

AGENDA

**Meeting of the Board of Trustees
University of Kentucky
1:00 P.M.
October 24, 2000**

Invocation

Roll Call

Approval of Minutes - (Consent)

President's Report and Action Items

- PR 1 President's Report to the Trustees
 - A. Paducah Engineering Program
- PR 2 Personnel Actions
- PR 3 Central Administration
 - A. Proposed Amendment to the Governing Regulations - (Consent)
- PR 4 Community College System (No items to report)
- PR 5 Lexington Campus
 - A. Establishment of Baccalaureate Degree Programs in Engineering at Extended Campus Site in Paducah, Kentucky - (Consent)
- PR 6 Medical Center
 - A. Establishment of a Center for Sensor Technology
 - B. Establishment of a Department of Rehabilitation Sciences
 - C. Establishment of a Women's Health Center

Finance Committee

- 1. Acceptance of Interim Financial Report for the University of Kentucky for the Three Months Ended September 30, 2000
- 2. Acceptance of the 2000 Annual Report and the Financial Statements of the University of Kentucky and Affiliated Corporations and Other Related Organizations for the Year Ended June 30, 2000
- 3. Disposal of Surplus Property
- 4. Report of Lease
- 5. Patent Assignment Report
- 6. Abercrombie Foundation Pledge
- 7. Anonymous Gift and Pledge
- 8. C. Michael Garver Pledge
- 9. Carl F. Pollard Gift and Pledge
- 10. Changing Name of Professorship in Chandler Medical Center
- 11. Chris T. Sullivan Pledge
- 12. David H. Kaufman Pledge

13. Development Dimensions International Pledge
14. Gifts to Create Carey Professorship
15. Jane I. Morris Estate Gift
16. John Edwin and Gwendolyn Gray Partington Estate Gift
17. Kathleen Strunk Gift
18. Lindemann Foundation Pledge
19. Lucille Caudill Little Pledge
20. Michael P. Thornton Pledge
21. Reese S. Terry, Jr. Pledge
22. S. J. "Sam" Whalen Pledge
23. Synapse, Ltd., Gift and Pledge
24. Toyota Motor Manufacturing North America, Inc., Pledge
25. A Resolution of the Board of Trustees of the University of Kentucky Authorizing the Issuance of Said Board's Housing and Dining System Revenue Bonds, Series R, to be Dated the First Day of the Month in Which Sold; Authorizing Proper Proceedings Relative to the Public Sale of the Bonds and the Disposition of the Proceeds Thereof; Authorizing Execution of a Tenth Supplemental Trust Indenture Between the Board and Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as Trustee, in Compliance with the Provisions of the Trust Indenture Dated June 1, 1965
26. Resolution of the Board of Trustees of the University of Kentucky Accepting the Successful Bid for the Purchase of \$29,870,000 Principal Amount of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series Q, Dated October 15, 2000 and Amending its Bond Resolution with Respect Thereto to Provide for the Issuance of Book-Entry Only Bonds and Redemption Prior to Maturity at Par

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, Tuesday, October 24, 2000.

The Board of Trustees of the University of Kentucky met at 1:00 p.m. (Lexington time) on Tuesday, October 24, 2000 in the Board Room on the 18th floor of Patterson Office Tower.

A. Meeting Opened

Billy Joe Miles, Chairperson, called the meeting to order at 1:00 p.m., and the invocation was pronounced by Jimmy Glenn.

B. Roll Call

The following members of the Board of Trustees answered the call of the roll: Governor Edward T. Breathitt, Mr. Paul W. Chellgren, Ms. Marianne Smith Edge, Mr. James Glenn III, Mr. Merwin Grayson, Mr. John "Jack" Guthrie, Dr. Loys L. Mather, Dr. Robert P. Meriwether, Mr. Billy Joe Miles (Chairman), Dr. Elissa Plattner, Mr. Steven S. Reed, Dr. Daniel R. Reedy, Ms. Marian Sims, Ms. Alice Sparks, Dr. W. Grady Stumbo, Ms. JoEtta Y. Wickliffe, Mr. Russell Williams and Ms. Elaine Wilson. Absent from the meeting were Mr. C. Frank Shoop and Mr. Billy B. Wilcoxson. The University administration was represented by President Charles T. Wethington, Jr.; Chancellors James W. Holsinger, and Elisabeth Zinser; Vice Presidents Fitzgerald Bramwell, Joseph T. Burch, Ben W. Carr, Edward A. Carter, George DeBin and Eugene Williams; Dr. Juanita Fleming, Special Assistant for Academic Affairs; and Mr. Richard E. Plymale, General Counsel.

Members of the various news media were also in attendance. A quorum being present, the Chairperson declared the meeting officially open for the conduct of business at 1:03 p.m.

C. Consent Agenda

Mr. Miles stated that there were three items on the consent agenda:

Approval of Minutes
Proposed Amendment to the Governing Regulations (PR 3A)
Establishment of Baccalaureate Degree Programs in Engineering at Extended
Campus Site in Paducah, Kentucky (PR 5A)

Ms. Sims moved approval of the Consent Agenda. The motion, seconded by Ms. Wilson, carried. (See PR 3A and PR 5A at the end of the Minutes.)

D. President's Report to the Board of Trustees (PR 1)

President Wethington asked that the Board read all of PR 1 at their leisure. He called particular attention to the following items in the report:

1. The College of Medicine researchers received a five-year, \$8.2 million grant from the National Institutes of Health to establish the Center of Biomedical Research Excellence in Women's Health.

2. The New York Metropolitan Opera has scheduled a district audition competition at Memorial Hall on Saturday, October 28th. Gail Robinson, an endowed chair holder, is credited with bringing this prestigious competition to campus for the first time.
3. The official groundbreaking ceremony for the Women's Cancer Facility was held earlier this month. The \$9.2 million facility will be a part of the McDowell Cancer Center and will focus particularly on women's health and women's cancer.
4. The Lucille Caudill Little Fine Arts Library and Learning Center opened in early October. There will be an official opening ceremony later in the semester when it is fully equipped.
5. The Max Kade German House, a residential facility on campus, is officially open and will house eight UK students each year in a completely German-speaking environment.
6. Harold Burson, the founder and chairman of the world-renowned Burson-Marsteller Public Relations of New York, was the speaker for the first James Bowling Executive-in-Residence Lecture series. Tommy Preston received the first University of Kentucky Lifetime Achievement Award for Public Relations.
7. Beginning in January 2001, UK's Survey Research Center will be the new headquarters for the National Network of State Polls (NNSP). The NNSP houses the world's largest collection of state-level survey data.
8. The Center on Drug and Alcohol Research received a \$2.19 million grant from the National Institute on Alcohol Abuse and Alcoholism.
9. Dean Leon Assael of the College of Dentistry has been named editor-in-chief of the *Journal of Oral and Maxillofacial Surgery* beginning in 2002.

President Wethington asked the members to read the other items in the report at their leisure.

E. Personnel Actions (PR 2)

President Wethington recommended that approval be given to the 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. Ms. Wilson moved approval. The motion, seconded by Mr. Reed, carried. (See PR 2 at the end of the Minutes.)

F. Establishment of a Center for Sensor Technology (PR 6A)

President Wethington stated that PR 6A is a recommendation that the Board of Trustees approve the establishment of a Center for Sensor Technology. He noted that the goals of the Center are (1) to develop new sensor technologies and instrumentation; (2) to train students,

postdoctoral fellows, and faculty in sensor-based methodology; (3) to formalize relationships with industry for development and production of new instrumentation; and (4) to serve as a technology center for the University of Kentucky and for the scientific community at large. Dr. Greg Gerhardt was recruited to this University and is in large measure responsible for working with the existing faculty and staff in putting together what will be a fine addition to the Medical Center. President Wethington stated that he was pleased to recommend PR 6A for approval.

Ms. Sparks moved approval. The motion, seconded by Dr. Reedy, passed. (See PR 6A at the end of the Minutes.)

Mr. Miles asked if this Center would be coordinated with any other department, such as Engineering. President Wethington call on Dr. Holsinger who stated that at this time the Center would deal with biological and biochemical sensors that work and deal with problems in the neuro system, the brain and the spinal cord. As it expands and grows in years to come, it is expected to work not only in biomedical engineering but also with chemical and electrical and the robotics center as well. President Wethington added that at this point it is a Medical Center effort and is assigned to the Chancellor of the Medical Center. If the Center broadens its scope and involves other units outside the Medical Center, it would be reassigned to the Vice President for Research and Graduate Studies.

G. Establishment of a Department of Rehabilitation Sciences (PR 6B)

President Wethington stated that PR 6B is a recommendation that the Board of Trustees approve the establishment of a Department for Rehabilitation Sciences in the College of Allied Health Professions. This proposal will combine Communications Disorders and Physical Therapy into one Department of Rehabilitation Services. He expressed his delight in recommending PR 6B for the Board's approval.

Ms. Edge moved approval. The motion, seconded by Ms. Wilson, carried. (See PR 6B at the end of the Minutes.)

H. Establishment of a Women's Health Center (PR 6C)

President Wethington stated that PR 6C is a recommendation that the Board of Trustees approve the establishment of a Women's Health Center. He noted that this Center is to advance the health, well-being, and self-esteem of women in Kentucky. This Center has been through the various approval processes inside the University of Kentucky and has been recommended by the Chancellor of the Medical Center as well as the University Senate. He stated his pleasure in recommending this important initiative to the Board.

Dr. Stumbo moved approval. The motion, seconded by Ms. Sims, passed. (See PR 6C at the end of the Minutes.)

I. Paducah Engineering Program (PR 1A)

President Wethington asked Chancellor Zinser to introduce Dean Tom Lester. Chancellor Zinser commented that PR 5A, which pertains to the establishment of a B.S degree in

Chemical Engineering and a B.S. degree in Mechanical Engineering at the extended campus in Paducah, is primarily designed to serve the Jackson Purchase Area of Western Kentucky. She added that the program in Paducah is a significant part of the University's mission to reach out across the state in engineering education.

Chancellor Zinser stated that Dean Lester is very outreach-oriented, very eager and able to form partnerships with other organizations and universities to promote engineering in the state of Kentucky. She expressed her appreciation for his leadership in the College of Engineering. She added that Dean Lester came to the University of Kentucky in July of 1990. His previous academic and professional experiences include professor and chair of Mechanical Engineering at Louisiana State University; professor of Nuclear Engineering at Kansas State University; an experimental engineer in compressor development for Pratt & Whitney Aircraft in Florida; and an engineer with the U.S. Environmental Protection Agency at the Research Triangle Park in North Carolina. His bachelor, master and doctoral degrees are all from Purdue University and all in Mechanical Engineering. He and twenty-five of his graduate students were recognized for excellence in combustion, pulverized coal, and the incineration of hazardous waste. He has achieved the award called the Ralph Teeter Award from the Society of Automotive Engineers. He has the Dow Young Faculty Award from the American Society of Engineering Education, and he has, on three different occasions, been a visiting scholar at the University of Karlsruhe in Germany.

Dean Lester received a round of applause from the Board of Trustees. Dean Lester and Associate Dean G. T. Lineberry gave the following report.

UK's Extended Engineering Education Initiative in Paducah
by
Thomas W. Lester, Dean of Engineering and
G.T. Lineberry, Associate Dean for Extended Campus Programs

UK's College of Engineering extended campus program in Paducah has proved to be an unqualified success. The planning for the extension of engineering education to the Far Western portion of Kentucky began more than a decade ago in the summer of 1990. President Wethington asked Graduate Dean Daniel Reedy, Engineering Dean Thomas Lester, Education Dean Edward Sagan, and Vice Chancellor of Research (Lexington Campus) Len Peters to visit not only Paducah, but also Madisonville and Owensboro, to ascertain the need for and the extent of public support for graduate education offerings in those communities. As a result of those visits, UK began offering extended campus graduate programs in engineering and education via compressed video in the spring of 1991.

