with tenure), Art, Sabbatical leave at full salary, 1/1/08 through 6/30/08.

H. RESIGNATIONS

- Adhami, Talal, College of Medicine, Assistant Clinical Professor, Internal Medicine, effective 10/31/06.
- Ambrose, Brent, College of Business and Economics, Professor (with tenure), Management, effective 1/1/07
- Aziz, Khadija, College of Medicine, Assistant Clinical Professor, Diagnostic Radiology, effective 3/31/07.
- Baldwin, Wendy, College of Arts and Sciences, Professor (with tenure), Sociology, effective 9/30/06.
- Boggs, L. R., College of Medicine, Associate Clinical Professor, Emergency Medicine, effective 10/31/06.
- Bouneva, Iliana, College of Medicine, Assistant Clinical Professor, Internal Medicine, effective 10/17/06.
- Burke, Lance P., Libraries, Librarian IV, effective 7/31/06.
- Cecil, James C., College of Dentistry, Assistant Research Professor, Oral Health Science, effective 6/30/07.
- Domer, Dennis, College of Design, Professor (with tenure), Historic Preservation, effective 12/31/06.
- Fath, Ann D., Libraries, Librarian II (with tenure), effective 9/16/06.
- Holt, Shannon L., College of Medicine, Clinical Instructor, Obstetrics and Gynecology, effective 6/30/07.
- Humphrey, Wendy, College of Dentistry, Assistant Clinical Professor, Oral Health Science, effective 12/31/06.

- May, Frank W., College of Pharmacy, Clinical Professor, Pharmacy Practice and Science, effective 7/15/06.
- Oz, Helieh S., College of Medicine, Assistant Research Professor, Internal Medicine, effective 2/28/07.
- Pu, Lee L., College of Medicine, Associate Professor* (with tenure), Surgery, effective 7/31/07.
- Rao, Rakesh N., College of Medicine, Assistant Clinical Professor, Pediatrics, effective 10/18/06.
- Rosenblum, William J., College of Medicine, Assistant Professor*, Orthopaedic Surgery, effective 12/31/06.
- Secret, Mary C., College of Social Work, Associate Professor (with tenure), effective 7/31/06.
- Stein, Lauren P., College of Medicine, Assistant Clinical Professor, Internal Medicine, effective 11/22/06.
- Thompson, Angelia F., College of Medicine, Assistant Clinical Professor, Ophthalmology and Visual Sciences, effective 11/30/06.
- West, Karen L., College of Dentistry, Associate Professor* (with tenure), Oral Health Science, effective 4/1/07.
- Williams, Brian A., College of Medicine, Assistant Clinical Professor, Radiation Medicine, effective 10/31/06.
- Wise, David, College of Agriculture, Professor (with tenure), Entomology, effective 11/16/06.

*Special Title Series

EXECUTIVE VICE PRESIDENT FOR HEALTH AFFAIRS

I. BOARD ACTION

A. RETIREMENTS

Linton, Elizabeth, Food Service Worker, Contract Dietary - Hospital, after 17 years and 2 months of consecutive service, under AR II-1.6-1, Section III.B, effective 1/31/07.

B. EARLY RETIREMENTS

Byrge, Carol, Medical Transcriptionist, Medical Records, after 26 years and 1 month of consecutive service, under AR II-1.6-1, Section III.A.2, effective 12/29/06.

Willis, Dora, Computer Support Specialist II, Healthcare Enterprise Information Technology, after 24 years and 4 months of consecutive service, under AR II-1.6-1, Section III.A.2, effective 1/12/07.

II. ADMINISTRATIVE ACTIONS

A. ADMINISTRATIVE APPOINTMENTS

Stamper, G. Eric, University Hospital, Decision Support Manager Assistant, UK Healthcare Finance, effective 11/27/06.

PR 3

Office of the President
January 23, 2007

Members, Board of Trustees:

PROPOSED REVISION OF UNIVERSITY OF KENTUCKY
GOVERNING REGULATION

Recommendation: that the Board of Trustees approve the attached proposed newly amended University Vision, Mission, and Values Statement as a revision to Governing Regulation I. The proposed statement was approved at the December 12, 2006 meeting for preliminary consideration.

Background: At the October 10, 2006 meeting, the Board of Trustees adopted the 2006-2009 Strategic Plan. A subsection of the Strategic Plan is the document entitled, "Vision, Mission, and Values." The document had slight revisions from the previously existing document. The "Vision, Mission, and Values" statement is also contained in Governing Regulation I; therefore, the Governing Regulation should be amended to reflect the new language adopted by the Board at its October meeting.

Action taken: Approved Disapproved Other _____

University of Kentucky Statement of Vision, Mission and Values

VISION

The University of Kentucky will be one of the nation's 20 best public research universities, an institution recognized world-wide for excellence in teaching, research, and service and a catalyst for intellectual, social, cultural, and economic development.

MISSION

The University of Kentucky is a public, research-extensive, land grant university dedicated to improving people's lives through excellence in teaching, research, health care, cultural enrichment, and economic development.

The University of Kentucky:

- Facilitates learning, informed by scholarship and research.
- Expands knowledge through research, scholarship and creative activity.
- Serves a global community by disseminating, sharing and applying knowledge.

The University, as the flagship institution, plays a critical leadership role for the Commonwealth by contributing to the economic development and quality of life within Kentucky's borders and beyond. The University nurtures a diverse community characterized by fairness and equal opportunity.

VALUES

The values of the University guide its decisions and the behavior of its community. Its core values are:

- Integrity
- Academic excellence and academic freedom
- Mutual respect and human dignity
- Embracing diversity
- Personal and institutional responsibility and accountability
- Shared governance
- A sense of community
- Sensitivity to work-life concerns
- Civic responsibility
- Service to society

AACR 1

Office of the President
January 23, 2007

Members, Board of Trustees:

ACADEMIC DEGREE RECOMMENDATION

Recommendation: that the Board of Trustees approve the establishment of a Doctor of Philosophy degree with a major in Education Sciences (CIP Code 13.0601, PROG = GS PHD EDSC), effective in the spring 2007 semester.

Background: The Ph.D. in Education Sciences is an interdisciplinary degree representing collaboration and participation across five of the six departments within the College of Education to better prepare students to meet the growing statewide and national need for educators who are well trained in methodological issues in education research.

The program will provide all students with extensive preparation in methodological and policy related issues. In addition, students will then focus on an area of specialization, in one of the following areas: Curriculum and Instruction; Philosophical and Cultural Inquiry; Educational Evaluation and Measurement; Early Childhood Education; Educational Leadership; Special Education; or Rehabilitation Counseling.

The nature of educational research has changed in recent years. With the formation of the Institute for Education Sciences in the U.S. Department of Education, there has been tremendous growth in the demand for field-based clinical trials in education research. In addition, given the impact of the No Child Left Behind (NCLB) Act on state-level policies, it is imperative to prepare individuals of the highest caliber to assist educators in the Commonwealth of Kentucky with meeting the requirements of the legislation. NCLB gives important responsibilities to the states, and the Ph.D. program will allow for the preparation of individuals who will be well trained to assist Kentucky in meeting these varied and complex requirements.

This program has the approval of the appropriate councils and University Senate, and it has completed the forty-five day review by the Council on Postsecondary Education. The Provost of the university supports this recommendation.

Action taken: Approved Disapproved Other _____

AACR 2

Office of the President
January 23, 2007

Members, Board of Trustees:

ESTABLISHMENT OF THE INSTITUTE FOR WORKPLACE INNOVATION

Recommendation: that the Board of Trustees approve the establishment of the Institute for Workplace Innovation in the College of Social Work.

Background: Over the past three decades, the United States has witnessed major shifts in the demographic landscape of the labor force. As a result, a growing number of workers report strain integrating the often competing demands of life on and off the job, while a growing number of employers report difficulty in recruiting and retaining quality employees.

The proposed institute will enhance workplace productivity in the changing economy by providing employees with knowledge and opportunities related to innovative practices that enable the creation of quality work environments while ensuring a balance between employee commitment to work and family. The Institute for Workplace Innovation is committed to engaging employers in the adoption, implementation, and utilization of innovative workplace solutions which benefit employees and employers; developing a regionally based research agenda focused on the workforce and economy in the 21st century; and affecting public discussion about the employer, employee, and economic benefits associated with innovative workplace options.

The University of Kentucky will be the first land-grant university in the United States to establish an institute that responds to its state's current economic and workforce development concerns by engaging employers in adopting, implanting, and utilizing innovative workplace options.

The proposal has been reviewed and recommended by the Senate Committee on Academic Organization and Structure and the Senate Council. It is recommended for approval by the University Senate. The Provost of the university supports this recommendation.

Action taken: Approved Disapproved Other _____

FCR 1

Office of the President
January 23, 2007

Members, Board of Trustees:

R. BRUCE BACON PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$3,000,000 from R. Bruce Bacon of Cadillac, Michigan to create and endow the H. Otto Kaak Chair in Early Childhood Mental Health in the College of Social Work and submit this pledge of \$3,000,000 for matching funds from Kentucky's Endowment Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program and for all university endowment funds.

Background: Mr. Bruce Bacon attended a lecture given by Dr. Otto Kaak on childhood attachment disorders and the work of the Comprehensive Assessment and Training Services (CATS) program at the University of Kentucky. The donor was so inspired by Dr. Kaak and the CATS program that he made several trips to Lexington to learn more about their work. CATS, which focuses on early intervention in the lives of at-risk children, is a joint program of the College of Social Work and the Department of Psychiatry. Mr. Bacon is funding this Chair in Early Childhood Mental Health to further support the work of the CATS program.

Action taken: Approved Disapproved Other _____

FCR 2

Office of the President
January 23, 2007

Members, Board of Trustees:

GIFT AND PLEDGES TO THE VIRGINIA T. BARROW PROFESSORSHIP IN
BRAIN DISEASE RESEARCH

Recommendation: that the Board of Trustees accept a gift of \$15,503 and a pledge of \$57,000 from John P. Barrow, Jr. of Lexington, Kentucky on behalf of his wife, Mrs. Virginia T. Barrow; and a pledge of \$10,000 from Caroline C. Barrow and Collin E. Boyd of Lexington, Kentucky to create and endow the Virginia T. Barrow Professorship in Brain Disease Research in the College of Medicine's Division of Neurosurgery and submit these gifts and pledges of \$82,503 for matching funds from Kentucky's Endowment Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program and for all university endowment funds.

Background: Mr. Barrow and his daughter Caroline and son-in-law Collin are creating this endowment to honor Mrs. Barrow. Mr. Barrow wishes to support the Division of Neurosurgery because of the family's long relationship with Dr. Byron Young.

Action taken: Approved Disapproved Other _____

FCR 3

Office of the President
January 23, 2007

Members, Board of Trustees:

WILLIAM STAMPS FARISH FUND GIFT AND PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$1,000,000 from The William Stamps Farish Fund of Houston, Texas, to add to the existing Endowment for Support of Urologic Research in the College of Medicine/Department of Surgery and submit this pledge of \$1,000,000 for matching funds from Kentucky's Endowment Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program and for all university endowment funds.

Background: The Endowment for Support of Urologic Research supports a chair. Former Ambassador Farish has long been an admirer of Dr. Randall Rowland's work, particularly as it pertains to prostate cancer research.

Action taken: Approved Disapproved Other _____

FCR 4

Office of the President
January 23, 2007

Members, Board of Trustees:

GIFTS AND PLEDGES TO THE JOHN R. GAINES ENDOWED CHAIR IN THE
HUMANITIES FUND

Recommendation: that the Board of Trustees accept gifts of \$3,500 and pledges of \$50,000 from multiple donors to the John R. Gaines Endowed Chair in the Humanities in the Gaines Center for the Humanities and submit these gifts and pledges of \$53,500 for matching funds from Kentucky's Endowment Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program and for all university endowment funds.