Over the next three years, it became apparent that the need for engineering education in Paducah was even more critical than originally imagined. The potential closure of the Paducah Gaseous Diffusion Plant, a facility that produces nuclear reactor fuel and that employs up to 1,800 workers in relatively high paying positions, underscored the need for UK to expand its engineering offerings to include full-four-year undergraduate degrees in selected fields. Out of this need developed a public/private partnership of the Paducah community, the University of Kentucky, and the State of Kentucky that has resulted in perhaps the most unique extended campus engineering program in the nation.

Beginning in the fall semester 1997, UK's College of Engineering, in cooperation with Paducah Community College, Murray State University's Department of Engineering Physics and College of Technology, began offering course work leading to the Bachelor of Science degrees in chemical engineering and in mechanical engineering. From that point, the program has grown to the point that more than one hundred students are enrolled in engineering course work. An additional and approximately equal number of students are enrolled in pre-engineering course work, offered primarily through Paducah Community College. Surveys indicate that the enrollment in these programs has come from students who, in the main, would not have come to UK to major in engineering. Tracking surveys of College of Engineering enrollment from the largest dozen high schools in the Purchase Region indicate that the number of students attending UK's engineering programs from those high schools in both Paducah and in Lexington has more than doubled in four years. Four of the students have already completed all requirements for the bachelor's degree in mechanical engineering, and it is expected that the first two students will complete the requirements for the degree in chemical engineering in May 2001.

The two-degree programs, which are nearly identical to the programs on the Lexington Campus, are offered by a combination of on-site instruction and through electronic means. A contingent of eight full-time faculty, lead by Dr. William Murphy, Director of Extended Campus Engineering Programs in Paducah, has been recruited during the past three years and includes individuals with doctoral degrees in engineering from Purdue University, the University of Texas at Austin, Vanderbilt University, The University of Tennessee at Knoxville, The Ohio State University, and the University of Kentucky. These individuals have been hired in Special Title Series positions as faculty in the Departments of Chemical and Materials Engineering and Mechanical Engineering, and they are expected to devote themselves primarily to the undergraduate educational mission. Since they were hired to complement the Lexington Campus faculty, they are also providing specialized technical electives on the Lexington Campus through electronic means, and cooperating in research initiatives with their colleagues in Lexington. Five additional faculty members at Murray State University have been granted faculty status on UK's engineering faculty and actively participate in providing a significant percentage of the upper division course work in engineering on-site and electronically from Murray State University.

The programs are housed in Crouse Hall, a new state-of-art facility on the campus of Paducah Community College that was built with over \$8.5 million in private donations provided by the citizens of the Paducah/McCracken County area. The Commonwealth of Kentucky provides the operating budget for the facility through a line-item appropriation to the University of Kentucky. That appropriation of approximately \$1.5 million annually, not only supports the operation and maintenance of Crouse Hall, but also the salaries of the eight full-time faculty, the outstanding staff that support those faculty, the release time for the Murray State faculty engaged in the effort, and the operating budget of the programs.

It is anticipated that once the programs are fully-developed, approximately 200 students from the Purchase Region will be enrolled in engineering course work offered on-site in Paducah. It is also anticipated that the University will be awarding 30 or more undergraduate degrees to those students annually. Following the graduation of the first students from the chemical engineering program, the University will seek accreditation from the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology (EAC/ABET).

President Wethington thanked Dean Lester for his presentation and entertained questions from the Board.

Mr. Miles asked about programs in Eastern Kentucky.

Dean Lester responded by stating that the initiatives at this time will have to come from their comprehensive institutions. He noted that a statewide conference on extended campus engineering education will be held on November 6th at the Council on Postsecondary Education office to educate people from other institutions about what the University of Kentucky is trying to do. He added that Associate Dean Lineberry had been working very diligently with the community colleges and the private colleges in the state to set up more access points to have more pre-engineering programs set-up that could feed into the programs in Lexington.

Ms. Sparks asked how long would it be before the program is ready for an accreditation team visit.

Dean Lester said that there are currently four students who have completed their degree requirements in Mechanical Engineering, and there will be two students completing their degree requirement in May for Chemical Engineering. He noted that the earliest they would be ready for the accreditation visit is October of 2001. If all goes well in that visit, the earliest they could officially have an accreditation of the program would be the summer of 2002.

President Wethington said that the engineering shortage and the need to meet engineering needs across the Commonwealth have increased considerably since the University started the program in Paducah. He commended Dean Lester, Associate Dean Lineberry and the faculty and staff in the College of Engineering for the work they are doing to deliver engineering education to the Commonwealth of Kentucky.

J. Acceptance of Interim Financial Report for the University of Kentucky for the Three Months Ended September 30, 2000 (FCR 1) and Acceptance of the 2000 Annual Report and the Financial Statements of the University of Kentucky and Affiliated Corporations and Other Related Organizations for the Year Ended June 30, 2000 (FCR 2)

Dr. Stumbo reported that the Finance Committee met that morning. He stated that FCR 1 is the acceptance of the Interim Financial Report for the University of Kentucky for the Three Months Ended September 30, 2000. He noted that expenditures and income are on target for the year, and the University's cash flow is in a good position. There were no extraordinary items that needed to be brought before the Committee or the Board.

Dr. Stumbo continued with FCR 2, stating that Mr. Owen made the presentation to the Finance Committee, and the auditors made their report. Dr. Stumbo stated that there were no problems with the annual report, and the Finance Committee accepted it.

Dr. Mather moved adoption of FCR 1 and FCR 2. Ms. Wilson seconded the motion, and it carried. (See FCR's 1 and 2 at the end of the Minutes.)

K. Disposal of Surplus Property (FCR 3)

Dr. Stumbo stated that FCR 3 requires the Board's action to dispose of surplus property. He moved the adoption of FCR 3. The motion, seconded by Governor Breathitt, passed. (See FCR 3 at the end of the Minutes.)

L. Report of Leases (FCR 4)

Dr. Stumbo stated that FCR 4 is the report of leases for the University. He noted that the only item in the report is a change in ownership of a building that the University leases. He moved the adoption of FCR 4. Ms. Wilson seconded the motion, and it carried. (See FCR 4 at the end of the Minutes.)

M. Patent Assignment Report (FCR 5)

Dr. Stumbo said that FCR 5 is the patent assignment report that contains twelve patents. He reported that there were three basic areas: physical sciences, pharmaceutical sciences, and agriculture sciences. He moved the adoption of FCR 5. The motion, seconded by Mr. Williams, passed. (See FCR 5 at the end of the Minutes.)

N. Finance Committee Consent Agenda (FCR 6-24)

Dr. Stumbo stated that the following items would be voted upon as a consent agenda:

FCR 6 – a pledge of \$225,000 from the Abercrombie Foundation for the Markey Cancer Center's Ovarian Cancer Screening Program,

FCR 7 – an anonymous gift of \$100,000 and pledge of \$150,000 to establish and endow a professorship/chair in physician leadership development in the College of Medicine,

FCR 8 – a pledge of \$1,000,000 from C. Michael Garver to fund the C. Michael Garver Endowment Fund in the College of Engineering's Department of Civil Engineering,

FCR 9 – a gift of \$100,000 and a pledge of \$400,000 from Carl F. Pollard for the William T. Young Library Endowment to support the library collection for the benefit of research and graduate programs of the University,

FCR 10 – changing the name of an endowment from U.S. Surgical Corporation Professorship in Minimally Invasive Surgery to U.S. Surgical-Pfizer Professorship/Chair in Medical Management and accept gifts totaling \$150,000 to fund the professorship,

FCR 11 – a pledge of \$2,000,000 from Chris T. Sullivan for the William T. Young Library Endowment to support the library collection for the benefit of research and graduate programs of the University,

FCR 12 – a pledge of \$25,000 from David H. Kaufman with a matching gift from The General Electric Company for a total of \$50,000 to establish and endow the David H. and Barbara Schlund Kaufman Professorship in the Carol Martin Gatton College of Business and Economics,

- FCR 13 – a pledge of \$100,000 from Development Dimensions International to establish and endow the Development Dimensions International Professorship in Behavioral Sciences in the School of Public Health in the College of Medicine,
- FCR 14 – gifts of \$50,000 from friends and colleagues of the late William "Jack" Carey, M.D., to create and endow the William "Jack" Carey, M.D., Professorship in Emergency Medicine in the College of Medicine's Department of Emergency Medicine,
- FCR 15 – a gift of \$387,469 from the estate of Jane I. Morris to establish and endow the Joe and Jane I. Morris Endowment Fund to benefit the University of Kentucky Alumni Association,
- FCR 16 – a gift of \$268,000 from the estate of John Edwin Partington and Gwendolyn Gray Partington to establish and endow the John Edwin Partington and Gwendolyn Gray Partington Scholarship Fund in the College of Education,
- FCR 17 – a gift of \$929,081 from Kathleen Strunk to the Thurston H. Strunk Scholarship Fund in the College of Engineering,
- FCR 18 – a pledge of \$500,000 from the Lindemann Foundation, Inc. to create and endow the Endowed Enrichment Fund for Research in Vocal Studies in the School of Music in the College of Fine Arts,
- FCR 19 – a pledge of \$500,000 from Lucille Caudill Little to create and endow the Lucille Caudill Little Endowment for Theatre in the Department of Theatre in the College of Fine Arts,
- FCR 20 – a pledge of up to \$100,000 from Michael P. Thornton to create and endow the Paul A. Thornton Graduate Student Fellowship in Nutritional Sciences in the College of Allied Health Professions,
- FCR 21 – a pledge of \$100,000 from Reese S. Terry, Jr. to establish an endowed professorship in the Department of Electrical Engineering in the College of Engineering,
- FCR 22 – a pledge of \$500,000 from S. J. "Sam" Whalen to establish a graduate fellowship endowment fund in the Department of Chemical and Materials Engineering in the College of Engineering,
- FCR 23 – a gift of \$50,000 and a pledge of \$100,000 from Synapse, Ltd., on behalf of the company president Leon D. Wang, to establish three professorships in the College of Medicine's Department of Physiology, and
- FCR 24 – a pledge of \$1,000,000 from Toyota Motor Manufacturing North America, Inc., for the William T. Young Library Endowment to support the library collection for the benefit of research and graduate programs of the University.

Dr. Stumbo reminded the Board of the \$600 million Capital Campaign goal and noted that these pledges bring the Capital Campaign to \$344 million thus far. He also pointed out that the University has matched \$41 million of the projected \$66 million in the Research Challenge Trust Fund. He said that these figures represent what an asset that President Wethington has been in terms of the financial stature of the University.

Dr. Stumbo moved the adoption of FCR items 6-24. The motion, seconded by Ms. Sims, carried. (See FCR 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 at the end of the Minutes.)

- O. A Resolution of the Board of Trustees of the University of Kentucky Authorizing the Issuance of Said Board's Housing and Dining System Revenue Bonds, Series R, to be Dated the First Day of the Month in Which Sold; Authorizing Proper Proceedings Relative to the Public Sale of the Bonds and the Disposition of the Proceeds Thereof; Authorizing Execution of a Tenth Supplemental Trust Indenture Between the Board and Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as Trustee, in Compliance with the Provisions of the Trust Indenture Dated June 1, 1965 (FCR 25)

Dr. Stumbo stated that FCR 25 is a resolution to give the University permission to issue bonds. He noted that the second paragraph states what the bonds will be used for within the Kentucky Housing and Dining System. On motion made by Dr. Stumbo, seconded by Ms. Wilson and passed, FCR 25 was approved. (See FCR 25 at the end of the Minutes.)

- P. Resolution of the Board of Trustees of the University of Kentucky Accepting the Successful Bid for the Purchase of \$29,870,000 Principal Amount of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series Q, Dated October 15, 2000 and Amending its Bond Resolution with Respect Thereto to Provide for the Issuance of Book-Entry Only Bonds and Redemption Prior to Maturity at Par (FCR 26)

Dr. Stumbo said that FCR 26 is the acceptance of a bond bid proposal for work on Seaton Hall and Parking Structure #2. He stated that Mr. Owen reported the nine bids to the Finance Committee and also reported that Moody's had upgraded the University's bond rating from an A1 to an AA3. He noted that in accepting this resolution the Board would be accepting the bid from Banc One Capital Markets. Dr. Stumbo moved the adoption of FCR 26. The motion, seconded by Mr. Grayson, carried. (See FCR 26 at the end of the Minutes.)

- Q. Accreditation Committee Report

Ms. Sparks reported that the Steering Subcommittee of the Accreditation Committee meets at least monthly and usually bi-monthly. She noted that there are nine principal committees and twelve subcommittees. These committees are very busy interviewing staff, students, and administrators. The committees would like to interview some of the Board members as well, and she has assured them that the Board would be happy to cooperate.

She reported that there is an extremely long list of "must statements", but the University is in very good shape, especially under the leadership of Dr. John Piccoro. The University goes through the accreditation process every ten years, and there is a separate accreditation process for Lexington Community College. Ms. Sparks reminded the Board members to keep April 15, 2002 open for dinner with the SACS group.

- R. Investment Committee Report

Mr. Grayson, Chairperson of the Investment Committee, noted that the Committee is comprised of JoEtta Wickliffe, Daniel Reedy, Billy Wilcoxson, Russ Williams, and Merwin Grayson. He reported that the Investment Committee monitors the performance of the University's investment managers, and has presentations at nearly every meeting from one of the

multiple managers. Occasionally in the monitoring process and in consultation with staff and outside consultants, the Committee determines that a manager should be changed. At the Committee's meeting last week with 100% attendance as well as Mr. Henry Clay Owen, his staff and President Wethington, the committee solicited proposals from eight different management firms to replace the international manager.

Mr. Grayson noted that most large firms have international funds in their portfolio representing between 10-15% of the overall portfolio. The University currently has 10%, but the Committee is authorized to go up to 12% and will probably do so under the new management. The Committee looked at prior performance, investment philosophy, experience, fees and quality of service. There were two firms who were very clear leaders and significantly ahead of the others, Capital Guardian Trust and Putnam Core International. Mr. Grayson noted that Capital Guardian had \$72 billion in international investments as well as 22 educational institutions with over \$2 billion worth of funds. Putnam Core has \$35 billion in international funds and has 2 educational organizations. The University currently has about \$50 million in international funds.

Mr. Grayson reported that the Committee voted unanimously to hire Capital Guardian Trust. He added that the company is headquartered in Los Angeles; however, the University will be served out of the Atlanta office. He thanked the donors for the \$15 million in gifts and pledges that were brought before the Board at this meeting.

S. Comments about Ms. Jane Morris

Ms. Sims commented that Ms. Jane Morris left her entire estate to the University. Ms. Morris was the treasurer of the University Alumni Association for twenty-six years and was adored by all. Mr. Guthrie added that Mr. Erv Nutter thought so much of Jane Morris that he made her a fellow many years ago for her service to the University.

T. Recognition for Outstanding Leadership

Governor Breathitt commended the outstanding stewardship of President Wethington, the administration, and particularly, the Medical Center administration. He noted that Duke University has lost over \$100 million in the operation of their Medical Center and that the University of South Carolina lost \$75 million last year and \$50 million this year. Governor Breathitt recognized Chancellor Holsinger and Frank Butler for their financial stewardship of the Medical Center. President Wethington, Chancellor Holsinger, Henry Clay Owen and Frank Butler received a round of applause from the Board.

Dr. Meriwether added that Duke had to cut its staff by 20% and its house staff by 16% to cover their deficit. He thanked President Wethington, Paul Chellgren and James Hardyman for the financial advice and support they have provided him with over the years. He also commended the administration of the Medical Center for their stewardship of Medical Center funds.

U. Nomination of Assistant Secretary

Dr. Plattner made a motion on behalf of the Nominating Committee to name Richard Plymale as the Assistant Secretary to the Board of Trustees. The motion, seconded by Dr. Reedy, carried.

Dr. Plattner then thanked President Wethington, Dean Little and his staff for the tour in September of the Pin Oak Agriculture Station. She commented on a conversation she had with two young professors from Kansas who said that they came to the University of Kentucky because of the opportunity to work with UK's futuristic agriculture model and to make a difference in a state that really cares about farming and agriculture.

V. Presidential Search Committee Report

Ms. Wickliffe reported that the Search Committee has received over 178 applications with more coming in daily. She encouraged Board members wishing to nominate candidates to get the names into the Search Firm immediately. She stated that the committee is having preliminary discussions with a number of highly qualified persons, and she assured the Board that there are persons with proven track records that are interested in the University. She added that the Committee was anxiously awaiting the appointment of the newest member to the Committee as soon as Chairman Miles could give it to them. She thanked the Board for the trust they have put in the Committee to find the best-qualified person.

Mr. Miles immediately announced the appointment of Steve Reed to serve on the Presidential Search Committee.

W. Partnership in Research Progress Meeting

Mr. Miles reminded the Board that on Wednesday, October 25th beginning at 8:45 a.m., there would be a meeting at the Hyatt Regency Hotel regarding Partnership in Research Progress. He reported that John Hall has asked the state to pick the top five states in the nation that work with the research universities, and he has asked Dr. Bramwell's office to pick the top five schools in the nation. The Partnership in Research Progress Committee will then visit the states and the schools to evaluate how the states are interfacing with the college and how the schools are working with industry to create jobs for the state. He invited the Board members to go on these visits with the committee, which will be taken in November. The schools consist of the University of Florida, North Carolina, Texas A&M, Purdue and Virginia/Virginia Tech.

X. Meeting Adjourned

There being no further business to come before the Board, the Chairperson adjourned the meeting at 2:27 p.m.

Respectfully submitted,

Daniel R. Reedy
Secretary
Board of Trustees

Office of the President
October 24, 2000

1. University of Kentucky Posts Banner Research Year

University of Kentucky faculty and staff attracted a record \$155.2 million in research contracts, grants, and gifts during 1999-2000. This marks a 17.4 percent increase over the previous year. Attracting new funds to the state's economy, UK received \$82.4 million in grants and contracts from federal agencies, 55.4 percent of the extramural funding total.

2. Officials Dedicate James W. Stuckert Career Center

UK officials dedicated the 14,000 square-foot, \$3 million James W. Stuckert Career Center on Rose Street earlier this month. The center houses UK's career counseling services and attracts some 500 employers – one-third from Fortune 500 companies – to campus. It features the most up-to-date technology and facilities available, including one of the nation's largest career resource libraries with three times the average space of career libraries at UK's benchmark institutions. Alumnus James Stuckert, the national chair for UK's comprehensive fund-raising campaign, participated in the ceremony.

3. John Glenn Discusses Public Service and Aging Issues At UK

Former astronaut and retired U.S. Senator John Glenn was the guest speaker at the 14th annual Sanders-Brown Center on Aging Foundation Dinner early this month. Attended by about 800 people each year, the event is the primary fundraiser for the UK Center on Aging Foundation and has become one of the premier events of its kind in Central Kentucky. While at UK, Glenn and Senator Wendell Ford met with students at the Martin School of Public Policy and Administration and discussed politics and the value of public service.

4. UK Establishes Research Center for Women's Health

University of Kentucky College of Medicine researchers received a five-year, \$8.2 million grant from the National Institutes of Health to establish the Center of Biomedical Research Excellence in Women's Health. The research will examine how estrogen and drugs that are related to estrogen affect women's neuroendocrine system, ovaries, central nervous system and behavior.

5. New York's Metropolitan Opera Sets Auditions At UK

In an action that acknowledges the University of Kentucky's emergence as a national center for opera talent, the Metropolitan Opera of New York has scheduled a district audition competition at Memorial Hall. Gail Robinson, who directed the young artists' auditions for the Met for many years and now holds an endowed chair at UK, is credited with bringing the prestigious competition to the campus for the first time. Next year, both district and regional auditions are scheduled at UK.

6. Officials Mark Opening of Women's Cancer Facility

Officials from the University of Kentucky and the McDowell Cancer Foundation performed a ceremonial groundbreaking this month for the new \$9.2 million Women's Cancer Facility at the UK Markey Cancer Center. The facility has attracted \$6.7 million in gifts and pledges toward its construction. The money will be included in UK's "A Call to Greatness" comprehensive fund-raising campaign.

7. Fungus Genome Is Focus for \$5.25 Million Collaboration

The University of Kentucky has been selected to participate in a collaboration of American universities to sequence the genome of an important laboratory fungus, *Neurospora crassa*. The schools selected by the National Science Foundation in the \$5.25 million project are UK, the Whitehead Institute for Biological Research in Cambridge, Mass., the University of Kansas and the Oregon Graduate Institute of Science and Technology. Dr. Charles Staben, director of the UK School of Biological Sciences, will assist in evaluating and interpreting the genome sequence.

8. Phase II of Coronary Valley Project Under Way

The second phase of the Coronary Valley Project will begin soon in Clay County. Over the next few months, UK physicians will work with Clay County residents to help lower cholesterol, blood pressure and other factors that can cause coronary heart disease. Cardiologists at UK's Linda and Jack Gill Heart Institute coined the term "Coronary Valley."

9. Lucille Caudill Little Fine Arts Library Opens

UK Libraries officials opened the Lucille Caudill Little Fine Arts Library and Learning Center for faculty, student and staff use in early October, when Mrs. Little assisted President Wethington in a ribbon-cutting. The state-of-the-art library is located in the former Margaret I. King North Library. Formal dedication ceremonies will be held at a later date.

10. Convocation Opens UK's Laboratory for Advanced Networking

Vinton Cerf, one of the "fathers of the Internet," was the keynote speaker earlier this month as UK opened its Laboratory for Advanced Networking in the James F. Hardyman Building. Cerf was one of several Internet and networking innovators who addressed the convocation, which also featured demonstrations of current projects under way in the laboratory. The laboratory is the centerpiece of the UK Alliance for Networking Excellence, which unites UK researchers with leading high-technology corporations including some 140 high-tech businesses in the Bluegrass region.

11. Officials Cut Ribbon for UK's Max Kade German House

President Charles T. Wethington Jr. and Lexington campus Chancellor Elisabeth Zinser were joined by Hans Hachman, president of the Max Kade Foundation of New York, at the ribbon-cutting for the Max Kade German House and Cultural Center at 212 E. Maxwell Street. Eight UK students per year will reside in the house and will be immersed in a German-speaking environment. The Max Kade Foundation, which promotes improved cultural understanding between Americans and German-speaking people in Germany, Austria and Switzerland, provided grants totaling \$425,000 for the project.