Background: These donors are supporting this endowment to honor the memory of John R. Gaines. The endowment will provide a salary stipend for the holder of the Gaines Chair and for designated costs associated with this position, such as research projects, related travel expenses, and program expenses.

Action taken: Approved Disapproved Other _____

FCR 5

Office of the President
January 23, 2007

Members, Board of Trustees:

GIFTS AND PLEDGES TO THE ENDOWED PROFESSORSHIP
FOR NEURO-UROLOGIC RESEARCH

Recommendation: that the Board of Trustees accept a gift of \$5,000 from Mr. Ambrose Givens of Lexington, Kentucky and a pledge of \$50,000 from Mr. Brent Caldwell of Lexington, Kentucky to add to the existing Endowed Professorship for Neuro-Urologic Research in the College of Medicine's Division of Urology and submit this gift and pledge totaling \$55,000 for matching funds from Kentucky's Endowment Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program and for all university endowment funds.

Background: Mr. Givens and Mr. Caldwell are active supporters of Division of Urology initiatives. They are both supportive of the work being done by Dr. Randy Rowland.

Action taken: Approved Disapproved Other _____

FCR 6

Office of the President
January 23, 2007

Members, Board of Trustees:

JAMES AND DIANE STUCKERT PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$5,000,000 from James and Diane Stuckert of Louisville, Kentucky to create and endow the James and Diane Stuckert BS/MBA Program in the College of Engineering and the Gatton College of Business and Economics and submit this pledge of \$5,000,000 for matching funds from Kentucky's Endowment Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program and for all university endowment funds.

Background: The James and Diane Stuckert BS/MBA Program will create the James and Diane Stuckert BS/MBA Chair. The program also will provide a minimum of 15 graduate fellowships, linked to the Stuckert Chair, that will provide tuition and travel expenses for required international study. James and Diane Stuckert are generous supporters of the university and Mr. Stuckert is the chair of the UK Capital Campaign Steering Committee. James Stuckert earned his bachelor's degree from the College of Engineering and his master's degree from the Gatton College of Business and Economics. Diane Stuckert earned her degree from the College of Education.

Action taken: Approved Disapproved Other _____

FCR 7

Office of the President
January 23, 2007

Members, Board of Trustees:

GIFTS AND PLEDGES TO THE WOMEN'S CIRCLE ENDOWMENT

Recommendation: that the Board of Trustees accept gifts of \$52,750 and pledges of \$181,000 from Mira Ball, Phyllis A. MacAdam, Nawanna Privett, Tonya L. Cumbee, Toyi Ward, Lois Weinberg, Joetta Wickliffe, Rita Branscum, Sherry Guiler, Arlene Cohen, Holly Wiedemann, Connie Barnhart, Paula Hanson, Marianne Smith-Edge, Susan G. Smith-Durisek, Verizon Wireless, Kristine M. Hobson, Carlisle B. Van Meter, and Laura Babbage to add to the Women's Circle Endowment in the Center for Research on Violence Against Women and submit these gifts and pledges of \$233,750 for matching funds from Kentucky's Endowment Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program and for all university endowment funds.

Background: These women share a common interest in promoting the welfare of women and ending intimate partner violence, rape, and related crimes. The Center for Research on Violence Against Women is establishing five chairs of \$1,000,000 each to support study on violence against women. At its September 2006 meeting, the Board of Trustees accepted \$272,989 to establish the Women's Circle Endowment that will establish the Women's Circle Chair of Studies on Violence Against Women. The gifts and pledges listed above will bring the total amount of the Endowment, including Endowment Match Program gifts, to \$1,006,478. The Women's Circle Chair is the third of these endowments to be completely funded.

Action taken: Approved Disapproved Other _____

FCR 8

Office of the President
January 23, 2007

Members, Board of Trustees:

RENAMING OF PAUL A. THORNTON GRADUATE FELLOWSHIP IN CLINICAL NUTRITION AND ACCEPTANCE OF MICHAEL P. THORNTON PLEDGE

Recommendation: that the Board of Trustees approve a request from Michael P. Thornton and the Department of Clinical Nutrition/Nutritional Sciences to rename the Paul A. Thornton Graduate Fellowship in Clinical Nutrition to the Paul A. Thornton Graduate Fellowship in Clinical Nutrition/Nutritional Sciences and to amend the agreement to link the fellowships to the clinical nutrition research being conducted by the holder of the Joseph Hamburg Professorship. Further, it is recommended that the board accept a pledge of \$250,000 from Michael P. Thornton of Boston, Massachusetts to add to the existing Paul A. Thornton Graduate Fellowship in Clinical Nutrition/Nutritional Sciences in the College of Health Sciences and submit this pledge of \$250,000 for matching funds from Kentucky's Endowment Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program and for all university endowment funds.

Background: Dr. Paul A. Thornton was appointed acting director and then chair of the Department of Clinical Nutrition in 1971. He served in this role until 1985. This endowment serves as a tribute to Dr. Thornton, who is considered the founder of the graduate program in clinical nutrition in what is now the College of Health Sciences. Michael P. Thornton, son of Paul A. Thornton, wishes to memorialize his father with this gift.

Action taken: Approved Disapproved Other _____

FCR 9

Office of the President
January 23, 2007

Members, Board of Trustees:

PROPOSED 2007-08 ROOM AND BOARD RATES

Recommendation: that the Board of Trustees adopt the following 2007-08 room and board rates.

Dining (per semester effective Fall 2007)

Dining Services are provided through “unlimited choice plans.” Students are able to select whatever they choose to eat as one “meal.” The minimum plan will cost \$987 per semester and includes 110 unlimited choice meals with \$125 Flex dollars. The optional plans also include \$125 Flex dollars per semester. Flex dollars may be used as “cash” at dining venues.

		<u>2006-07</u>	<u>2007-08</u>
	Avg. Meals Per Week		
Minimum Plan:	7	\$949.00	\$987.00
Optional Plans:	9	\$1,180.00	\$1,227.00
	10	\$1,289.00	\$1,341.00
	13	\$1,490.00	\$1,550.00
	15	\$1,715.00	\$1,784.00
	17	\$1,825.00	\$1,898.00
	21	\$2,013.00	\$2,094.00

Fall and Spring Housing (per semester effective Fall 2007)

Residence Halls

Traditional Residence Halls

➤ Housing with air-conditioning	\$1,806.00	\$1,892.50
➤ Housing without air-conditioning	\$1,734.00	\$1,750.00
➤ Greg Page – 2 BR	\$2,319.00	\$2,450.00
➤ Greg Page – 4 BR	\$1,856.50	\$1,950.00
➤ Greek Housing	\$1,856.50	\$1,950.00

	<u>2006-07</u>	<u>2007-08</u>
<u>Premium Residence Halls</u>		
➤ Suites – Double	\$2,319.00	\$2,450.00
➤ Suites – Single	\$3,423.50	\$3,632.50
<u>Additional Housing Fees</u>		
➤ Smith, New North, Kirwan II, and Holmes (per semester)	\$67.00	\$67.00
NOTE: Smith, New North, Kirwan II, and Holmes are Living-Learning Communities. Smith Hall and New North Hall will remain open during all stated academic recesses of the university between August 23, 2007 and May 4, 2008 to accommodate students who require housing during recesses.		
➤ Other Halls Open during Academic Recess (per day)	\$7.50	\$7.50
NOTE: The per-diem rate is established for occupancy of halls that are not normally open during stated academic recesses of the university (Thanksgiving, Christmas, and spring break). Students must secure special permission to remain in housing during these periods.		
<u>Apartment Housing (per month effective July 1, 2007)</u>		
➤ Greg Page Stadium View Family Apartments Two Bedroom	\$672.00	\$685.00
➤ Cooperstown – Shawneetown Efficiency	\$500.00	\$510.00
1 Bedroom	\$618.00	\$630.00
2 Bedroom	\$672.00	\$685.00
➤ Commonwealth Village Efficiency	\$500.00	\$510.00
1 Bedroom	\$618.00	\$630.00
➤ Linden Walk/Rose Lane Efficiency	\$500.00	\$510.00
➤ German House Single Room	\$542.00	\$545.00
1 Bedroom	\$618.00	\$625.00

2006-07

2007-08

Summer School Housing (effective Summer 2008)

➤ 8-Week Session		
Single Occupancy	\$1,193.00	\$1,255.00
Double Occupancy	\$964.00	\$1,015.00
➤ 4-Week Session		
Single Occupancy	\$595.00	\$625.00
Double Occupancy	\$479.00	\$505.00
➤ 6-Week Session		
Single Occupancy	\$892.00	\$940.00
Double Occupancy	\$721.00	\$760.00

Conference and Guest Rates (per day effective Summer 2008)

➤ Single Room	\$42.00	\$44.00
➤ Double Room	\$26.00	\$27.00
➤ Pre-College Age with Linen	\$20.00	\$20.00
➤ Pre-College Age without Linen	\$15.00	\$16.00

Action taken: Approved Disapproved Other _____

FCR 10

Office of the President
January 23, 2007

Members, Board of Trustees:

PROPOSED 2007-08 TUITION AND MANDATORY REGISTRATION FEE SCHEDULES

Recommendation: that the Board of Trustees adopt the following 2007-08 tuition and mandatory fees schedule. The Council on Postsecondary Education interprets KRS 164.020 as giving the Council authority to determine the tuition and mandatory fee rates at public colleges and universities in Kentucky. Following Board of Trustees adoption, the president will present UK's 2007-08 tuition and mandatory fees to the Council January 29, 2007.

2007-08 TUITION AND MANDATORY FEE SCHEDULE (Effective Fall 2007)

	Semester Full-Time Fee ¹		Part-Time, Four-Week and Eight-Week Intersessions Per-Credit-Hour Fee ²	
	<u>2006-07</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2007-08</u>
Undergraduate				
<i>Lower Division</i>				
Resident	\$3,255.00	\$3,548.00	\$258.15	\$282.43
Non-Resident	\$6,985.00	\$7,448.00	\$569.15	\$607.43
<i>Upper Division</i>				
Resident	\$3,349.00	\$3,651.00	\$266.15	\$290.43
Non-Resident	\$7,078.00	\$7,547.00	\$577.15	\$615.43
	Semester Full-Time Fee ¹		Part-Time, Four-Week and Eight-Week Intersessions Per-Credit-Hour Fee ²	
	<u>2006-07</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2007-08</u>
Graduate				
Resident	\$3,518.00	\$3,835.00	\$368.15	\$401.43
Non-Resident	\$7,577.00	\$8,079.00	\$819.15	\$873.43

	Semester Full-Time Fee ¹		Part-Time, Four-Week and Eight-Week Intersessions Per-Credit-Hour Fee ²	
	<u>2006-07</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2007-08</u>
Master in Business Administration (MBA)				
<i>Evening and part-time students</i>				
Resident	\$4,068.00	\$4,434.00	\$429.15	\$468.43
Non-Resident	\$9,046.00	\$9,643.00	\$982.15	\$1,046.43
Master of Arts in Diplomacy and International Commerce				
Master of Science in Physician Assistant Studies				
Resident	\$3,690.00	\$4,022.00	\$387.15	\$422.43
Non-Resident	\$7,753.00	\$8,266.00	\$838.15	\$893.43
Master of Science in Radiological Medical Physics				
Master of Science in Health Physics				
(College of Health Sciences, Division of Radiation Sciences)				
Resident	\$4,095.00	\$4,464.00	\$432.15	\$471.43
Non-Resident	\$8,156.00	\$8,695.00	\$883.15	\$941.43
Law				
Resident	\$6,421.00	\$6,999.00	\$623.15	\$679.43
Non-Resident	\$11,636.00	\$12,402.00	\$1,145.15	\$1,219.43
Pharm. D.				
<i>Students - entering classes of fall 2005, 2006 and 2007</i>				
Resident	\$8,154.00	\$8,888.00	\$667.15	\$727.43
Non-Resident	\$15,530.00	\$16,549.00	\$1,281.15	\$1,365.43
<i>Other returning students</i>				
Resident	\$6,745.00	\$7,352.00	\$549.15	\$599.43
Non-Resident	\$13,832.00	\$14,740.00	\$1,140.15	\$1,214.43
Professional Doctoral (includes clinical doctorates in Nursing and Public Health)				
Resident	\$4,587.00	\$5,000.00	\$487.15	\$530.43
Non-Resident	\$10,470.00	\$11,160.00	\$1,140.15	\$1,215.43

Annual
Full-Time Fee
Effective July 2007
2006-07 2007-08

Medicine³ *

Students - entering class of fall 2004 and earlier

Resident	\$20,746.00	\$21,973.00	-	-
Non-Resident	\$40,528.00	\$42,742.00	-	-

Students - entering class of fall 2005

Resident	\$21,312.00	\$23,457.00	-	-
Non-Resident	\$41,322.00	\$44,660.00	-	-

Students - entering class of fall 2006

Resident	\$21,312.00	\$23,604.00	-	-
Non-Resident	\$41,322.00	\$44,907.00	-	-

Students - entering class of fall 2007

Resident	-	\$23,752.00	-	-
Non-Resident	-	\$45,155.00	-	-
-	-	-	-	-

* As a pilot program, beginning with fall 2007, the College of Medicine tuition and mandatory fee rates are 'locked in' for each entering class cohort. The rates will not change while students are enrolled in the program.