12. Journalism School Launches PR Lecture Series, Lifetime Award

Harold Burson, founder and chairman of world-renowned Burson-Marsteller Public Relations, presented the UK School of Journalism and Telecommunications' first James Bowling Executive-in-Residence Lecture last week. Burson, recently named by *PR Week* as "the century's most influential public relations figure," spent three days visiting with students and faculty at the College of Communications and Information Science. During this time, UK journalism graduate Thomas L. Preston received the first University of Kentucky Lifetime Achievement Award for Public Relations.

13. UK Hospital and UK HomeCare Win Accreditation

The University of Kentucky Hospital and UK HomeCare have received accreditation from the Joint Commission on Accreditation of Healthcare Organizations. UK Hospital and UK HomeCare received scores of 94 percent. Only 30 percent of hospitals and 42 percent of home care facilities surveyed received scores of 94 percent or higher.

14. Chinese Professors Will Spend Year at LCC

Four visiting professors from China have arrived at Lexington Community College for a year-long learning visit. The professors from Changsha University in the Hunan Province of China will work in various LCC departments during their stay. This is believed to be the first time that visiting foreign scholars will work at a Kentucky community college.

15. UK to be New Headquarters for the National Network of State Polls

The National Network of State Polls, comprised of 60 organizations that conduct public opinion research, will be headquartered at UK's Survey Research Center beginning in January. The NNSP houses the world's largest collection of state-level survey data, a resource used by social science researchers across the country. The NNSP has been housed at the Odum Institute for Research in Social Science at UNC-Chapel Hill for the past nine years.

16. Trilobite Fossils Donated to Kentucky Geological Survey

The Kentucky Geological Survey received 24 trilobite fossils, thought to be 440 to 450 million years old, from the private collection of Mr. and Mrs. George Stone of Cartersville, Ill. A trilobite, which means "three-part body" in Latin, is a type of extinct marine arthropod. Trilobites were similar to modern-day roly-poly or pill bugs.

17. Center on Drug and Alcohol Research Wins \$2.19 Million Grant

The Center on Drug and Alcohol Research received \$2,199,653 to examine the effect of alcohol on the use of health and mental health services by rural and urban women who have a protective order as a result of domestic violence. The award came from the National Institute on Alcohol Abuse and Alcoholism.

18. UK Forms Community Coalition to Promote Alcohol Awareness

A community coalition to reduce high-risk alcohol abuse by students was announced during National Collegiate Alcohol Awareness Week October 14-21. The coalition is comprised of UK faculty, students, administrators and staff, UK Student Affairs, University Health Services, the Lexington-Fayette Urban County Government, local bar and tavern owners, neighborhood associations, prevention specialists and the UK and Lexington-Fayette police forces.

19. Student Awards and Honors

Christine Christle, Education, has been awarded the Graduate (Doctoral Level) Scholarship award from the Midwest Symposium in Leadership in Behavioral Disorders.

Suzanne Drungle, Gerontology, received the 2000 Harris Dissertation Award.

Chris Freeman, Dentistry, has been elected president of the National Student Research Group of the American Association of Dental Research. Sam Black, Dentistry, was elected vice president.

Meg Haist, Martin School of Public Policy and Administration, won the National Honorary Society for Public Affairs and Administration's top prize for her paper, "Civic Engagement: Why Do We Get Involved?"

Ryan Harris, Dentistry, has been elected vice president of the American Student Dental Association.

David Held, Entomology (M.S. 2000), received the Entomological Society of America's Award for Leadership in Applied Entomology.

Stephanie Sparks and April Saunier, Education, each won a scholarship from the Midwest Symposium in Leadership in Behavior Disorders.

20. Significant Activities of Faculty and Staff

Sanford M. Archer, Otolaryngology-Head and Neck Surgery, has been named chair of the Patient Safety and Quality Improvement Committee for the American Academy of Otolaryngology-Head & Neck Surgery for two years.

Leon Assael, Dean of the College of Dentistry, has been named editor-in-chief of the *Journal of Oral and Maxillofacial Surgery*, effective January 2002. Assael has served as assistant editor of the Journal since 1993.

Richard Clayton, Sociology and Director of the Prevention Research Center, received \$1.6 million from the Robert Wood Johnson Foundation to continue work over the next year on causes and predictors of tobacco use among youth.

Glenn Collins and Joseph Chappell, Agronomy, received \$130,000 from U.S. Tobacco to research cellular and molecular biology in dark tobacco. The researchers will be studying mechanisms to confer disease resistance and to alter the chemical properties of dark tobacco.

Gerry Gairola, Physician Assistant Studies, and Linda Kuder, Sanders-Brown Center on Aging, received a \$411,661 grant from the Bureau of Health Professions in Health Resources and Services Administration, to develop an interdisciplinary geriatric clinical clerkship for training health profession students in rural Appalachia.

Stephen Greb and David Williams, Kentucky Geological Survey, received the Ralph L. Miller Memorial Award for the best energy and minerals division paper of the Eastern Section of the American Association of Petroleum Geologists.

Donna G. Grigsby, Pediatrics, has been appointed to the Early Childhood Development Authority as the representative of the Kentucky Medical Association through 2003. The group is implementing the Governor's KIDS NOW initiative.

Ellen Hahn, Nursing, has been selected as one of 10 fellows for the three-year Robert Wood Johnson Foundation's "Developing Leadership in Reducing Substance Abuse" program.

Donald Haney, Kentucky Geological Survey, received the I.C. White Award for outstanding geologic and professional contributions advancing knowledge of the Appalachian Basin. The award is bestowed by the Eastern Section of the American Association of Petroleum Geologists.

Jill Harris, Extension Agent for Family and Consumer Sciences in Todd County, received the Kraft Foods Consumer Center Media Grant Award at the meeting of the National Extension Association for Family and Consumer Sciences.

Ted Hasselbring, the College of Education's Endowed Chair in Special Education Technology, received a 4-year, \$2.8 million grant to create the University of Kentucky Assistive Technology Research Institute. The institute will conduct research on assistive technology that may help bridge the digital divide for children with disabilities.

Gerald Janecek, Russian & Eastern Studies, gave the Rudnyckyj Distinguished Lecture at the University of Manitoba, Winnipeg, Manitoba, Canada, on September 22. The subject was "The New Russian Avant-gardes: Postmodern Poetry in the Late Soviet and Post-Soviet Periods."

Janet Johnson, Extension Agent for Family and Consumer Sciences in Allen County, received the Environmental Education Award from the National Extension Association for Family and Consumer Sciences.

Carl Leukefeld, Center on Drug and Alcohol Research, presented papers at the XIII International Aids Conference in South Africa and the Symposium on Drug Addictions and Violence in Bogota, Columbia.

Thomas McConnell, Dentistry, recently was selected an American Dental Education Association Leadership Institute Fellow for 2000-2001.

Wolfgang Natter, Geography, has been named Leibniz Professor for the 2001-2002 academic year at the University of Leipzig, Germany.

Jeffrey Okeson, Dentistry, was elected president of the American Academy of Orofacial Pain.

Rupert Pickens, French, has been elected president of the South Atlantic Modern Languages Association.

Sam Quick, Extension Specialist for Human Development and Family Relations, received the Outstanding Educational Program Team Award from the American Distance Education Consortium for his program, "Grandparents Raising Grandchildren: Implications for Professionals and Agencies."

Bob Rathbone and Tom Robl, Center for Applied Energy Research, received \$150,511 from the Department of Energy to study the effects of post-combustion ammonia injection on fly-ash quality.

Mike Reed, Agricultural Economics, received \$233,875 from the U. S. Department of Agriculture to study international trade in agriculture.

Beth Rous, Interdisciplinary Human Development Institute, was awarded \$500,000 from the Department of Education Office of Special Education Programs to study appropriate practices for the inclusion of preschool children with and without disabilities in the state's standards and accountability systems.

Beth Rous, Interdisciplinary Human Development Institute, and Rena Hallam, Family Studies, received \$75,000 from the Kentucky Division for Mental Health/Mental Retardation Early Intervention System to identify effective decision-making practices relating to early intervention services.

Scott Shearer, Biosystems and Agricultural Engineering, received \$795,174 from the U.S. Department of Agriculture to study precision agriculture on Kentucky farms.

William Silvia, Animal Sciences, received \$160,000 from the U.S. Department of Agriculture to study formation and treatment of ovarian cysts in dairy cows.

Sharon Stewart and Lori Gonzalez, Allied Health Professions, received a \$201,000 three-year grant from the Department of Health and Human Services to assist in developing the Rehabilitation Sciences doctoral program.

Mark Thomas, Dentistry, recently completed a yearlong Fellowship in the American Dental Education Association Leadership Institute.

Tom Tobin, Veterinary Sciences, received \$580,000 from the Kentucky State Racing Commission for equine drug research, testing and continuing education.

Gerald Weisenfluh, Kentucky Geological Survey, was appointed to the Governor's Geographic Information Advisory Council. The council promotes and supports the effective and efficient sharing and use of geographic information and related resources.

Martha Yount, Extension Agent for Family and Consumer Sciences in Breathitt County, won first place in the television programming contest by the National Extension Association for Family and Consumer Sciences.

PR 2

Office of the President
October 24, 2000

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 chancellor 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 _____

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CENTRAL ADMINISTRATION

I. BOARD ACTION

A. CHANGES

Vice President for Fiscal Affairs

Clark, Kerm McDall, from Associate Director of Capital Construction Project Management to Director of Capital Construction Project Management, effective 10/24/00.

Krauss, Susan I., from Accounting Manager Senior, Treasury and Endowment Services to Assistant Controller, Office of the Controller and Treasurer, effective 11/1/00.

Vice President for Management and Budget

Ray, Constance, from Associate Director for Effectiveness to Associate Vice President for Institutional Planning, Budgeting and Effectiveness, effective 10/1/00.

B. RETIREMENTS

Vice President for Fiscal Affairs

King, Mary R., Medical Assistant II, after 15 years and 3 months of consecutive service, under AR II-1.6-1 Section III.B, effective 11/30/00.

Meads, Thomas A., Cement Mason III, after 18 years and 5 months of consecutive service, under AR II-1.6-1 Section III.B, effective 10/31/00.

C. EARLY RETIREMENTS

Vice President for Fiscal Affairs

Fields, Cecil, Truck Driver II, Physical Plant Division, after 35 years and 2 months of consecutive service, under AR II-1.6-1 Section III.A.2, effective 10/31/00.

Mains, Keith, Utility Worker, Physical Plant Division, after 15 years of consecutive service, under AR II-1.6-1 Section III.A.2, effective 10/27/00.

II. ADMINISTRATIVE ACTION

A. CHANGES

Vice President for Fiscal Affairs

Lowery, Pam, from Administrative Staff Officer II in Division of Purchasing to Administrative Staff Officer III, in Capital Construction Project Management, effective 11/1/00.

Vice President for Management and Budget

Higdon, Courtney, from Administrative Staff Officer II to Acting Planning and Budget Associate Director, effective 10/1/00.

Vice President for Research and Graduate Studies

Zhan, Xiaodong, from Engineer Associate II/Research to Engineer Associate III/Research, Center for Applied Energy Research, effective 9/1/00.

Zhang, Yongqing, from Scientist II to Scientist III, Center for Applied Energy Research, effective 9/1/00.

LEXINGTON CAMPUS

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

College of Agriculture

Dawson, Karl A., Adjunct Professor, Animal Sciences, 10/1/00 through 6/30/01.

B. ADMINISTRATIVE APPOINTMENTS

College of Engineering

Sekulic, Dusan P., appointed Engineer Associate IV/RES, Center for Robotics and Manufacturing Systems, effective 8/7/00.

Office of the Chancellor

Floyd, Deborah, reappointed Executive Assistant for Special Projects, Office of the Chancellor, 11/16/00 through 6/30/01.

C. REAPPOINTMENTS

College of Arts and Sciences

Albers, Dale, Visiting Professor, Sociology, 8/16/00 through 6/30/01.

College of Business and Economics

d'Arge, Ralph C., Adjunct Professor, Economics, 9/21/00 through 6/30/02.

Graduate School

Heller, Leonard, Adjunct Professor, Martin School of Public Policy and Administration, 8/16/00 through 5/15/01.

D. PROMOTIONS

College of Fine Arts

Braun, Michael, from Assistant Professor*, Theatre, to Associate Professor* (with tenure), Theatre, effective 10/1/00.

*Special Title Series

E. RETIREMENTS

College of Agriculture

Duff, Pauline T., Staff Assistant, Cooperative Extension Service, after 20 years and 10 months of consecutive service, under Section III.B of AR II-1.6-1, effective 9/29/00.

Edge, Margaret J., Extension County Clerk, Cooperative Extension Service, after 33 years and 9 months of consecutive service, under Section III.B of AR II-1.6-1, effective 11/1/00.

F. EARLY RETIREMENTS

College of Agriculture

Laytart, Carole, Administrative Staff Officer I, Animal Sciences, after 19 years and 5 months of consecutive service and a total of 33 years and 9 months of service, under Section III.A.2 of AR II-1.6-1, effective 1/2/01.

College of Architecture

Calvert, Evelyn, Administrative Support Associate I, Dean's Office, after 25 years and 1 month of consecutive service, under Section III.A.2 of AR II-1.6-1, effective 12/29/00.

College of Communications and Information Studies

Baseheart, John R., Associate Professor, Communication, after 31 years and 6 months of consecutive service, under Section III.A.2 of AR II-1.6-1, effective 12/31/00.

College of Education

Morgan, Judith A., Staff Support Associate II, Student Services and Certification, after 18 years and 9 months of consecutive service, under Section III.A.2 of AR II-1.6-1, effective 10/20/00.

College of Fine Arts

Bottom, David A., Piano Technician, Music, after 25 years and 2 months of consecutive service, under Section III.A.2 of AR II-1.6-1, effective 10/31/00.

G. POST-RETIREMENT APPOINTMENTS

College of Business and Economics

Harvey, Curtis E., Professor (part-time), Economics, 1/1/01 through 6/30/01.

*Special Title Series

College of Human Environmental Sciences

Crum, Ruth Ann, Associate Professor (part-time), Family Studies, 8/16/00 through 12/31/00.

Miller, Sandra, Professor (part-time), Family Studies, 8/16/00 through 6/30/00.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Architecture

McComb, Neil G., Instructor (part-time), Architecture, 9/1/00 through 12/31/00.

College of Arts and Sciences

Hale, Shelda Emmick, Lecturer, English, 8/1/00 through 6/30/01.

Portier- Caldwell, Helene, Instructor (temporary), French, 8/1/00 through 12/31/00.

Rosdatter, Paula E., Instructor (temporary), Philosophy, 8/1/00 through 12/31/00.

College of Communications and Information Studies

Armendarez, Jennifer L., Lecturer, Communication, 8/16/00 through 5/15/01.

Fitch, Sandra, Instructor (part-time), Communication, 8/1/00 through 12/31/00.

Krumrey-Fulks, Karen, Lecturer, Communication, 8/16/00 through 12/31/00.

Letcher, Traci, Lecturer, Communication, 8/16/00 through 5/15/01.

College of Education

Carter, Janice, Visiting Assistant Professor, Curriculum and Instruction, 10/9/00 through 6/30/01.

College of Fine Arts

Dean, Johnie, Instructor (part-time), Music, 8/16/00 through 12/31/00.

Zory, Mathew Jr., Instructor (part-time), Music, 8/16/00 through 12/31/00.

College of Human Environmental Sciences

Scott, Ruth Ann, Instructor (part-time), Family Studies, 8/16/00 through 12/31/00.

College of Social Work

Kamlager, Carolee, Instructor (part-time), Social Work, 8/16/00 through 5/15/01.

Roestenburg, Willem-Jan, Visiting Assistant Professor, Social Work, 8/29/00 through 12/31/00.

Lexington Community College

Bellamy, Janet Lynn, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Campbell, Diane R., Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Caudill, Laura, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Chittenden, David, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Duff, Janet, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Herald, Timothy, Instructor (voluntary), Lexington Community College, 9/1/00 through 6/30/03.

May, Amy, Instructor (voluntary), Lexington Community College, 9/1/00 through 6/30/03.

Mayhugh, Susan, Instructor (voluntary), Lexington Community College, 9/1/00 through 6/30/03.

Richardson, Allen, Instructor (voluntary), Lexington Community College, 9/1/00 through 6/30/03.

Rizk, Camellia, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Salyer, John, Instructor (voluntary), Lexington Community College, 9/1/00 through 6/30/03.

Sevier, Lou Ann, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Stojsavljevic, Thomas, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Sulham, Clifford, Instructor (temporary), Lexington Community College, 8/28/00 through 12/31/00.

Walz, Carolin, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Warren, Charles, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

Watts, Bonnie, Instructor (temporary), Lexington Community College, 8/23/00 through 12/31/00.

B. ADMINISTRATIVE APPOINTMENTS

College of Communications and Information Studies

Moore, Roy, Professor (with tenure), Journalism and Telecommunications, appointed Acting Director, Journalism and Telecommunication, 1/1/01 through 6/30/01.

C. JOINT APPOINTMENTS

College of Arts and Sciences

Elskus, Adria, Assistant Professor, Biological Sciences, joint appointment as Assistant Professor, Toxicology, Graduate School, Medical Center, 8/1/00 through 6/30/01.

D. REAPPOINTMENTS

College of Agriculture

Foree, Robert H., Instructor (part-time), Agricultural Economics, 8/23/00 through 12/15/00.

College of Architecture

Stevens, Randall, Instructor (part-time), Architecture, 9/1/00 through 12/31/00.

College of Business and Economics

Martie, Charles W., Instructor (part-time), Economics, 1/1/01 through 5/15/01.
Myers, Larry, Instructor (part-time), Management, 8/16/00 through 5/15/01.
Payne, Gary D., Instructor (part-time), Management, 8/16/00 through 5/15/01.

College of Communications and Information Studies

Bryant, Charles, Instructor (part-time), Communication, 8/1/00 through 12/31/00.

College of Fine Arts

Hoffman, Dorotea, Instructor (part-time), Music, 8/16/00 through 12/31/00.
Karp, Margaret, Instructor (part-time), Music, 8/16/00 through 12/31/00.
Lindsay, Tedrin Blair, Instructor (part-time), Music, 8/16/00 through 12/31/00.
McVay, Vicki, Instructor (part-time), Music, 8/16/00 through 12/31/00.
Osland, Lisa, Instructor (part-time), Music, 8/16/00 through 5/15/01.

College of Human Environmental Sciences

Nolan, Bill, Instructor (part-time), Family Studies, 8/1/00 through 5/15/01.

E. LEAVES OF ABSENCE

College of Agriculture

Poonacha, K.B., Professor*, Veterinary Science, Leave without pay, 10/15/00 through 11/14/00, 1/5/01 through 2/5/01, and 5/16/01 through 6/12/01.

College of Communications and Information Studies

Case, Donald O., Professor (with tenure), Library and Information Science, Sabbatical leave with half salary, 7/1/01 through 12/31/01.

Ryan, Leland, Associate Professor* (with tenure), Journalism and Telecommunications, and Director, Journalism and Telecommunications, Sabbatical leave with full salary, 1/1/01 through 6/30/01.

College of Education

Arrington, Harriette, Associate Professor* (with tenure), Curriculum and Instruction, Sabbatical leave with full salary, 7/1/01 through 12/31/01.

Zong, Guinchun, Assistant Professor, Curriculum and Instruction, Leave without pay, 10/30/00 through 12/31/00.

College of Law

Stipanowich, Thomas, Professor, Law, Leave without pay, 1/1/01 through 6/30/01.

F. LEAVES OF ABSENCE CHANGES

College of Communications and Information Studies

Jeng, Ling Hwey, Associate Professor (with tenure), Library and Information Science, change from Sabbatical leave with full salary, 1/1/01 through 6/30/01, to Sabbatical leave with full salary, 7/1/01 through 12/31/01.

MEDICAL CENTER

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

College of Medicine

Barnes, Gregory N., Assistant Professor, Neurology, 1/1/01 through 6/30/01.

Belendez, Zaida R., Assistant Research Professor, Preventive Medicine and Environmental Health, 11/1/00 through 6/30/01.

Brown, Raeford E., Professor (temporary), Anesthesiology, 11/1/00 through 6/30/01.

Kusmirek, Slawomir L., Clinical Assistant Professor, Internal Medicine, 11/1/00 through 6/30/01.

Mohiuddin, Mohammed, Professor (with tenure), Radiation Medicine, joint appointment as Professor (without tenure), College of Allied Health Professions, Department of Clinical Sciences, named to the Endowed Chair in Radiation Medicine, 11/1/00 through 10/31/05.

Pauly, Thomas H., Professor (voluntary), Pediatrics, 10/25/00 through 6/30/03.

Shashidhar, Harohalli R., Clinical Assistant Professor, Pediatrics, 10/25/00 through 6/30/01.

Xun, Chang-Qing, Assistant Professor, Internal Medicine, 11/1/00 through 6/30/01.

College of Nursing

Lewis, Carolyn K., Clinical Associate Professor, 9/18/00 through 6/30/01.

B. ADMINISTRATIVE REAPPOINTMENTS

College of Medicine

Collins, Terence R., Professor (with tenure), Preventive Medicine and Environmental Health, named Chair, Department of Preventive Medicine and Environmental Health, 11/1/00 through 6/30/01.

C. JOINT APPOINTMENTS

College of Medicine

Yannelli, John R., Associate Professor (with tenure), Internal Medicine, joint appointment as Associate Professor (without tenure), College of Pharmacy, effective 10/25/00.

College of Pharmacy

Cassis, Lisa A., Associate Professor (with tenure), joint appointment as Professor (without tenure), The Graduate School, Graduate Center for Toxicology, 7/1/00 through 6/30/04.

Crooks, Peter A., Professor (with tenure), joint appointment as Professor (without tenure), The Graduate School, Graduate Center for Toxicology, 7/1/00 through 6/30/04.

Dwoskin, Linda P., Professor (with tenure), joint appointment as Professor (without tenure), The Graduate School, Graduate Center for Toxicology, 7/1/00 through 6/30/04.

Wedlund, Peter J., Associate Professor (with tenure), joint appointment as Associate Professor (without tenure), The Graduate School, Graduate Center for Toxicology, 7/1/00 through 6/30/04.

D. REAPPOINTMENTS

College of Pharmacy

Parker, Chester L., Associate Professor (part time), 7/1/00 through 6/30/01.

E. CHANGES

College of Medicine

Samayoa, Luis M., from Assistant Professor*, Pathology and Laboratory Medicine, 9/20/00 through 6/30/01, to Assistant Professor*, Pathology and Laboratory Medicine, 10/20/00 through 6/30/01.

F. RETIREMENTS

College of Medicine

Tyson, Patsy M., Cancer Control Specialist, Markey Canter Center, after 20 years, 1 month of consecutive service, under AR II-1.6-1, Section III.B, effective 1/5/01.