Dentistry⁴

Students - entering classes of fall 2005, 2006 and 2007

Resident	\$19,534.00	\$21,274.00	-	-
Non-Resident	\$42,114.00	\$44,854.00	-	-

Other returning students

Resident	\$19,018.00	\$20,710.00	-	-
Non-Resident	\$41,388.00	\$44,082.00	-	-

Master in Business Administration (MBA)

Full-time students in the "Day" Program

Resident	\$7,552.00	\$8,212.00		
Non-Resident	\$15,678.00	\$16,700.00		

Doctorate of Physical Therapy

Resident	\$11,286.00	\$12,470.00		
Non-Resident	\$25,993.00	\$27,870.00		

NOTES:

¹A full-time load is at least 12 credit hours for undergraduate and pharmacy students, 9 hours for graduate and professional doctoral students, and 10 hours for law students.

²Part-time students and four-week and eight-week intersession students are charged on a per-credit hour basis.

³A half-time tuition and fee rate of \$12,357 for resident students and \$23,059 for non-residents is established for those medical students who have been approved by the College of Medicine Student Progress and Promotion Committee to take a reduced curriculum load.

⁴A half-time tuition rate of \$11,118 for resident students and \$22,908 for non-resident students is established for those dental students who have been approved by the Dean of the College of Dentistry to take a reduced curriculum load.

Background: At its December 13, 2005 meeting, the University of Kentucky Board of Trustees approved the Top 20 Business Plan, designed to provide the financial and capital framework for moving the institution toward Top 20 status by 2020 as mandated by the Kentucky General Assembly. The Plan indicates that the investments needed include faculty and staff salary and wage increases, additional faculty lines, a staff enhancement pool, and increased operating expenses.

The 2006 Kentucky General Assembly fully funded the Top 20 Business Plan in 2007-08. In accordance with the Plan, a 9 percent tuition and mandatory fee increase for resident undergraduate students is recommended. This increase would generate an estimated \$16.5 million of additional tuition revenue in 2007-08. The proposed increases were presented at a forum open to the entire campus community on January 16, 2007.

On November 27, 2006, the Council on Postsecondary Education established parameters for tuition and mandatory fees for each public college and university. The parameters set the maximum increase in undergraduate, resident rates and a minimum increase in undergraduate nonresident rates. UK is permitted to increase its resident undergraduate rates by 9 percent. UK's nonresident undergraduate rates must be at least 1.75 times the resident undergraduate rates.

The proposed tuition and mandatory fees are in compliance with the Council's parameters.

The above rates include mandatory fees for most full-time students totaling \$397 per semester. These fees reflect a \$33.00 increase per semester, or 9 percent. The funds will be used to cover increased costs primarily related to the student center and student health services. The increase in the technology fee (included in the mandatory fees) will provide students access to the entire Microsoft Office suite of applications at no additional charge. Students enrolled in Medicine, Dentistry, MBA ("Day Program"), and the Doctorate of Physical Therapy will be charged mandatory fees totaling \$481 per semester as they are provided year-round health services. Mandatory fees are charged to all students enrolled on the Lexington Campus and at the Medical Center in accordance with their status as full-time or part-time students. Students taking all of their courses at off-campus locations outside of Fayette County and its contiguous counties may have the

fees waived. However, if a student who is eligible for this waiver wants to participate in any activity supported by these fees, the student must pay the total mandatory fee. Students enrolled at the Bluegrass Community and Technical College have the opportunity to selectively choose services from the list of mandatory fees.

Action taken: Approved Disapproved Other _____

UHCR 1

Office of the President
January 23, 2007

Members, Board of Trustees:

KENTUCKY MEDICAL SERVICES FOUNDATION, INC. ("KMSF") APPROVAL
OF AMENDED AND RESTATED BY-LAWS AND RESTATED ARTICLES OF
INCORPORATION

Recommendation: that the Board of Trustees approve the Amended and Restated By-Laws of KMSF set forth at Exhibit A attached hereto, and the Restated Articles of Incorporation of KMSF set forth at Exhibit B, attached hereto, to be filed and implemented by KMSF upon KMSF obtaining such approvals from the Internal Revenue Service (IRS) as legal counsel to KMSF deem appropriate.

Background: KMSF is a not-for-profit support organization of the university that, for many years, has functioned as the Faculty Practice Organization for the College of Medicine. Recently, the structure and operations of KMSF has been analyzed by a renowned consultant with a view toward improving the ability of KMSF to function as a modern Faculty Practice Organization. An ad hoc committee was appointed to draft by-laws and articles that would serve as the documentary bases to implement the recommendations. The by-laws developed were reviewed with the COM faculty for comment and revised accordingly. Restated Articles of Incorporation were then drafted to implement the new by-laws. The resulting documents are set forth at Exhibits A and B, respectively (collectively, the "Documents"). The documents were approved by the KMSF Board of Directors on December 15, 2006, subject to approval by BOT of the university.

The new documents are substantially revised form the current KMSF articles and by-laws. Accordingly, to protect KMSF's tax exempt status, legal counsel has recommended obtaining approval from the IRS prior to final implementation. The principal changes include an expanded Board of Directors; substantially expanded committee structure and responsibilities; modernization to current practice and terminology and name change to a name more descriptive of function. Adoption and implementation of the Documents will enable KMSF to support better the University's clinical and educational missions.

Action taken: Approved Disapproved Other Withdrawn

EXHIBIT A

AMENDED AND RESTATED BY-LAWS
OF
UK MEDICAL GROUP, INC.
AS OF _____

ARTICLE I.
NAME, DEFINITIONS AND REGISTERED AGENT

1. **Name.** The name of the corporation is UK Medical Group, Inc. (the “Corporation”). The Corporation was formerly named Kentucky Medical Services Foundation, Inc.

2. **Definitions.** The following terms shall have the meanings set forth below when used in these By-laws.

a. “Advisory Directors” shall mean the persons holding certain positions within UK’s College of Medicine who are to serve in an advisory capacity to the Board of Directors pursuant to Article IV, paragraph 3.a.i. and the Outside Directors, if any, appointed pursuant to Article IV, paragraph 8.b.

b. “Articles of Incorporation” shall mean the Corporation’s articles of incorporation on file with the Kentucky Secretary of State.

c. “Board of Directors” shall mean the board of directors of the Corporation.

d. “By-laws” shall mean the by-laws of the Corporation.

e. “Clinical Department” shall mean a clinical department of UK’s College of Medicine.

f. “Clinical Department Chair” shall mean the person serving as chair or acting chair of a Clinical Department pursuant to an appointment by the UK Board of Trustees.

g. “Code” shall mean the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

h. “Corporation” shall have the meaning provided in Article I, paragraph 1.

i. “Dean” shall mean the person serving as the dean or acting dean of the UK College of Medicine pursuant to an appointment by the UK Board of Trustees.

j. "Designated Location" shall mean the location designated by the President of the Corporation from time to time at which regular meetings of the Board of Directors are to be held. The Designated Location will be communicated in such a manner that the Members of the Board of Directors will have a reasonable opportunity to know the location of each regular meeting of the Board of Directors.

k. "Elected Faculty Directors" shall mean the Faculty At-Large Directors and the Practice Area Faculty Directors.

l. "Ex-Officio Voting Directors" shall mean the persons holding certain positions within UK's College of Medicine who are to serve as Members of the Board of Directors pursuant to Article IV, paragraph 2.a.

m. "Executive Director for Business Operations" shall mean the person appointed in such capacity pursuant to Article VI, paragraph 4.a.

n. "Eligible Faculty" shall mean all the Eligible Members of the Faculty.

o. "Eligible Member of the Faculty" shall mean a physician who has a full-time UK College of Medicine faculty appointment and who has assigned his or her clinical income to the Corporation pursuant to an agreement signed by the Corporation.

p. "Faculty At-Large Directors" shall mean the Eligible Members of the Faculty who are to serve as Members of the Board of Directors pursuant to Article IV, paragraph 2.c.

q. "Members of the Board of Directors" shall mean the persons who are to serve as members of the Board of Directors of the Corporation pursuant to Article IV, paragraph 2.

r. "Other Advisory Committees" shall mean any committee or committees the President of the Corporation may establish pursuant to Article XIII, paragraph 2 from time to time; provided, however, none of the Standing Committees shall be considered to be "Other Advisory Committees".

s. "Outside Directors" shall mean the person(s) who are to serve as either a Member of the Board of Directors pursuant to Article IV, paragraph 8.a. or as an Advisory Director pursuant to Article IV, paragraph 8.b.

t. "Practice Area Faculty Directors" shall mean the Eligible Members of the Faculty who are to serve as Members of the Board of Directors of the Corporation pursuant to Article IV, paragraph 2.b.

u. "Practice Areas" means the following four (4) practice areas: (i) medical specialty; (ii) surgical services; (iii) primary care; and, (iv) hospital based.

v. “Requesting Party” shall mean (a) an Eligible Member of the Faculty who receives a judgment or directive or feels injured by policies and procedures of his/her Clinical Department or the Board of Directors of the Corporation or (b) a Clinical Department Chair who believes the Clinical Department has been injured by a policy or procedure of the Corporation.

w. “Standing Committees” shall mean the standing committees referenced in Article XIII, paragraph 1.

x. “UK” shall mean the University of Kentucky.

y. “UK Healthcare” shall mean UK’s healthcare delivery system including the patient care programs of the colleges of the UK Medical Center and education and research activities related to such patient care programs.

3. Interpretation Generally. In these By-laws, unless a clear contrary intention appears:

a. the definition of terms herein shall apply equally to the singular and plural forms of the terms defined;

b. any pronoun shall include the corresponding masculine, feminine and neuter forms;

c. “herein,” “hereafter,” and words of similar import shall be deemed references to the By-laws as a whole and not to any particular Article, paragraph or other provision of the By-laws;

d. the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;

e. “or” is used in the inclusive sense of “and/or”;

f. reference to a paragraph means the indicated numerical paragraph of the By-laws and reference to “Article” means a portion of the By-laws designated as an Article;

g. the definitions will be applied at the applicable time so that, by way of example, a reference to the holder of a particular position means the holder of that position at the applicable time; and,

h. headings in these By-laws are inserted for convenience only and do not constitute a part of these By-laws.

4. Registered Office; Registered Agent. The Corporation shall maintain a registered office and registered agent in Kentucky in accordance with the applicable requirements of Chapter 273 of the Kentucky Revised Statutes. The Board of Directors

may change the name of the registered agent and/or address of the registered office at any time(s) the Board of Directors desires.