G. EARLY RETIREMENTS

Chancellor's Office

Tomlin, Lucy A., Administrative Support Associate I, University Health Services, after 12 years, 3 months of consecutive service and 15 years of total service, under AR II-1.6-1, Section III.A.2, effective 12/8/00.

*Special Title Series

College of Pharmacy

Hussain, Anwar A., Professor (with tenure), after 27 years, 1 month of consecutive service, under AR II-1.6-1, Section III.A.2, effective 12/31/00.

H. POST-RETIREMENT APPOINTMENTS

College of Medicine

Jarecky, Roy K., Professor (part time), Family Practice, 10/1/00 through 6/30/01.

College of Nursing

Grier, Margaret R., Professor (part time), 9/1/00 through 6/30/01.

College of Pharmacy

Cobb, Ronald D., Associate Professor (part time), 9/1/00 through 12/31/00.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Allied Health Professions

Christensen, Celeste A., Assistant Professor (voluntary), Clinical Sciences, 12/13/00 through 6/30/03.

House, Steve, Instructor (voluntary), Health Services, 10/25/00 through 6/30/03.

College of Dentistry

Byron, Raymond J., Assistant Professor (part time), Oral Health Practice, 10/1/00 through 6/30/01.

Caluori, Domenic M., Assistant Professor (part time), Oral Health Practice, 10/15/00 through 6/30/01.

Kesavalu, Lakshmyya, Assistant Research Professor, Oral Health Science, 10/25/00 through 6/30/01.

College of Medicine

Absher, Dale R., Assistant Professor (voluntary), Diagnostic Radiology, 10/25/00 through 6/30/03.

Blake, Richard, Assistant Professor (voluntary), Internal Medicine, 10/1/00 through 6/30/03.

Campbell, Jason H., Assistant Professor (part time), Family Practice, 10/25/00 through 6/30/01.

*Special Title Series

Fisher, Westby G., Assistant Professor (part time), Internal Medicine, 11/1/00 through 6/30/01.
Gerhardstein, Donna C., Assistant Professor (voluntary), Family Practice, 10/25/00 through 6/30/03.
Hightower, Edward, Assistant Professor (part time), Diagnostic Radiology, 9/15/00 through 6/30/01.
Miller, Carol J., Assistant Professor (voluntary), Psychiatry, 10/25/00 through 6/30/03.
Pavez, Maria A., Assistant Professor (voluntary), Neurology, 10/25/00 through 6/30/03.
Taylor, Julie, Assistant Professor (voluntary), Family Practice, 10/25/00 through 6/30/03.
Vallance, Steven R., Assistant Professor (voluntary), Family Practice, 10/9/00 through 6/30/03.
Warsy, Adil K., Assistant Professor (voluntary), Internal Medicine, 10/1/00 through 6/30/03.

College of Nursing

Gross, Janet C., Assistant Professor (part time), 10/25/00 through 6/30/01.
Sparks, Denise H., Instructor (voluntary), 10/25/00 through 6/30/03.

College of Pharmacy

Duncan, Lamar, Instructor (voluntary), 10/25/00 through 6/30/03.
Guillory, Julia F., Assistant Professor (voluntary), 10/25/00 through 6/30/03.
Murray, Scott, Assistant Professor (voluntary), 10/25/00 through 6/30/03.

B. ADMINISTRATIVE APPOINTMENTS

College of Allied Health Professions

Page, Judith L., Associate Professor (with tenure), Health Services, named Acting Chair, Department of Rehabilitation Sciences, 10/1/00 through 6/30/01.

College of Medicine

Osborne, Lynn, Clinical Dosimetrist, Radiation Medicine, effective 8/28/00.

University Hospital

Baxter, Cynthia, Patient Care Manager, Trauma Intensive Care Unit/Surgical Intensive Care Unit, effective 10/9/00.

C. JOINT APPOINTMENTS

College of Medicine

Li, Lei, Assistant Professor, Physiology, joint appointment as Assistant Professor, Ophthalmology, 1/1/01 through 6/30/01.

D. CHANGES

College of Medicine

Tolle, Cheri, from CIS Program Director Assistant, Markey Cancer Center, to Partnership Development Director, Markey Cancer Center, effective 10/1/00.

University Hospital

Anderegg, Robert, from Financial Analyst, Hospital Finance, to Department Administrator III, Markey Cancer Center, effective 9/1/00.

PR 3A

Office of the President
October 24, 2000

Members, Board of Trustees:

PROPOSED AMENDMENT TO THE GOVERNING REGULATIONS

Recommendation: that the following proposed amendment to the Governing Regulations of the University of Kentucky be approved. It was received for preliminary consideration at the regular meeting of the Board of Trustees on September 19, 2000.

NOTE: Proposed additions are bold and underlined; proposed deletions are bold and in []

The President of the University is appointed by the Board of Trustees with the advice of a joint committee of the Board, faculty, staff, student body, and alumni. The committee shall consist of [~~five~~] six members of the Board, at least one of whom shall be from among the three alumni trustees, appointed by its chairperson; three members of the full-time teaching and/or research faculty of the University System, selected by a procedure determined by the University Senate; one member of the full-time staff of the University appointed by the chairperson of the Board from a list of three staff members elected by the staff of the University; two full-time students of the University, one undergraduate and one graduate or professional student, appointed by the Chairperson of the Board from a list of three undergraduate students and three graduate or professional students selected by a procedure determined by the Student Government Association; and one member of the alumni of the University appointed by the Chairperson of the Board from a list of three alumni selected by the Board of Directors or the Executive Committee of the University of Kentucky Alumni Association. The committee shall provide opportunity for discussion between representatives of administration, faculty, staff, student, and alumni groups and prospective presidential candidates.

Background: Earlier this year, the Board approved a change in the Governing Regulations concerning the composition of the search committee for the President of the University. One of the valuable changes was designating an alumni trustee as one of the five appointed Board members to the search committee. Notwithstanding such improvement in the change to the Governing Regulations, the discretion of the Board Chairperson to name trustees at-large was reduced from five trustees to four. The appointment of one additional member from the Board will provide the Chairperson of the Board with more flexibility in the appointment of trustees and will also provide an uneven number (13) of members on the search committee.

Action taken:

Approved

Disapproved

Other _____

PR 5A

Office of the President
October 24, 2000

Members, Board of Trustees:

ESTABLISHMENT OF BACCALAUREATE DEGREE PROGRAMS IN ENGINEERING AT EXTENDED CAMPUS SITE IN PADUCAH, KENTUCKY

Recommendation: that the Board of Trustees authorize the approval of the establishment of a B.S. degree in Chemical Engineering and a B.S. degree in Mechanical Engineering at its Extended Campus Site in Paducah, Kentucky for submission to the Council on Postsecondary Education (CPE).

Background: The creation of these programs is consistent with the resolution passed by the Kentucky Council on Higher Education (predecessor to the CPE) on November 13, 1995, directing the University of Kentucky (UK), Murray State University (MuSU) and Paducah Community College (PCC) to cooperate in establishing ABET (Accreditation Board for Engineering and Technology) accredited undergraduate programs in a Regional Center in the Jackson Purchase Area in Western Kentucky. In 1996 the General Assembly supported the resolution with an operating budget, which in 1999-2000 stands at \$1.4 million.

The programs in Paducah, as designed, have the same content, duration, academic standards and policies and the same institutional control and administration (same dean and chairperson as Lexington Campus, but with local site direction) and some shared faculty. The reasons for different program designations are consistent with the recommendations of accreditation experts who have worked with the college administration throughout the program development process. These reasons include: (1) the preservation of the prerogative for the Paducah programs to establish their own education objectives, student learning outcomes, and assessment methods in response to their own local stakeholders; (2) the fact that the laboratory facilities, libraries, and academic support services, while similar to those in Lexington, are indeed different and also 248 miles distant from the Lexington Campus; (3) the differences in faculty (but not faculty quality) with primary responsibility in Paducah (eight UK faculty and five jointly-appointed MuSU faculty); and (4) the differences in student demographics (all engineering students in Paducah are transfer students, most from Paducah Community College).

The proposed program is supported by the Chancellor of the Lexington Campus, the Dean of the College of Engineering, and has been reviewed and recommended by the Undergraduate Council, the Senate's Academic Programs Committee, the Senate Council and approved by the University Senate.

Approval by the Board of Trustees is required prior to submission to the Council on Postsecondary Education.

Action taken: Approved Disapproved Other _____

PR 6A

Office of the President
October 24, 2000

Members, Board of Trustees:

ESTABLISHMENT OF A CENTER FOR SENSOR TECHNOLOGY

Recommendation: that the Board of Trustees approve the establishment of a Center for Sensor Technology.

Background: The Center will focus on the development and use of state-of-the-art sensor techniques for the studies of chemical dynamics of biological systems. The goals of the Center are the following: (1) to develop new sensor technologies and instrumentation; (2) to train students, postdoctoral fellows, and faculty in sensor-based methodology; (3) to formulize relationships with industry for development and production of new instrumentation; and (4) to serve as a technology center for the University of Kentucky and for the scientific community at large.

The Center for Sensor Technology will seek to develop new sensing technologies and instrumentation for further understanding of chemical signaling in medical science. In particular, these new technologies will lead to better health care for individuals with brain disorders such as Parkinson's disease, Huntington's chorea, and Alzheimer's disease.

The Center for Sensor Technology will be a Center reporting to the Chancellor of the Medical Center. The Center will work with faculty from various academic departments in the Medical Center.

The establishment of the Center is supported by the Chancellor of the Medical Center and has been approved by the University Senate.

Action taken: Approved Disapproved Other _____

PR 6B

Office of the President
October 24, 2000

Members, Board of Trustees:

ESTABLISHMENT OF A DEPARTMENT OF REHABILITATION SCIENCES

Recommendation: that the Board of Trustees approve the establishment of a Department for Rehabilitation Sciences, College of Allied Health Professions.

Background: Nationally, Communications Disorders (CD) and Physical Therapy (PT) are two parts of a tri-alliance of rehabilitation professions that also includes Occupational Therapy. Members of these two professions have a long history of working together both clinically and academically and will only be strengthened by forming a unified unit.

Placing CD and PT into a Department of Rehabilitation Sciences (rather than their current home in Health Services) will give the program a clearer identity and stronger external visibility and recognition. This reorganization will strengthen the educational experiences for students in CD and PT by allowing them to have first-hand experience with interdisciplinary and Rehabilitation Sciences within the traditional tri-alliance for rehabilitation.

CD and PT are the two on-campus pieces of the developing Rehabilitation Sciences doctoral program. Placing the two disciplines in a unified department whose identity and focus is Rehabilitation Sciences will strengthen the linkages to the Rehabilitation Sciences doctoral degree and also facilitate coordination with the other institutional partners.

Providing a unified identity as a Department of Rehabilitation Sciences provides a clearer structure for external linkages and for opportunities for external funding. The proposed change has positive implication for sector and College strategic plans in that it positions the units to respond more quickly and efficiently to changes in the rehabilitation environment.

The establishment of the Department is supported by the Chancellor of the Medical Center and has been approved by the University Senate.

Action taken: Approved Disapproved Other _____

PR 6C

Office of the President
October 24, 2000

Members, Board of Trustees:

ESTABLISHMENT OF A WOMEN'S HEALTH CENTER

Recommendation: that the Board of Trustees approve the establishment of a Women's Health Center.