ARTICLE II. OBJECTIVES AND PURPOSES

The Corporation is a support organization for UK. The purposes for which the Corporation is organized are:

1. **Primary Purpose.** To coordinate and develop superior patient care in a group practice setting within the academic environment of UK Healthcare while supporting UK Healthcare's missions of teaching, research and service.
2. **Related Purpose.** In furtherance of the purposes stated in this Article II, paragraph 1, to use and apply the whole or any part of income and principal exclusively for charitable, scientific or educational purposes at or for the benefit of UK Healthcare.

ARTICLE III. MEMBERSHIP

The Corporation shall have no members.

ARTICLE IV. DIRECTORS

1. **Management and Directors.** The affairs of the Corporation shall be conducted and managed by the Board of Directors. Except as otherwise provided by applicable law, the Articles of Incorporation or these By-laws, the Board of Directors may make decisions and take actions by either of the following:

a. **Vote at Meeting.** The affirmative vote of a majority (or such greater number as may be required by these By-laws or law in any particular instance) of the Members of the Board of Directors present at a duly called and held meeting of the Board of Directors shall constitute the action of the Board of Directors.

b. **Consent without a Meeting.** The written consent (or counterparts of a consent) signed by each of the Members of the Board of Directors in a writing setting forth the action to be taken shall constitute the action of the Board of Directors. Such consent shall have the same force and effect as a unanimous vote at a duly called and held meeting of the Board of Directors.

2. **Members of the Board of Directors.** Except as hereafter otherwise provided, the Members of the Board of Directors shall consist of the following:

a. **Ex-Officio Voting Directors.** The President of the Corporation and each Clinical Department Chair shall be Members of the Board of Directors. The Ex-Officio Voting Directors shall be voting members of the Board of Directors. Except as

provided in Article VI, paragraph 2, and in the immediately following sentence, a person who serves as an Ex-Officio Voting Director shall hold such membership on the Board of Directors by virtue of his/her position with UK's College of Medicine, and shall not require the election, designation, approval or consent of the Board of Directors to serve as an Ex-Officio Voting Director. Provided, however, to increase the likelihood of a quorum being in attendance at all meetings of the Board of Directors and to maximize representation of all Clinical Departments, the following provisions shall be applicable to each Ex-Officio Voting Director other than the President of the Corporation: (i) each such Ex-Officio Voting Director shall designate an alternate by e-mail or otherwise in writing to the Executive Director (which designation may be amended from time to time as determined by the Ex-Officio Voting Director by making another designation), (ii) if such Ex-Officio Voting Director is not present at a meeting of the Board of Directors but the designated alternate is present then, effective at the beginning of such meeting, the Ex-Officio Voting Director shall be deemed to have been removed as a Member of the Board of Directors and the designated alternate shall be deemed to be a Member of the Board of Directors, (iii) upon adjournment of any meeting at which a designated alternate served as a Member of the Board of Directors pursuant to this sentence the designated alternate shall be deemed to have been removed as a Member of the Board of Directors and the applicable Ex-Officio Voting Director shall again be deemed to be a Member of the Board of Directors and (iv) in the event a meeting is continued until a later time rather than adjourned such continuance shall not constitute an adjournment.

b. Practice Area Faculty Directors. Following (but not before) the initial election of Practice Area Faculty Directors pursuant to Article IV, paragraph 4.b., the Members of the Board of Directors shall include four (4) Eligible Members of the Faculty elected by the Eligible Faculty as provided in Article IV, paragraphs 4 and 6. The Practice Area Faculty Directors shall be voting members of the Board of Directors.

c. Faculty At-Large Directors. Following (but not before) the initial election of Faculty At-Large Directors pursuant to Article IV, paragraph 5.a., the Members of the Board of Directors shall include two (2) Eligible Members of the Faculty elected by the Eligible Faculty as provided in Article IV, paragraphs 5 and 6. The Faculty At-Large Directors shall be voting members of the Board of Directors.

d. Outside Directors. The Outside Directors, if any, who have voting rights pursuant to Article IV, paragraph 8, shall be Members of the Board of Directors and shall be voting members of the Board of Directors.

3. Advisory Directors. This paragraph 3 pertains solely to Advisory Directors.

a. Advisory Director Membership. The Advisory Directors shall have no voting rights and shall consist of the following persons:

i. Ex-Officio. The Executive Vice President for Health Affairs for UK Healthcare, UK's Vice-President of Medical Center Operations, the Chief Medical Officer for UK Healthcare, the Chief

Financial Officer for UK Healthcare and the Associate Dean for Administration and Finance of the UK College of Medicine shall be ex-officio Advisory Directors. A person who serves as an ex-officio Advisory Director shall hold such membership on the Board of Directors by virtue of his/her position with UK Healthcare or the UK College of Medicine, and shall not require the election, designation, approval or consent of the Board of Directors to serve as an ex-officio Advisory Director.

ii. *Outside Directors.* The Outside Directors, if any, who do not have voting rights pursuant to Article IV, paragraph 8 shall be Advisory Directors.

b. *Role and Rights.* The Advisory Directors shall serve in an advisory capacity to the Board of Directors and shall have the right to attend or participate in all meetings of the Board of Directors. The Advisory Directors (a) shall not have the right to vote, (b) shall not be considered in determining whether a quorum is present, and (c) shall not be required for unanimous consent in the taking of an action pursuant to Article IV, paragraph 1.b.

c. *Vacancy of Advisory Directors.* The vacancy of an Advisory Director (other than any Advisory Director who is also Outside Director) shall be filled only as set forth in the Articles of Incorporation or as provided herein. The failure to fill such Advisory Director position shall not be deemed a default under the terms of the Articles of Incorporation or these By-laws, and the Board of Directors shall continue to operate as if such Advisory Director position did not exist. Positions of Advisory Directors (other than Advisory Directors who are also Outside Directors) shall be considered filled when the UK Board of Trustees appoints a regular or acting appointment and shall be filled by such appointed individuals until relieved by resignation, death or termination of appointment.

4. Practice Area Faculty Directors. This paragraph 4 pertains solely to the Practice Area Faculty Directors.

a. *Assignment to Practice Areas.* Each Member of the Eligible Faculty will be assigned to one (but not more than one) of the four (4) Practice Areas. Such assignments shall initially be made in accordance with the criteria established by the President of the Corporation and such criteria established by the President of the Corporation shall apply with respect to the initial election of Practice Area Faculty Directors. Such assignments shall thereafter be made in accordance with the criteria established by the Board of Directors from time to time and such criteria established by the Board of Directors shall apply with respect to elections of Practice Area Faculty Directors other than the initial election of Practice Area Faculty Directors.

b. *Election of Initial Practice Area Faculty Directors.* As soon as is reasonably practicable after the election of the two (2) initial Faculty At-Large Directors pursuant to Article IV, paragraph 5.a., a Practice Area Faculty Director shall be elected

from each of the four (4) Practice Areas. The initial election of Practice Area Faculty Directors pursuant to Article IV, paragraph 4.b., shall be conducted in accordance with the methodology established by the Board of Directors for purposes of such election except only Eligible Members of the Faculty from each Practice Area will be eligible to vote for the initial Practice Area Faculty Director from that Practice Area. The initial Practice Area Faculty Directors from two (2) of the Practice Areas shall have terms ending at the end of the day on June 30 of the third calendar year following the calendar year in which such election was completed. The initial Practice Area Faculty Directors from the other two (2) Practices Areas shall have terms ending at the end of the day on June 30 of the fourth calendar year following the calendar year in which such election was completed. With respect to the two (2) immediately preceding sentences, the Board of Directors shall determine (either before, during or after the election) which of the two (2) Practice Areas shall be represented by Practice Area Faculty Directors with terms ending on June 30 of the third calendar year following the calendar year in which such election was completed and which of the two (2) Practice Areas shall be represented by Practice Area Faculty Directors with terms ending on June 30 of the fourth calendar year following the calendar year in which such election was completed. Subject to Article IV, paragraph 7, each initial Practice Area Faculty Director shall serve until the expiration of his/her term as provided in this paragraph 4.b. and thereafter until the successor to his/her Practice Area Faculty Director position is duly elected and qualified pursuant to Article IV, paragraph 6.

c. 3-Year Terms. Except for the initial Practice Area Faculty Directors elected as provided for in part b. of this paragraph 4 and subject to Article IV, paragraph 7, Practice Area Faculty Directors shall be elected for terms of three (3) years and shall serve until their successors are duly elected and qualified. Subject to Article IV, paragraph 7, the term of each Practice Area Faculty Director shall end on June 30 of the year in which his or her applicable term is to expire unless the successor for that position has not then been qualified in which event the Practice Area Faculty Director in that position shall continue to serve until his or her successor has been duly elected and qualified pursuant to Article IV, paragraph 6.

5. Faculty At-Large Directors. This paragraph 5 pertains solely to the Faculty At-Large Directors.

a. Election of Initial Faculty At-Large Directors. As soon as is reasonably practicable after these By-laws become effective, two (2) Eligible Members of the Faculty shall be elected as Faculty At-Large Directors. The initial election of Faculty At-Large Directors pursuant to Article IV, paragraph 5.a., shall be conducted in accordance with the methodology established by the Board of Directors for purposes of such election except only Eligible Members of the Faculty will be eligible to vote for the initial Faculty At-Large Directors. The initial Faculty At-Large Directors shall have terms ending at the end of the day on June 30 of the fifth calendar year immediately following the calendar year in which such election was completed. Subject to Article IV, paragraph 7, each initial Faculty At-Large Director shall serve until the expiration of his/her term as provided in the immediately preceding sentence and thereafter until the

successor to his/her Faculty At-Large position is duly elected and qualified pursuant to Article IV, paragraph 6.

b. 3-Year Terms. Except for the initial Faculty At-Large Directors elected as provided for in Article IV, paragraph 5.a. and subject to Article IV, paragraph 7, Faculty At-Large Directors shall be elected for terms of three (3) years and shall serve until their successors are duly elected and qualified. Subject to Article IV, paragraph 7, the term of each Faculty At-Large Director shall end on June 30 of the year in which his or her applicable term is to expire unless the successor for that position has not then been qualified in which event the Faculty At-Large Director in that position shall continue to serve until his or her successor has been duly elected and qualified pursuant to Article IV, paragraph 6.

6. Election Process for Practice Area Faculty Directors and Faculty At-Large Directors. The process for the election of the Practice Area Faculty Directors and the Faculty At-Large Directors shall be governed by the following (except the provisions of this Article IV, paragraph 6, shall not apply to the election of the initial Practice Area Faculty Directors who shall be elected as provided in Article IV, paragraph 4.b., and the initial Faculty At-Large Directors who shall be elected as provided in Article IV, paragraph 5.a.):

a. Modification of Election Process. The Board of Directors shall be entitled to establish and modify the process for the election of Practice Area Faculty Directors and Faculty At-Large Directors from time to time, although no such process or modification shall be directly contradictory to any express provision of this Article IV;

b. Modification of Time Periods. The President of the Corporation may change the time periods governing the notice provisions or hold an election of Faculty At-Large Directors at any meeting called by the President of the Corporation; and

c. Election Process. Subject to possible changes as provided in Article IV, paragraph 6.a. and paragraph 6.b. above, the election process shall be as follows:

i. Nominating and Governance Committee Candidates. With respect to the election of Faculty At-Large Directors, the Nominating and Governance Committee will nominate four (4) Eligible Members of the Faculty for the two (2) positions to be elected and present such nominations to the President of the Corporation no later than forty-five (45) days (or such other period as the President of the Corporation may determine) prior to the end of the term of the Faculty At-Large Directors holding such positions. With respect to the election of Practice Area Faculty Directors, the Nominating and Governance Committee will nominate two (2) Eligible Members of the Faculty from each Practice Area for which an election is to be held and present such nominations to the President of the Corporation no later than forty-five (45) days (or such

other period as the President of the Corporation may determine) prior to the end of the term of the Practice Area Faculty Directors holding such positions. The President of the Corporation shall cause the Eligible Members of the Faculty to be notified of any nominations pursuant to this paragraph 6.c.i.

ii. *Petition Candidates.* Except as hereafter otherwise provided, any additional Eligible Members of the Faculty may be nominated by written petition signed by not less than ten (10) Eligible Members of the Faculty (which may include the person so nominated) and delivered to the President of the Corporation at least thirty (30) days (or such other period as the President of the Corporation may determine) prior to the end of the term of the Faculty At-Large Directors or Practice Area Faculty Directors holding such positions. Provided, however, a person shall not be eligible to be nominated as a Practice Area Faculty Director unless he or she is then assigned to the Practice Area with respect to which the nomination is applicable.

iii. *Voting for Faculty At-Large Directors.* The President of the Corporation shall cause ballots containing the names of the nominees for Faculty At-Large Directors to be sent (by e-mail or as otherwise determined by the President of the Corporation) to the Eligible Faculty. Each Eligible Member of the Faculty will be entitled to vote for up to two (2) of the nominees for Faculty At-Large Directors (but no other person) by returning the ballot in the time and manner specified by the President of the Corporation and no person or entity other than Eligible Members of the Faculty shall be entitled to vote for Faculty At-Large Directors.

iv. *Voting for Practice Area Faculty Directors.* With respect to each Practice Area Faculty Director to be elected, the President of the Corporation shall cause ballots containing the names of the nominees for such Practice Area Faculty Director to be sent (by e-mail or as otherwise determined by the President of the Corporation) to each Eligible Member of the Faculty then assigned to the Practice Area with respect to which the election is to be held. Each Eligible Member of the Faculty assigned to a Practice Area will be entitled to vote for the Practice Area Faculty Member from that Practice Area and no person or entity other than Eligible Members of the Faculty assigned to a Practice Area shall be entitled to vote for the Practice Area Faculty Director from that Practice Area. Thus, by way of example, the Eligible Members of the Faculty assigned to the medical specialty Practice Area will be the only persons entitled to vote for a Practice Area Faculty Director from such Practice Area.

v. *Election.* With respect to the election of a Practice Area Faculty Director, the nominee obtaining the most votes (whether or not

constituting a majority) from the applicable Practice Area shall be deemed to be elected. With respect to the election of Faculty At-Large Directors, the two (2) nominees receiving the most votes (whether or not constituting a majority) shall be deemed to be elected. In the event of a tie that prevents the identification of a winner, the Board of Directors shall determine which of the persons so tied shall be deemed to be elected.

vi. *Insufficient Duly Elected and Qualified Successors.* Whenever there are more Faculty At-Large Directors with expiring terms than there are duly elected and qualified successor Faculty At-Large Directors, the Board of Directors shall determine which expiring Faculty At-Large Director position shall be filled by the duly elected and qualified successor and which expiring Faculty At-Large Director position shall continue to be filled by the current Faculty At-Large Director with an expiring term.

7. Removal or Resignation of Elected Faculty Directors; Vacancies of Elected Faculty Directors.

a. *Automatic Removal.* Any Elected Faculty Director shall be deemed automatically removed as a Faculty At-Large Director or Practice Area Faculty Director at the time such Elected Faculty Director ceases to be an Eligible Member of the Faculty. The provisions of Article IV, paragraph 2.a., and Article VI, paragraph 2, are applicable to the deemed removal and replacement of Ex-Officio Voting Directors and designated alternates. Even though an Ex-Officio Voting Director may not be removed for failure to attend or the failure of his or her designated alternate to attend meetings of the Board of Directors, attendance is very important and it is expected that each Ex-Officio Voting Director or his or her designated alternate will attend a minimum of seventy-five percent (75%) of the meetings of the Board of Directors in each calendar year.

b. *Recharacterization.* Any reassignment of a Practice Area Faculty Director to a different Practice Area shall not affect his or her ability to serve the balance of his or her term as a Practice Area Faculty Director.

c. *Removal by Vote.* Any Elected Faculty Director may be removed as a Faculty At-Large Director or Practice Area Faculty Director by the vote of not less than seventy-five percent (75%) of the Board of Directors present at any special meeting of the Board of Directors duly called and held to consider the removal of such Elected Faculty Director. While the Board of Directors has discretion about when and whether to remove any Elected Faculty Director (subject to the provisions of the immediately preceding sentence), attendance at meetings of the Board of Directors is very important and it is expected that each Elected Faculty Director will attend a minimum of seventy-five percent (75%) of the meetings of the Board of Directors in each calendar year; accordingly, the Board of Directors should but is not obligated to consider whether an Elected Faculty Director who does not meet that expectation should be removed.

d. Resignation of Elected Faculty Directors. Any Practice Area Faculty Director or any Faculty At-Large Director may resign from the Board of Directors of the Corporation at any time by giving written notice to the President of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. If any Elected Faculty Director becomes an Ex-Officio Voting Director, he or she shall be deemed to have resigned as a Practice Area Faculty Director or Faculty At-Large Director, as the case may be, at the time he or she became an Ex-Officio Voting Director.

e. Vacancy of Elected Faculty Directors. Whenever a vacancy occurs with respect to any Practice Area Faculty Director or Faculty At-Large Director, whether as a result of the death, resignation, removal, refusal to serve, ineligibility (as a result of no longer being an Eligible Member of the Faculty or otherwise), inability to serve, or otherwise, the Board of Directors, as promptly as possible following the occurrence of such vacancy, shall elect and designate a successor who is an Eligible Member of the Faculty. Subject to Article IV, paragraphs 7.a., 7.c. and 7.d., such successor shall hold office as a Faculty At-Large Director or Practice Area Faculty Director, as the case may be, until an election is held to fill such vacancy, which election shall be held within a reasonable time and otherwise in accordance with the provisions of Article IV, paragraph 6. Provided, however, in the event the remaining portion of the term of the vacant Elected Faculty Director is less than six (6) months, no election shall be required or held. Any vacancy or vacancies that may be filled by the Board of Directors may be filled by a majority of the remaining Board of Directors even though such majority constitutes less than a quorum of the Board of Directors.

8. Outside Directors. The Board of Directors may but shall not be required to appoint one (1), two (2) or three (3) additional persons (who may or may not be associated with UK) to serve on the Board of Directors. There may be no more than three (3) Outside Directors at any one time. At the time of the appointment of an Outside Director, the Board of Directors shall determine whether the person appointed as an Outside Director will (a) have voting rights and be a Member of the Board of Directors or (b) have no voting rights and be an Advisory Director.

a. Voting Rights. If the Board of Directors designates an Outside Director as having voting rights then such person shall be a Member of the Board of Directors and have voting rights.

b. No Voting Rights. If the Board of Directors designates an Outside Director as having no voting rights or does not make any designation regarding voting rights then such Outside Director shall be an Advisory Director and have no voting rights.

Each Outside Director may be removed at any time, with or without cause, by the Board of Directors. An Outside Director may resign from the Board of Directors of the Corporation at any time by giving written notice to the President of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The removal, resignation or death of an Outside Director

shall not be construed as creating a vacancy on the Board of Directors and the Board of Directors may but shall not be required to appoint a replacement or another person to serve as an Outside Director.

9. Disqualified Members of the Board of Directors as defined by IRS.

Notwithstanding anything in these By-laws to the contrary, if at any time fifty percent (50%) or more of the voting power of the Board of Directors is in the hands of individuals who are disqualified persons, as defined in Section 509(a)(3)(C) and Section 4946 of the Code, then as many positions on the Board of Directors shall immediately and automatically become vacant as is necessary to give voting control to other than disqualified persons. Among several disqualified directors, those Members of the Board of Directors who are Outside Directors, if any, shall be removed first followed next by those Members of the Board of Directors who are Faculty At-Large Directors and then followed by those Members of the Board of Directors who are Practice Area Faculty Directors and finally followed by those Members of the Board of Directors who are Ex-Officio Voting Directors. If the positions of less than all of any such class of Members of the Board of Directors need to be vacated, then those with the shortest remaining terms shall be vacated first. If a person serving as an Ex-Officio Voting Director must be removed, the Board of Directors (excluding such Ex-Officio Voting Director) shall appoint a successor for that vacancy.

10. Vacancy of Ex-Officio Voting Directors. The vacancy of an Ex-Officio Voting Director shall be filled only as set forth in the Articles of Incorporation or as provided herein. The failure to fill such Ex-Officio Voting Director position shall not be deemed a default under the terms of the Articles of Incorporation or these By-laws, and the Board of Directors shall continue to operate as if such Ex-Officio Voting Director position did not exist and the size of the Board of Directors was reduced accordingly during such vacancy. Positions of Ex-Officio Voting Directors shall be considered filled when the UK Board of Trustees appoints a regular or acting appointment and shall be filled by such appointed individuals until relieved by resignation, death or termination of appointment. Notwithstanding the foregoing, in the event of a conflict between Article IV, paragraph 9 and Article IV, paragraph 10, the provisions of Article IV, paragraph 9 shall govern.

ARTICLE V.
MEETINGS AND QUORUM

1. Monthly Meetings. The Board of Directors shall hold regular monthly meetings. The regular monthly meetings will be held at the Designated Location at 12:00 noon on the third Friday of each month unless (a) rescheduled by the President of the Corporation, Secretary of the Corporation or Executive Director for Business Operations and (b) written notice has been provided to each Member of the Board of Directors at least three (3) days before the date of such rescheduled meeting. Such written notice shall state the date, the time and the place of such rescheduled meeting and shall be hand delivered or sent to each Member of the Board of Directors by e-mail, facsimile or mail to the address in the records of the Corporation. No notice of any regular meeting to be held at the Designated Location on the third Friday of any month shall be required to be

given to any person. Notwithstanding anything contained herein to the contrary, the majority of the Board of Directors present at any duly called and held meeting of the Board of Directors may amend these By-laws so as to change the time, frequency, or place of such regular meetings.

2. **Special Meetings.** Special meetings may be called at any time by the President of the Corporation or any five (5) Members of the Board of Directors. The President of the Corporation, Secretary of the Corporation or Executive Director for Business Operations shall provide written notice to each Member of the Board of Directors at least eight (8) hours before the time of any special meeting, provided, however, if such notice is mailed then such notice will be provided at least three (3) business days before the time of any special meeting. Such written notice shall state the date, the time and the place of such meeting and shall be hand delivered or sent to each Member of the Board of Directors by e-mail, facsimile or mail to the address in the records of the Corporation.

3. **Waiver of Notice.** Members of the Board of Directors may waive notice of any rescheduled regular meeting or special meeting, and attendance of a Member of the Board of Directors shall constitute a waiver of such notice of such meeting, except where such Member of the Board of Directors attends such meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4. **Advisory Directors.** The Advisory Directors shall not be considered to be “Members of the Board of Directors” or “directors” (as used in Chapter 273 of the Kentucky Revised Statutes), and the Advisory Directors will not be (a) counted in determining whether a quorum is present, (b) permitted to vote or (c) required to consent to any action taken pursuant to Article IV, paragraph 1.b. or pursuant to any provision of Kentucky law which permits action to be taken by the unanimous consent of all directors. The Corporation, however, shall use reasonable efforts to provide the Advisory Directors with a copy of notices of meetings of the Board of Directors sent to Members of the Board of Directors. No meeting shall be invalid based on the failure of any such Advisory Director to be provided with notice.

5. **Quorum.** A quorum for the transaction of business at all meetings of the Board of Directors shall consist of a majority of the Board of Directors who are entitled to vote except as otherwise provided in the By-laws.

6. **Voting.** With the exception of Advisory Directors who shall have no vote, each Member of the Board of Directors shall be entitled to one (1) vote at each meeting and must be present in person to vote except as otherwise herein provided or allowed in any specific instance by the Board of Directors.