Background: The proposed Women's Health Center's vision is to advance the health, well-being, and self-esteem of women in Kentucky. Women's Health as defined by the National Academy on Women's Health Medical Education is devoted to facilitating the preservation of wellness and prevention of illness in women, and includes screening, diagnosis and management of conditions which are unique to women; more common in women; more serious in women; and have manifestations, risk factors or interventions which are different in women.

The proposed Center will incorporate five (5) areas of emphasis: research, education, clinical services, community outreach, and leadership. The Center's mission is to discover scientific and clinical knowledge through systematic and multidisciplinary approaches in order to understand and improve the health of women; to sensitize health practitioners to understand and respond to the health care concerns and needs of women; to provide coordinated, comprehensive and compassionate diagnostic, treatment and preventive health care services for women; to share women's health resources and information with consumers, communities, health care professionals, educators, and policy makers; and to increase the recruitment, retention, development, promotion and advancement of women within the University of Kentucky.

The Women's Health Center will be a Center reporting to the Chancellor of the Medical Center. The Center will work with faculty from various academic departments in the Medical Center.

The establishment of the Center is supported by the Chancellor of the Medical Center. This recommendation for approval is contingent upon final consideration by the University Senate on October 16, 2000.

Action taken: Approved Disapproved Other _____

FCR 1

Office of the President
October 24, 2000

Members, Board of Trustees:

ACCEPTANCE OF INTERIM FINANCIAL REPORT FOR THE
UNIVERSITY OF KENTUCKY FOR THE THREE MONTHS ENDED
SEPTEMBER 30, 2000

Recommendation: that the Board of Trustees accept the University of Kentucky consolidated financial report for the three months ended September 30, 2000.

Background: The consolidated financial report includes the financial activities of the University of Kentucky and its affiliated corporations, consisting of the University of Kentucky Research Foundation, The Fund for Advancement of Education and Research in the University of Kentucky Medical Center, University of Kentucky Athletic Association, University of Kentucky Mining Engineering Foundation, University of Kentucky Business Partnership Foundation, University of Kentucky Humanities Foundation, University of Kentucky Equine Research Foundation, University of Kentucky Center on Aging Foundation, and Health Care Collection Service.

As of September 30, 2000, the University had realized income of \$350,784,000 representing 29% of the 2000-01 estimate of \$1,197,259,000. Expenditures and commitments total \$304,629,000 or 25% of the approved budget of \$1,197,259,000.

Action taken:



Approved

Disapproved

Other _____

**CONSOLIDATED BALANCE SHEET
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
SEPTEMBER 30, 2000**

with comparative totals for September 30, 1999
(in thousands)

	2000-01					1999-00	
	Current Unrestricted Funds	Current Restricted Funds	Loan Funds	Endowment Funds	Plant Funds	Totals	Totals
ASSETS							
Cash and cash equivalents	\$ 95,573	-	\$ 3,183	\$ 643	\$ 160,274	\$ 259,673	\$ 332,072
Notes, loans, and A/R (less bad debt allowances of \$22,824)	142,637	\$ 24,006	23,514	1,327	1,155	192,639	169,578
Investments	29,107	128,202		404,007	28,610	589,926	445,975
Property, plant, and equipment					1,369,358	1,369,358	1,297,443
Inventories and other	15,434	51			100	15,585	14,803
Total Assets	\$ 282,751	\$ 152,259	\$ 26,697	\$ 405,977	\$ 1,559,497	\$ 2,427,181	\$ 2,259,871
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 30,331	\$ 3,421	\$ 284		\$ 3,339	\$ 37,375	\$ 33,886
Employee withholdings and deposits		20,391				20,391	22,873
Other liabilities	6,105	3,622		\$ 6,501	1,983	18,211	14,372
Liability for self insurance	53,238					53,238	49,321
Deferred income	16,254	14,490				30,744	32,230
Bonds payable					182,961	182,961	198,276
Capitalized lease obligation					52,636	52,636	28,792
Total Liabilities	105,928	41,924	284	6,501	240,919	395,556	379,750
Interfund Balances	(51,855)	61,171		13,004	(22,320)		
Net deferred revenues and appropriated fund balances	55,658	(1,126)				54,532	27,621
Fund Balances							
Current unrestricted							
Working capital	167,211					167,211	159,337
Future operating purposes	5,271					5,271	4,910
Other	538					538	10,622
Current restricted		50,290				50,290	50,136
Loan			26,413			26,413	25,536
True endowments				293,426		293,426	245,566
Term endowments				5,823		5,823	5,405
Quasi endowments				87,223		87,223	76,250
Plant							
Retirement of indebtedness					40,416	40,416	29,631
Renewal and replacement					51,325	51,325	15,086
Allocated for designated projects					159,715	159,715	202,164
Net investment in plant					1,089,442	1,089,442	1,027,857
Total Fund Balances	173,020	50,290	26,413	386,472	1,340,898	1,977,093	1,852,500
Total Liabilities and Fund Balances	\$ 282,751	\$ 152,259	\$ 26,697	\$ 405,977	\$ 1,559,497	\$ 2,427,181	\$ 2,259,871

**CONSOLIDATED STATEMENT OF CURRENT FUNDS REVENUES AND APPROPRIATED FUND BALANCES
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2000**

with comparative totals for September 30, 1999
(in thousands)

	2000-01				1999-00	
	Original Budget	Revised Budget	Realized To Date	%	Realized To Date	%
General Fund						
(1) State appropriations	\$ 307,830	\$ 307,830	\$ 76,883	25	\$ 72,548	25
(2) Student fees	125,910	125,910	62,109	49	58,591	49
(3) Federal appropriations	15,553	15,553	4,504	29	5,477	35
(4) County appropriations	7,674	7,674	1,800	23	1,232	17
(5) Endowment income	875	875	191	22	193	21
(6) Investment income	11,901	11,901	3,165	27	2,718	30
Gifts and grants						
(7) Affiliated corporations	14,348	14,348	3,032	21	2,972	21
(8) Other	55,519	58,121	12,429	21	10,192	17
(9) Sales and services	62,486	61,266	10,709	17	9,287	16
(10) Fund balance	19,478	19,478	19,478	100	20,582	100
(11) Total General Fund	621,574	622,956	194,299	31	183,792	31
(12) Auxiliary Enterprises	33,549	33,549	9,297	28	9,155	28
(13) Restricted Funds	72,561	72,585	19,637	27	14,599	22
(14) Affiliated Corporations	173,359	173,352	40,315	23	36,444	23
Hospital						
(15) Revenues	294,817	294,817	87,235	30	75,319	27
(16) Fund balance						
Total Revenues and						
(17) Appropriated Fund Balances	<u>\$ 1,195,860</u>	<u>\$ 1,197,259</u>	<u>\$ 350,784</u>	<u>29</u>	<u>\$ 319,309</u>	<u>28</u>

**CONSOLIDATED STATEMENT OF CURRENT FUNDS EXPENDITURE SUMMARY BY PROGRAM - ALL FUNDS
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2000**

with comparative totals for September 30, 1999

(in thousands)

	2000-01				1999-00	
	Original	Revised	Expended/ Encumbered	%	Expended/ Encumbered	%
	Budget	Budget	To Date		To Date	
(1) Instruction	\$ 257,926	\$ 256,127	\$ 59,374	23	\$ 60,605	25
(2) Research	159,906	159,300	37,579	24	32,994	22
(3) Public service	155,726	153,789	37,581	24	37,348	25
(4) Academic support	72,221	74,036	19,701	27	20,544	29
(5) Student services	22,859	22,486	5,549	25	4,688	23
(6) Institutional support	48,670	52,197	13,200	25	13,219	27
(7) Student financial aid	50,234	50,448	22,749	45	18,732	40
(8) Operation and maintenance	42,637	43,195	10,057	23	8,235	20
(9) Mandatory transfers (debt service)	18,879	18,879	16,975	90	16,572	100
(10) Hospital	295,588	295,588	64,975	22	68,521	25
(11) Auxiliary enterprises	71,214	71,214	16,888	24	18,178	26
(12) Total Expenditure by Program	<u>\$ 1,195,860</u>	<u>\$ 1,197,259</u>	<u>\$ 304,629</u>	25	<u>\$ 299,636</u>	27

**EXPENDITURE SUMMARY BY CATEGORY OF EXPENDITURE
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2000**

with comparative totals for September 30, 1999

(in thousands)

	2000-01				1999-00	
	Original	Revised	Expended/ Encumbered	%	Expended/ Encumbered	%
	Budget	Budget	To Date		To Date	
(13) Personnel costs	\$ 673,523	\$ 669,987	\$ 161,899	24	\$ 155,818	24
(14) Operating expenses	456,099	462,034	107,479	23	101,163	24
(15) Mandatory transfers (debt service)	29,936	29,936	18,764	63	18,327	66
(16) Capital outlay	36,302	35,302	16,487	47	24,328	69
(17) Total Expenditure by Category	<u>\$ 1,195,860</u>	<u>\$ 1,197,259</u>	<u>\$ 304,629</u>	25	<u>\$ 299,636</u>	27

**CONSOLIDATED SUMMARY OF NET DEFERRED REVENUES AND APPROPRIATED FUND BALANCES
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2000**

with comparative totals for September 30, 1999

(in thousands)

	<u>2000-01</u>	<u>1999-00</u>
(1) Realized Revenues	\$ 331,306	\$ 298,727
Appropriated Fund Balances		
(2) Current Unrestricted Fund	\$ 19,478	20,582
(3) University Hospital	<u> </u>	<u> </u>
(4) Total Appropriated Fund Balances	<u>19,478</u>	<u>20,582</u>
(5) Total Revenues and Appropriated Fund Balances	350,784	319,309
(6) Expenditures/Encumbrances	304,629	299,636
(7) Less: Reserve for Encumbrances	<u>(9,223)</u>	<u>(11,322)</u>
(8) Total Expenditures	<u>295,406</u>	<u>288,314</u>
(9) Excess/(Deficit) Restricted Receipts Over Transfers to Revenues	<u>(846)</u>	<u>(3,374)</u>
(10) Net Deferred Revenues and Appropriated Fund Balances	<u>\$ 54,532</u>	<u>\$ 27,621</u>

FCR 2

Office of the President
October 24, 2000

Members, Board of Trustees:

ACCEPTANCE OF THE 2000 ANNUAL REPORT AND
THE FINANCIAL STATEMENTS OF THE UNIVERSITY OF KENTUCKY
AND AFFILIATED CORPORATIONS AND OTHER RELATED ORGANIZATIONS
FOR THE YEAR ENDED JUNE 30, 2000

Recommendation: that the Board of Trustees accept the 2000 Annual Report of the University of Kentucky, and the separate financial statements of the University of Kentucky, the Housing and Dining System, the Tobacco and Health Research Institute, and the University Hospital for the year ended June 30, 2000, and reports submitted by the external auditors, Deloitte & Touche, on Compliance and on Internal Control, and on Compliance with House Bill 622 (KRS 164A.555 to 164A.630).

That the Board of Trustees accept the financial statements of the University of Kentucky affiliated corporations, including The Fund for Advancement of Education and Research in the University of Kentucky Medical Center, University of Kentucky Research Foundation, University of Kentucky Athletic Association, University of Kentucky Business Partnership Foundation, Inc., University of Kentucky Mining Engineering Foundation, Inc., University of Kentucky Equine Research Foundation, University of Kentucky Humanities Foundation, Inc., University of Kentucky Center on Aging Foundation, Inc., and Health Care Collection Service, Inc., and other related organizations, including University of Kentucky Alumni Association, and University of Kentucky Hospital Auxiliary for the year ended June 30, 2000.