7. **Majority Vote for Actions of the Board of Directors.** In the event a quorum is present, a majority vote of the Board of Directors present shall constitute the act of the Board of Directors except as herein otherwise specifically stated herein or in the Articles of Incorporation.

ARTICLE VI.
OFFICERS

1. **Officers.** The officers of the Corporation shall be a President, a Vice-President, a Secretary, a Treasurer and any additional officers appointed by the Board of Directors pursuant to Article VI, paragraph 4.

2. **President.** The President of the Corporation shall be the Dean if the Dean is a physician. In the event the Dean is not a physician, then the Dean will nominate a physician who is an employee of UK to serve as the President of the Corporation and a Member of the Board. The Board of Directors must approve such nomination by the vote of at least a two-thirds (2/3) majority of the Members of the Board of Directors present at the regular or special meeting at which such matter is considered. If the required vote is not obtained then the Dean will nominate another physician who is an employee of UK to serve as the President of the Corporation and a Member of the Board and such process will continue until the Board of Directors has approved such a nomination by the vote of at least a two-thirds (2/3) majority of the Members of the Board of Directors present at the regular or special meeting at which such matter is considered. Any person, other than the Dean, who is serving as President of the Corporation shall immediately be removed if (a) the person serving as Dean is a physician, (b) the Board of Directors elect to remove such person as President of the Corporation, (c) the Dean elects to remove such person as President of the Corporation or (d) such person discontinues being an employee of UK. If a person serving as President of the Corporation is removed, resigns, dies or otherwise ceases to serve as President of the Corporation, then the process for appointing a President of the Corporation addressed in the four preceding sentences will be utilized to select a new President of the Corporation unless the Dean is a physician in which case the Dean will be President of the Corporation. The President of the Corporation shall preside at meetings of the Board of Directors and act as chair of the Board of Directors, performing such duties as custom and parliamentary procedure require. The President of the Corporation shall exercise such other authority and carry out such duties as may be authorized by the Board of Directors. The President of the Corporation shall conduct all meetings of the Board of Directors in the manner prescribed in The Standard Code of Parliamentary Procedure by Alice Sturgis. The President of the Corporation may cause the Corporation to schedule, call and hold meetings of Eligible Faculty from time to time for the purpose of informing Eligible Faculty of matters relating to the Corporation and its purposes.

3. **Elected Officers.** The Board of Directors shall elect from its membership a Vice-President, Secretary and Treasurer. Each elected officer shall serve a term of office of one (1) year (but without limitation on terms) and shall serve until a successor is duly elected and qualified. Any elected officer may be removed from office, with or without cause, by the Board of Directors. A vacancy in any office arising from any cause may be filled by the Board of Directors from its members for the unexpired portion of the term. The offices of the Secretary of the Corporation and Treasurer of the Corporation may be held by the same person.

a. *Vice-President.* The Vice-President of the Corporation shall preside at the meetings of the Board of Directors in the absence of the President of the Corporation and shall carry out all the required duties of the President of the Corporation in the absence of the President of the Corporation. The Vice President shall be the acting President of the Corporation in the event the Dean has not been appointed by the UK Board of Trustees in a regular or acting appointment and at any other times there is not a President of the Corporation. While serving as acting President, the Vice-President shall have all powers of the President.

b. *Secretary.* The Secretary of the Corporation shall have responsibility for preparing minutes of meetings of the Board of Directors and for authenticating records of the Corporation. The Secretary of the Corporation shall perform such other record keeping duties as is customary and as the Board of Directors shall require.

c. *Treasurer.* The Treasurer of the Corporation will, following the review and approval of the Board of Directors, establish bank accounts in the name of the Corporation, review procedures used to safeguard the assets of the Corporation, authorize the investment in securities or the sale of assets and arrange for an annual audit of the books of the Corporation. The Treasurer of the Corporation or other person or persons authorized by the Board of Directors will countersign checks drawn on the Corporation for amounts in excess of an amount to be fixed by the Board of Directors.

d. *Elected Officers must be a Member of the Board of Directors.* A person may serve as an elected officer only during the period such person is a Member of the Board of Directors.

4. Appointed Officers and Staff.

a. *Executive Director for Business Operations.* The Board of Directors shall have the power to appoint and remove at any time or times an Executive Director for Business Operations who, if appointed, shall serve at their pleasure at a salary level established by the Board of Directors. The Executive Director for Business Operations need not be a Member of the Board of Directors. If appointed, the Executive Director for Business Operations shall:

- i. be responsible for the administrative and financial affairs and business operation of the Corporation;
- ii. consult with the legal and tax counsel of the Corporation;
- iii. represent the Corporation in civic activities as required;
- iv. annually submit a budget and any supporting materials forming an operational plan for the following year;

v. if requested by the President of the Corporation, submit progress reports on the implementation of the operational plan at any regular or special meeting of the Board of Directors;

vi. be responsible for the distribution of the minutes of all meetings of the Board of Directors to the Board of Directors and the Advisory Directors; and

vii. perform any other functions and duties required by the Board of Directors.

The Executive Director for Business Operations may be assisted in discharging these duties by other subordinate staff as may be approved by the Board of Directors. The Executive Director for Business Operations will be an invitee to all regular and special meetings of the Board of Directors except as the Board of Directors may otherwise determine from time to time. No meeting shall be invalid based on the failure of the Board of Directors to invite the Executive Director for Business Operations to such meeting.

b. *Additional Staff.* The Board of Directors shall authorize and appoint such other officers, agents and employees as it may deem proper with such powers and to perform such acts or duties on behalf of the Corporation as the Board of Directors may see fit, so far as may be consistent with the Articles of Incorporation, the By-laws, all applicable laws and in keeping with any agreements between the Corporation and UK.

5. **Duties.** The officers of the Corporation shall have such other duties (in addition to those specified above) as may be provided in the By-laws as well as additional duties assigned by the Board of Directors from time to time.

ARTICLE VII. COMPENSATION

Except for Outside Directors receiving compensation pursuant to the last sentence of this Article VII, the Board of Directors, Advisory Directors, President of the Corporation, Vice-President of the Corporation, Secretary of the Corporation, Treasurer of the Corporation or Eligible Members of the Faculty serving on committees shall receive no compensation for their services to the Corporation, but may receive reimbursement for reasonable expenses incurred in conducting the business of the Corporation. The Board of Directors, in their discretion, may compensate any one or more of the Outside Directors for serving as an Outside Director.

ARTICLE VIII. AUDIT

The books of this Corporation shall be open at all times to audit by representatives designated by the Treasurer of UK. Such books shall be audited at least annually by an

auditor appointed by the Board of Directors and duly qualified to render an opinion relative to the financial statements of the Corporation in accordance with generally accepted accounting principles consistently applied.

ARTICLE IX. PROHIBITED ACTIVITIES

Notwithstanding any other provision of these By-laws, no director, officer, employee, agent or representative of this Corporation shall take any action or carry on any activity on behalf of the Corporation, or permit the Corporation to take any action or carry on any activity not permitted to be taken or carried on by (a) an organization exempt under Section 501(c)(3) of the Code, (b) by an organization contributions to which are deductible under Section 170(c)(2) of such Code or (c) an organization defined as a private foundation under Section 509(a)(3) of the Code. Further, no Member of the Board of Directors, officer, employee, agent or representative of this Corporation shall take any action or carry on any activity which would cause the Corporation to be engaged in the corporate practice of medicine.

ARTICLE X. DISTRIBUTION OF INCOME, BUDGETS

1. **Distribution of Income from Professional Services.** Income from professional services will be allocated to each of the following matters and any excess income remaining after such allocations shall be used as determined by the Board of Directors in accordance with the purposes of the Corporation as provided in Article II.

a. *Administration Expenses.* Costs of administration and other expenses of the Corporation and its activities.

b. *Reimbursements.* Reimbursement of UK expenses attendant to production of professional income if and to the extent agreed by UK and the Corporation.

c. *College of Medicine Academic Enrichment Fund.* College of Medicine academic enrichment fund for use in support of programs of the College of Medicine, and related purposes, as may be determined by the Dean, with the amount and basis for calculation to be agreed upon by the Dean and Corporation from time to time. This fund shall be subject to annual audit by the Corporation and is subject to annual negotiation between the Corporation and the Dean.

d. *Reserves.* Departmental, section, division or other reserves as determined by the Board of Directors.

2. **Department/Divisional Annual Budgets.** Departmental/divisional annual budgets will be reviewed in detail by the Executive Director for Business Operations or designee. The overall expected earnings vs. expected expenses budget of each Clinical Department must be approved by the Board of Directors. In no instance shall a projected

budget which proposes to expend more than the available assets plus reasonable calculated anticipated annual earnings be approved by the Board of Directors.

ARTICLE XI. APPEAL AND HEARINGS

1. Grievances and Policy Matters. The Board of Directors shall receive, hear and pass judgment on grievances and matters of policy. The Board of Directors shall act as the final board of appeal for all intradepartmental practice plan grievances. The Board of Directors shall hear interdepartmental grievances only as they effect or as they are affected by the policies and procedures of the Corporation. An appeal to the Board of Directors is the exclusive remedy for such grievances and matters. The Board of Directors shall not receive, hear or pass judgment on matters that are the responsibility of UK as defined in the UK Board of Trustees “Resolution Regarding Medical Practice Plan” of Tuesday, June 20, 1978 (III. B. Conditions applicable to contractual arrangement for Administration, 4), as amended. Nor shall they receive or hear matters that are the responsibility of the UK hospital and its medical staff as defined in by-laws of either the UK medical staff or the UK hospital.

2. Grievance Process. A Requesting Party must first avail himself/herself of all grievance procedures available to him/her in his/her Clinical Departmental plan. If the Requesting Party’s grievance is not satisfied within the Clinical Department or if the Clinical Department feels that only the Corporation has the capability of resolving the grievance, the grievance may then be appealed to the Board of Directors.

3. Notification of Grievance. The Requesting Party must request a hearing before the Board of Directors in writing within ninety (90) days of the later of (a) the date the Requesting Party first becomes entitled to request such a hearing or (b) the date the Requesting Party first becomes aware of the factual basis for requesting such a hearing. This request for a hearing shall specifically delineate the reasons for the request for a hearing and, if applicable, the findings and judgments of the Clinical Department grievance procedure. A Requesting Party shall have no opportunity for a hearing before the Board of Directors (or any other remedy) if such Requesting Party fails to timely request a hearing.

4. Hearings. Within fifteen (15) business days of receipt of a request for a hearing from a Requesting Party, the President of the Corporation shall appoint three (3) Members of the Board of Directors to investigate the request for a hearing, the grievance of the Requesting Party. This committee of three (3) shall prepare and forward to the Board of Directors a written report of their findings within thirty (30) business days of their appointment.

a. **Hearing Procedures.** The President of the Corporation shall call a full meeting of the Board of Directors within sixty (60) business days of the receipt of the request of a hearing. The following procedures shall be observed in any hearing held.

i. **Closed Hearing.** The hearing shall be closed.

ii. *Counsel to Requesting Party.* The Requesting Party may be present and may be represented by counsel.

iii. *Counsel to Corporation.* The Corporation may be represented by counsel who may sit with the Board of Directors as hearing officer to make decisions on procedures and to advise the Board of Directors but not to vote on the substantive merits of the request.

iv. *Evidence and Witnesses.* The Requesting Party and the Corporation may call witnesses and introduce evidence.

v. *Witnesses.* The witnesses, other than the Requesting Party, shall be separated, and allowed into the hearing only to be called to testify. After testifying such witness shall leave the hearing.

vi. *Time Limits.* The President of the Corporation may set time limits for each witness' testimony and for counsel's arguments and presentations.

vii. *Transcript.* A transcript or recording of the hearing shall be made at the expense of the Corporation.

b. *Notification of Decision; No Appeal.* Following the hearing, the Board of Directors shall confer together in private with the hearing officer, if any, and determine what action shall be taken. Decisions of the Board of Directors are final and may not be appealed. The Corporation shall, within seven (7) business days of completion of the hearing, provide written notice to the Requesting Party and any other persons determined by the Board of Directors of the decision of the Corporation.

ARTICLE XII. **CONTRACTS, LOANS, CHECKS AND DEPOSITS**

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract and to execute and deliver any instrument in the name of or on behalf of the Corporation, and such authority may be general or confined to the specific instances.

2. Loans and Indebtedness. No loan shall be contracted on behalf of the Corporation and no evidence of an indebtedness for borrowed money shall be issued in its name except on the authorization of the Board of Directors.

3. Checks, Drafts and Deposits. Checks, drafts and deposits of funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select. All checks or other orders for the payment of money, notes or other evidence of indebtedness, issued in the name of the Corporation, shall be signed by such

officer or officer or agent or agents of the Corporation in such manner as shall from time to time be determined by resolution of the Board of Directors.

ARTICLE XIII **COMMITTEES**

1. Standing Committees.

a. *Establishment of Standing Committees.* The Board of Directors shall establish the following standing committees: (i) an Audit Committee, (ii) a Clinical Practice and Management Committee, (iii) a Compliance Committee, (iv) a Finance Committee, (v) a Managed Care and Contracting Committee, and (vi) a Nominating and Governance Committee. All Standing Committees shall report to the Board of Directors.

b. *Membership of Standing Committees.* All members of all Standing Committees must be employees of UK or the Corporation. Members of the Standing Committees appointed during the calendar year in which these By-laws are adopted shall have terms ending at the end of the day on the first June 30th which follows the appointment by at least one year. Members of the Standing Committees appointed after the calendar year in which these By-laws are adopted shall have terms ending at the end of the day on the first June 30th following the effective date of their appointment. Except as otherwise provided in these By-laws, the members of all Standing Committees shall serve until the end of their term, and thereafter until their successors have been duly elected or appointed, as applicable.

The Board of Directors shall decide the number and identity of the members for each Standing Committee, except that (i) each Standing Committee shall have as members at least two (2) Eligible Members of the Faculty who are not Members of the Board of Directors, (ii) the Audit Committee and the Compliance Committee each shall include at least four (4) Members of the Board of Directors, which shall include at least one (1) of the officers of the Corporation referenced in Article VI, paragraph 1, (iii) the Finance Committee, the Nominating and Governance Committee, the Clinical Practice and Management Committee and the Managed Care and Contracting Committee shall include at least three (3) Members of the Board of Directors, and (iv) the chairperson of each of the Standing Committees appointed pursuant to Article XIII, paragraph 1.c., shall be a member of the Standing Committee he or she chairs. In appointing any member of any Standing Committee, the Board of Directors should consider the likelihood that the person to be appointed will regularly attend meetings or otherwise actively participate in committee activities.

c. *Chairpersons of Standing Committees.* With respect to vacancies as to the chairperson of any Standing Committee other than the Nominating and Governance Committee, the Nominating and Governance Committee will nominate an Eligible Member of the Faculty to serve as chair of such Standing Committee. The Board of Directors may approve or reject each such nomination. If the Board of Directors approves such a nomination, the person so nominated and approved will serve for a term designated by the Board of Directors (or if the Board of Directors fails to designate a

term then for a term contemporaneous with the terms of the other members of the Standing Committee) and thereafter until his or her successor is elected and qualified. If the Board of Directors rejects such a nomination of the Nominating and Governance Committee, then the Nominating and Governance Committee will nominate an additional person and such process shall continue until the Board of Directors has approved a nominee of the Nominating and Governance Committee to serve as chairperson of the subject committee. The chair of the Nominating and Governance Committee shall be elected by the Board of Directors. Notwithstanding the foregoing, (a) a chair of any Standing Committee may be removed by the Board of Directors at any time and (b) a chair of any Standing Committee who ceases being an Eligible Member of the Faculty shall automatically be removed as a chair of the Standing Committee. In the event of a vacancy in the chair of any Standing Committee, the President may designate a successor to serve until the next regular meeting of the Board of Directors. The chairperson of each Standing Committee shall, if present, preside at all meetings of that Standing Committee.

d. *Functions of Standing Committees.* The Standing Committees shall perform the following functions:

i. *Audit Committee.* The Audit Committee shall assist the Board of Directors in fulfilling its oversight responsibilities regarding the Corporation's systems of internal controls by reviewing financial information and practices and exercising responsibilities for the audit process. The Audit Committee shall seek to monitor and protect the Corporation's status as a 501(c)(3) corporation, avoid conduct which would result in the imposition of penalties or sanctions against the Corporation or any UK faculty member relating to the Corporation's 501(c)(3) status and provide for compliance with all governmental requirements relating to such status. The Audit Committee shall work with outside auditors and make recommendations to the Board of Directors as to what firm should serve as outside auditor. The Audit Committee may also make recommendations to the Board of Directors relative to the disclosure of conflicts of interest by Board of Directors and officers of the Corporation. The Audit Committee shall also analyze and make recommendations to the Board of Directors as to such other matters as the Board of Directors may from time to time request. The Corporation desires that a sense of urgency and importance exist relative to all compliance related matters; accordingly, the Audit Committee should promptly report any concerns or needs for support to the Board of Directors.

ii. *Clinical Practice and Management Committee.* The Clinical Practice and Management Committee shall (a) monitor performance of the UK Healthcare faculty practice as it relates to patient access, patient satisfaction, clinical practice efficiency and billing and charge capture processes, (b) review and make recommendations regarding the use by physicians of clinical practice space by UK Healthcare, (c) review and make recommendations regarding Kentucky

Clinic's management, staff, budget and operations and (d) otherwise provide advice and make recommendations to the Board of Directors and UK Healthcare regarding clinical practice management of UK physicians, quality of care, access to care and similar matters. To the extent reasonably practicable, any recommendations of the Clinical Practice and Management Committee (including recommendations related to surveillance, audit, benchmarking and similar matters) should be based upon available data or supporting documentation. The Clinical Practice and Management Committee shall also analyze and make recommendations to the Board of Directors as to such other matters as the Board of Directors may from time to time request.

iii. *Compliance Committee.* The Compliance Committee will seek to monitor and provide for compliance with (i) all applicable governmental (whether federal, state or local) requirements (including all applicable laws, regulations, ordinances, orders and other requirements) relating to billing, documentation, refunds and other matters with respect to payment for services and items provided and the obligations (of the Corporation and providers for which or whom the Corporation collects or administers funds) to payors relating to such matters and (ii) all other designated (by the President of the Corporation or Board of Directors) governmental (whether federal, state or local) requirements (including all applicable laws, regulations, ordinances, orders and other requirements). The Compliance Committee shall also analyze and make recommendations to the Board of Directors as to such other matters as the Board of Directors may from time to time request. The Corporation desires that a sense of urgency and importance exists relative to all compliance related matters; accordingly, the Compliance Committee should promptly report any concerns or needs for support to the Board of Directors. The Board of Directors shall use its best efforts to be available to promptly address any concerns of or promptly receive any reports from the Compliance Committee or any compliance officer of UK or the Corporation, and the Board of Directors shall, whenever requested by any UK Healthcare compliance officer, invite the appropriate UK Healthcare compliance officer or other appropriate UK representatives to meetings of the Board of Directors and whenever appropriate call special meetings of the Board of Directors to address concerns of the Compliance Committee or any compliance officer of UK or the Corporation.

iv. *Finance Committee.* The Finance Committee shall (a) monitor the efficiency of the billing practices of the corporation, (b) make budgetary recommendations to the Board of Directors, (c) review and make recommendations to the Board of Directors regarding overhead, allocations for HMO or other shared revenue and matters related to policies for exemption from or reduction of the Corporation's charges and (d) otherwise assist the Board of Directors in fulfilling its oversight responsibilities regarding the Corporation's financial operations,

reviewing financial information and exercising responsibility for the investing, budgeting and financial reporting processes. The Finance Committee shall also analyze and make recommendations to the Board of Directors as to such other matters as the Board of Directors may from time to time request.

v. *Managed Care and Contracting Committee.* The Managed Care and Contracting Committee shall provide advice and make recommendations to the Board of Directors and UK Healthcare regarding (a) managed and contracted care and (b) community based practices and other outreach activities of any Eligible Member of the Faculty. The Managed Care and Contracting Committee shall serve as the organizational structure to assist in developing and implementing managed or contracted care and community based practice and outreach initiatives or strategies. The Managed Care and Contracting Committee shall review all managed care contracts for financial and operational impact on the Corporation and UK Healthcare, and shall review the responsibilities of the Corporation under the provisions of each proposed contract in advance and determine the Corporation's ability to carry out the provisions of the contract. The Managed Care and Contracting Committee shall work closely and cooperatively with UK Healthcare committees, groups, or individuals that deal with issues related to managed and contracted care. The Managed Care and Contracting Committee shall also analyze and make recommendations to the Board of Directors as to such other matters as the Board of Directors may from time to time request.

vi. *Nominating and Governance Committee.* When requested by the President of the Corporation or required by these By-laws, the Nominating and Governance Committee shall provide a list of nominees with respect to any vacancies. The Nominating and Governance Committee also shall review the Corporation's Articles of Incorporation, By-laws, and other Corporation documents as appropriate and make recommendations for changes as appropriate. The Nominating and Governance Committee shall also analyze and make recommendations to the Board of Directors as to such other matters as the Board of Directors may from time to time request.

e. *Meetings and Reports.*

i. *Committee Meetings.* Regular meetings of each Standing Committee will be held at such times, dates and places as determined by the Standing Committee. Each Standing Committee shall have at least one (1) meeting each calendar quarter and report to the Board of Directors at least once each fiscal year. Each of the Standing Committees shall also meet from time to time on call of the chairperson or any two (2) or more other members of that Standing Committee. No notice shall be required for regular meetings to the extent held at a time, date and place previously

determined by the Standing Committee. With respect to other meetings or rescheduled regular meetings, written notice stating the place, day and time, shall be hand delivered or sent to each committee member by e-mail, facsimile or mail to the address in the records of the Corporation. No notice of the time or place of any meeting of any Standing Committee need to be given to any member who attends in person or who either before or after the holding of such meeting waives such notice. No notice need be given of an adjourned meeting of any Standing Committee. Meetings of the Standing Committee may be held at such place or places as determined by the chairperson; provided, however, no meetings shall be held outside Fayette County, Kentucky, unless approved by the Standing Committee and the President of the Corporation. Where appropriate communication facilities are reasonably available, any member of any Standing Committee shall have the right to participate in all or any part of the meeting by means of teleconference or any other means of communication by which all persons participating in the meeting are able to hear each other.

ii. *Committee Reports.* Each Standing Committee shall report to the Board of Directors at any regular or special meeting of the Board of Directors as determined appropriate by the Standing Committee or its Chair.

f. *Removal and Replacement.*

i. *Committee Vacancies.* Each member of each Standing Committee shall serve until the earlier of the end of his or her term (and thereafter until his or her successor is elected and qualified), the date he or she is no longer an employee of UK or the Corporation or the time he or she dies, resigns, is removed, refuses to serve, becomes ineligible to serve, is unable to serve, or is eliminated for any other cause. Whenever a vacancy occurs with respect to a member of any Standing Committee for any such reason, the President of the Corporation, as promptly as possible following the occurrence of such vacancy, shall appoint a successor whose term of service on the committee shall end at the next regular meeting of the Board of Directors, at which time the Board of Directors shall elect and designate a successor. If a member of a Standing Committee is a Member of the Board of Directors and ceases being a Member of the Board of Directors, but continues being an employee at UK, such member may continue (subject to the will of the Board of Directors) to serve on the Standing Committee unless a change is required to ensure that there are sufficient Members of the Board of Directors and Eligible Members of the Faculty on such Standing Committee.

ii. *Elimination, Reduction in Size or Removal.* The Board of Directors may eliminate, reduce the size of or remove any person as a member of any Standing Committee at any time, with or without cause.

The Board of Directors may increase the size of any committee at any time.

iii. *Resignation from Committee.* Any member of any Standing Committee may resign from the Standing Committee at any time by giving written notice to the President of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

2. **Advisory Committees.** The Board of Directors may create or terminate any Other Advisory Committees from time to time (and the Board of Directors or, if authorized by the Board of Directors, the President of the Corporation may add to, eliminate, reduce or change such Other Advisory Committees from time to time) to address such matters as the Board of Directors or President of the Corporation determines appropriate. With respect to the Other Advisory Committees contemplated by this paragraph 2, the Board of Directors or, if authorized by the Board of Directors, the President of the Corporation may (a) either appoint the entire committee or may appoint a chairperson or chairpersons and permit the chairperson or chairpersons to form the committee or (b) remove any or all members at any time or times. These Other Advisory Committees will report directly to the Board of Directors. Members of the Other Advisory Committees are not required to be Members of the Board of Directors of the Corporation. Any member of any Other Advisory Committee may resign from the Other Advisory Committee at any time by giving written notice to the President of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Notwithstanding anything in these By-laws to the contrary, the term "Other Advisory Committees" does not include any of the Standing Committees.

3. **Conduct of Business; Quorum; Voting.** Each committee may determine procedural rules for meeting and conducting its business to the extent not inconsistent with the By-laws or applicable law. A majority of the members shall constitute a quorum unless the committee shall consist of one (1) or two (2) members, in which event all (one or both, as the case may be) members shall constitute a quorum; and all matters shall be determined by a majority vote of the members present. Actions may be taken by any committee without a meeting if all members consent in writing, and the writing or writings are filed with the minutes of the proceedings of the committee.

4. **Support for Committees.** The Corporation's legal counsel or accountants may serve, when requested, as staff to reasonably assist the committees contemplated by this Article XIII. The Corporation shall provide such other requested staff support to the committees as may be reasonable and appropriate.

ARTICLE XIV. **AMENDMENTS**

Except as herein provided, these By-laws may be amended, altered, or repealed only by either (a) unanimous consent of the Board of Directors pursuant to Article IV, paragraph 1.b. or (b) the vote of at least a two-thirds (2/3) majority of the Board of Directors present at any duly held regular or special meeting of the Board of Directors in which written notice has been provided to each Member of the Board of Directors at least three (3) days before the date of such meeting. Such written notice shall state the date, the time and the place of such meeting, shall state that the purpose of such meeting is to consider changing the By-laws at such meeting and the written notice shall be hand delivered or sent to each Member of the Board of Directors by e-mail, facsimile or mail to the address in the records of the Corporation.

LEX 010348/006842/3446578.15

EXHIBIT B

**RESTATED ARTICLES OF INCORPORATION
OF
UK MEDICAL GROUP, INC.
(f/k/a Kentucky Medical Services Foundation, Inc.)**

Pursuant to the provisions of Section 273.273 of the Kentucky Revised Statutes, the undersigned corporation hereby executes these Restated Articles of Incorporation:

(A) Restated Articles of Incorporation: The Articles of Incorporation of the corporation are restated to read in their entirety as follows:

ARTICLE I

Name

The name of the corporation is: “UK Medical Group, Inc.”
(The corporation was formerly named Kentucky Medical Services Foundation, Inc.)

ARTICLE II

Purposes

The purposes for which the corporation is organized are:

(1) **Primary Purpose**. To coordinate and develop superior patient care in a group practice setting within the academic environment of UK Healthcare while supporting UK Healthcare’s missions of teaching, research and service. “UK Healthcare” means the University of Kentucky’s healthcare delivery system including the patient care programs of the colleges of the University of Kentucky’s Medical Center and the education and research activities related to such patient care programs.

(2) **Related Purpose**. In furtherance of the purposes stated in this Article II, paragraph 1, to use and apply the whole or any part of income and principal exclusively for charitable, scientific or educational purposes at or for the benefit of UK Healthcare.

ARTICLE III

Restrictions

This corporation is not organized for profit, and no part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, any member,

director, officer or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Restated Articles of Incorporation, the corporation shall not conduct, except to an insubstantial degree, engage in any activities or exercise any powers that are not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") (or corresponding provision of any future United States Internal Revenue Law), Further, in the event the corporation shall be classified as a private foundation as defined in Section 509 of the Code, the corporation shall be subject to the restrictions, limitations, and conditions set forth in Kentucky Revised Statutes 273.400 et seq.

ARTICLE IV **Dissolution**

In the event of the dissolution of the corporation, the Board of Directors shall cause the assets of the corporation 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 the University of Kentucky or its successor, shall qualify as a public corporation and an instrumentality of the Commonwealth of Kentucky or as an exempt organization under Section 501(c)(3) of the Code and Regulations (or corresponding provision of any future United States Internal Revenue Law); and if the University of Kentucky 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 Code and Regulations (or corresponding provision of any future United States Internal Revenue Law).

ARTICLE V **Members**

The corporation shall have no members.

ARTICLE VI

Stock

The corporation shall not have or issue shares of stock.

ARTICLE VII **Directors**

(1) **Number of Directors; Identity of Directors.** The affairs and business of the corporation shall be conducted by a Board of Directors. The number of directors shall be fixed in accordance with the corporation's by-laws, but shall include not less than three (3) persons. The identity of the directors at any time will be determined in accordance with the corporation's by-laws.

(2) **Removal of Directors.** A director may be removed from office in as follows:

(i) *University of Kentucky ("UK") Position.* A director who is a member of the Board of Directors as a result of a position he or she holds with the University of Kentucky ("Ex-Officio Voting Director") will cease being a member of the Board of Directors at the time he or she no longer holds that position.

(ii) *Designated Alternate of Ex-Officio Voting Director.* The by-laws of the corporation contemplate that certain Ex-Officio Voting Directors shall each designate an alternate individual (the "Designated Alternate") for the purpose of attending meetings of the Board of Directors if such Ex-Officio Voting Director cannot attend. If an Ex-Officio Voting Director is not present at a meeting of the Board of Directors but his or her Designated Alternate is present then, effective at the beginning of such meeting, the Ex-Officio Voting Director shall be deemed to have been removed as a member of the Board of Directors and the Designated Alternate shall be deemed to be a member of the Board of Directors. Upon adjournment of any meeting at which a Designated Alternate served as a member of the Board of Directors pursuant to the immediately preceding sentence, the Designated Alternate shall be deemed to have been removed as a member of the Board of Directors and the applicable Ex-Officio Voting Director shall again be deemed to be a member of the Board of Directors; provided, however, in the event a meeting is continued until a later time rather than adjourned such continuance shall not constitute an adjournment.

(iii) *Eligible Member of the Faculty.* Any Eligible Member of the Faculty serving as a member of the Board of Directors as a result of being elected by other Eligible Members of the Faculty in accordance with the procedures set forth in the by-laws, as such procedures may be amended from time to time, (a) shall be deemed to be automatically removed as a member of the Board of Directors if he or she ceases to be

an Eligible Member of the Faculty or (b) may be removed by the vote of not less than 75% of the Board of Directors present at any special meeting of the Board of Directors duly called and held to consider the removal of such elected faculty director. The term “Eligible Member of the Faculty” means a physician who has a full-time UK College of Medicine faculty appointment and who has assigned his or her clinical income to the corporation pursuant to an agreement signed by the corporation.

(iv) *Member Elected by Board of Directors.* Any person elected as a member of the Board of Directors by the vote of the Board of Directors may be removed at any time by the vote of a majority of the members of the Board of Directors.

(v) *Non-Physician Dean.* The President of the corporation is automatically deemed to be a member of the Board of Directors. The person serving as the dean or acting dean of the UK College of Medicine (the “Dean”) is automatically deemed the President of the corporation (and thus a member of the Board of Directors) unless such individual is not a physician. The by-laws address who will serve as President if the Dean is not a physician. Any person, other than the Dean, who is serving as President of the corporation shall immediately be removed as President (and automatically deemed removed as a member of the Board of Directors) if (a) the person serving as Dean is a physician, (b) the Board of Directors elect to remove such person as President of the corporation, (c) the Dean elects to remove such person as President of the Corporation or (d) such person ceases being an employee of UK.

In addition, a director may be removed from office in accordance with any other procedures set forth in the by-laws as such procedures may be amended from time to time.

ARTICLE VIII

Limitation of Director Liability

The liability of each and all of the directors of the corporation shall be and is hereby limited to the greatest extent permitted by law and no director shall be personally liable to the corporation for monetary damages for breach of his duties as a director except for the following (which exceptions shall be construed as narrowly as legally permissible):

(1) For any transaction in which the director’s personal financial interest is in conflict with the financial interests of the corporation;

(2) For acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law; or

(3) For any transaction from which the director derived an improper personal benefit.

If the Kentucky Revised Statutes are amended after approval of this article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be deemed to be eliminated or limited by this provision to the fullest extent then permitted by the Kentucky Revised Statutes, as so amended. Any repeal or modification of this article shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

(B) The foregoing Restated Articles of Incorporation correctly set forth the provisions of the Articles of Incorporation as heretofore amended, have been duly adopted as required by law, and supersede the original Articles of Incorporation and all amendments thereto.

IN WITNESS WHEREOF, the undersigned, an authorized officer of the corporation, has duly executed these Restated Articles of Incorporation this ____ day of _____, 200__.

UK MEDICAL GROUP, INC.
(f/k/a Kentucky Medical Services
Foundation, Inc.)

BY: _____

ITS: _____

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF FAYETTE)

Subscribed, sworn to and acknowledged before me by _____
_____, on behalf of UK Medical Group, Inc. (f/k/a
Kentucky Medical Services Foundation, a Kentucky nonprofit nonstock corporation, on
this _____ day of _____, 200__.

My commission expires: _____

NOTARY PUBLIC

Prepared by:

R. David Lester
STOLL KEENON OGDEN PLLC
300 W. Vine Street, Suite 2100
Lexington, KY 40507-1801

UHCR 2

Office of the President
January 23, 2007

Members, Board of Trustees:

UK CHANDLER HOSPITAL CERTIFICATE OF NEED

Recommendation: that the Board of Trustees approve the submission of an application for a certificate of need (CON) for up to 192 additional beds for the UK Chandler Hospital to the Cabinet for Health and Family Services Division of Certificate of Need.

Background: The granting of additional hospital beds is governed by the Commonwealth of Kentucky's CON application process. The UK Chandler Hospital is currently licensed for 473 beds, which does not include the recent CON approval for an additional 16 neonatal intensive care beds. The UK Chandler Hospital has experienced substantial growth over the last three years with discharges at record levels up 30 percent from 2003 through 2006. Additionally, the hospital is expected to exceed the current FY 2007 target of 26,200 discharges. With the substantial growth in discharges, occupancy levels have continued to rise and are currently greater than 84 percent. Growth is projected to continue to increase with significant planned investments in faculty recruitment, strategic initiatives and capital. Of the 192 beds, it is currently contemplated that approximately one-third will be intensive care beds and the remainder will be general medical/surgical beds. A portion of this increased capacity may be designated for pediatric care.

Initially, a combination of the original UK Chandler Hospital and the new hospital project, currently under way as authorized by the Kentucky General Assembly, will accommodate the additional beds that will be requested. In the long term, the addition of two patient bed floors to the top of the new facility will allow the total number of licensed beds, including the additional beds requested, to be housed in the new facility and the Critical Care Tower. This will allow for the original hospital to be razed and make way for the next phase of the master facilities plan.

Legislative authority for additional fit up of the new facility will be sought as part of the university's capital request to the 2008 Kentucky General Assembly. An analysis to estimate the authority needed to complete additional fit up of the facility is under way. From the initiation of the project, the university has anticipated and advised the Board, state officials, and the legislature that additional authority would be required in 2008 to allow for further completion of the shelled space in a Phase 1 B.

Action taken: Approved Disapproved Other _____