Background: The Finance Committee of the Board of Trustees of the University of Kentucky has reviewed the 2000 Annual Report and the financial statements and related reports with the administration of the University of Kentucky. Deloitte & Touche, Certified Public Accountants, audited the financial statements and communicated directly to the Finance Committee concerning the conduct of their independent audit as required by *Governmental Auditing Standards*.

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

Action taken:



Approved



Disapproved



Other _____

FCR 3

Office of the President
October 24, 2000

Members, Board of Trustees:

DISPOSAL OF SURPLUS PROPERTY

Recommendation: that the Board of Trustees approve disposal of surplus property as set forth in Attachments I through IV.

Background: KRS 164A.575 authorizes the Board of Trustees to sell or otherwise dispose of property of the University which is no longer needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, as determined by the Board. Attachments I through IV provide a description of the surplus property and states the reasons for disposal.

Action taken: Approved Disapproved Other _____

UNIVERSITY OF KENTUCKY
DISPOSAL OF SURPLUS PROPERTY

Property Description	One ISA Instruments Triax555 Spectrometer with CCD One Spectra Physics Argon Laser One Spectra Physics Krypton Laser One Kaiser Optics Holographic Notch Filter One Varian Ion Gauge Controller One NESLAB Coolflow System II
Method of Disposal	Negotiated Sale
Reason for Disposal	Dr. Apparao Rao of the Center for Applied Energy Research has accepted a faculty position at Clemson University where he will continue his materials research program and remain associated with the University of Kentucky through a subcontract. Dr. Fitzgerald B. Bramwell, Vice President for Research and Graduate Studies, approved the sale of the specialized equipment to Clemson University for continued support of Dr. Rao's research program. This would represent the most effective use for this equipment.

**UNIVERSITY OF KENTUCKY
DISPOSAL OF SURPLUS PROPERTY**

Property Description	One Verifone 330 One IBM PC Laptop 701CS One IBM PC P166 Four IBM PC 350 P2000 One Dell PC 2300 One HP Tape Drive DAT8E One Steelcase Modular Desk Unit
Method of Disposal	Transfer without compensation to another state agency.
Reason for Disposal	Effective August 1, 2000 management of the Prestonsburg Community College Student Health Clinic (PCCSHS) was transferred from the University Health Service to the Kentucky Community and Technical College System (KCTCS) and Big Sandy Health Corporation. Dr. James W. Holsinger, Jr., Chancellor of the Medical Center, is requesting authority to transfer this equipment to KCTCS for continued use in the PCCSHS. The equipment was originally purchased by University Health Service and subsequently transferred to the PCCSHS.

**UNIVERSITY OF KENTUCKY
DISPOSAL OF SURPLUS PROPERTY**

Property Description

One Polytron Homogenizer
One Pharmacia/LKB Spectrophotometer
Three Pharmacia Fraction Collectors
One Varian Solvent Delivery System
Four Kipp and Zonen Chart Recorders
One Uvicord UV Monitor
Three Isco UV Detectors
One Mettler Balance
One Molecular Devices Plate Reader
One Orion pH Meter

Method of Disposition

Negotiated Sale

Reason for Disposal

Dr. Myron Jacobson of the College of Pharmacy has accepted a faculty position at the University of Arizona where he will continue his research program in Pharmaceutical Science. Dr. James W. Holsinger, Jr., Chancellor of the Medical Center, has approved the sale of the scientific equipment to the University of Arizona for continued support of Dr. Jacobson's research program. This would represent the most effective use for this equipment.

**UNIVERSITY OF KENTUCKY
DISPOSAL OF SURPLUS PROPERTY**

Property Description	One 1969 Miehle 025 Printing Press One 1987 Didde Double Head Web Printing Press
Method of Disposal	Sealed Bid
Reason for Disposal	Mr. Eugene Williams, Vice President for Information Systems, has determined this equipment is no longer needed by Printing Services due to technology upgrades, and has requested a competitive sale of the equipment. The printing presses are still in good working order and have resale value.

FCR 4

Office of the President
October 24, 2000

Members, Board of Trustees:

REPORT OF LEASE

Recommendation: that the Board accept the President's Report of the following lease agreement in accordance with Board Policy:

A new lease between the University of Kentucky (Pharmacy Continuing Education) and Coleman Group Property Services, Agent for BGK, 301 East Main Street, Lexington, Kentucky, for space located at 301 East Main Street, Suite 610, Lexington, Kentucky, effective October 15, 2000, for the use of 1,125 square feet of office space, at an annual rate of \$16,875.00.

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

Action taken: Approved Disapproved Other _____

FCR 5

Office of the President
October 24, 2000

Members, Board of Trustees:

PATENT ASSIGNMENT REPORT

Recommendation: that the patent assignment report for the period June 1 through September 30, 2000, be accepted.

Background: FCR 5, dated March 4, 1997, authorized that all future copyright and patent filings and prosecutions be conducted by the University of Kentucky Research Foundation (UKRF), and that the Vice President for Research and Graduate Studies or his designee be authorized to execute any needed documents to obtain appropriate patent or copyright protection. Quarterly reports on patent and copyright applications are to be submitted to the Finance Committee of the Board.

Action taken: Approved Disapproved Other _____

PATENT ASSIGNMENT
QUARTERLY REPORT FOR THE PERIOD JUNE 1 THROUGH SEPTEMBER 30, 2000

Patents

The following assignments on behalf of the Board of Trustees to the University of Kentucky Research Foundation have been executed:

1. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "PERMEABLE, WATER SOLUBLE, NON-IRRITATING PRODRUGS OF CHEMOTHERAPEUTIC AGENTS WITH OXAALKANOIC ACIDS." Inventors: Peter A. Crooks, Tadeusz Cynkowski, Grazyna Cynkowska, Hong Guo and Paul Ashton. This invention relates to the field of prodrugs of chemotherapeutic agents and method for using these prodrugs.
2. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "APPARATUS FOR DISPERSING NANO-ELEMENTS DISTRIBUTED WITHIN A CARRIER-FLUID, CONDUCTIVE DEVICE PRODUCED THEREFROM, AND ASSOCIATED METHOD OF ASSEMBLING A CONDUCTIVE DEVICE." Inventors: Craig A. Grimes and Elizabeth Dickey. This invention provides an apparatus that incorporates a unique method for dispersing a plurality of elongated nano-sized elements within a carrier-fluid to assemble a conductive device.
3. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "AMYLOID PEPTIDE INACTIVATING ENZYME TO TREAT ALZHEIMER'S DISEASE." Inventors: Louis B. Hersh and Atish Mukherjee. The peptidase insulin degrading enzyme (IDE) has been shown to cleave A β peptides. Cleavage of A β 1-42 by recombinant IDE abolishes its cell toxicity. Recombinant IDE is expressed on the surface of cells or secreted from cells in plaque forming regions of the brain. Primary hippocampal and cortical cell are treated with A β peptides in the presence or absence of IDE and cell toxicity measured. Cells are recombinantly engineered to express IDE on the cell surface or secrete it. The membrane bound and secreted forms of IDE are then expressed in a mammal.
4. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "BIDIRECTIONAL PROMOTERS AND METHODS RELATED THERETO." Inventors: Susheng Gan, Mingtang Xie, and Yuehui He. This invention comprises artificial nucleic acid constructs comprising a bi-directional promoter having minimal promoter and a common promoter, wherein said minimal promoter is operably linked to said common promoter, in opposite orientation to said common promoter, and 5' to said common promoter. Those artificial nucleic acid constructs, wherein said bi-directional promoter further comprises at least one gene operably linked to said minimal promoter and said common promoter are preferred.
5. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "IODIDE UPTAKE RESTORATION IN THYROID CANCER." Inventors: Kenneth B. Ain, Gopalakrishnan Venkataraman, Mustafa Yatin and Regina Marcinek. This invention provides a method of expressing a tumor specific therapeutic response element in a

cancerous cell in which the response element was previously blocked from expression. The method comprises the step of administering an unblocking agent to the cancerous cell harboring a gene encoding the response element, thereby resulting in the expression of the response element.

6. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "ELECTRICALLY-SMALL LOW Q RADIATION STRUCTURE AND METHOD OF PRODUCING EM WAVES THEREWITH." Inventors: Craig A. Grimes, Dale M. Grimes, Faton Tefiku and Gang Lui. This invention provides an electrically small radiator structure for radiating electromagnetic waves having an electrical size, $k \cdot a$, with a value less than $B/2$ and above $B/20,000$ and configured to have at least a first and second magnetic, or electric dipole element. Dipole elements are preferably oriented such that a source-associated standing energy value for the structure is low, Radiative Q value preferably less than $1/3(k \cdot a)^3$, and each of the elements, whether paired with respective electric dipole elements, is in electrical communication through a feed circuit to at least one power source. This invention also provides a method of producing electromagnetic waves using an electrically small radiator structure as defined above.
7. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "SOY PRODUCTS HAVING IMPROVED ODOR AND FLAVOR AND METHODS RELATED THERETO." Inventor: William L. Boatright. This invention provides improved soy protein products, soy plants and seeds and methods to produce the soy protein products.
8. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "INHIBITORS OF PLANT PEPTIDE DEFORMYLASE FOR USE AS BROAD-SPECTRUM HERBICIDES AND METHOD FOR IDENTIFYING THE SAME." Inventors: Robert L. Houtz, Lynette M. A. Dirk, Mark A. Williams. This invention provides compounds useful as inhibitors of plant peptide deformylase and their use as broad spectrum herbicides. The invention also provides a method of identifying herbicides.
9. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "A METHOD FOR ANALYZING MOLECULAR EXPRESSION IN AN INTACT SINGLE CELL." Inventors: Philip W. Landfield, Eric M. Blalock, Kuey-Chu Chen and Patrick G. Kaminker. This invention discloses a method for obtaining molecules from a single cell. The method comprises isolating a substantially intact single cell from its organ tissue comprising the steps of subjecting a tissue mass to a dissociation method so that the cells are dissociated from the tissue to expose cell bodies, contacting a device capable of collecting the cell from the tissue substantially intact, withdrawing device with the cell attached, disrupting the membrane of the single cell, and then isolating or detecting the molecules in the single cell.
10. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "METHOD FOR STORING AND RETRIEVING SEQUENTIAL INFORMATION." Inventors: Philip W. Landfield and Olivier Thibault. This invention provides a method and design for distributing and storing sets of temporally ordered information in a systematic and sequential fashion. This method is based on a model of how the brain functions in the

distribution and storage of temporally ordered memories, but it can also be applied to the design of new biological, electronic or optical devices. These devices may be used in the testing and development of new therapeutic drugs, in the detection of toxic agents or impaired performance, or in the development of new industrial and consumer devices in which the orderly storage of sequential information is important.

11. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "CIS-2, 6-DISUBSTITUTED PIPERIDINES FOR THE TREATMENT OF PSYCHOSTIMULANT ABUSE AND WITHDRAWAL, EATING DISORDERS, AND CENTRAL NERVOUS SYSTEM DISEASES AND PATHOLOGIES." Inventors: Linda P. Dwoskin, Peter A. Crooks, and Marlon D. Jones. This invention provides Cis-2,6-disubstituted piperidine analog, or lobeline analogs which are useful in treating diseases of the central nervous system, drug abuse and withdrawal there from as well as treating eating disorders.
12. U.S. Patent Serial Number: (To be assigned), filed (To be filed), titled "PROCESS FOR THE PHYSICAL SEGREGATION OF MINERALS." Inventors: Jon Yingling and Rajive Ganguli. The present invention includes various methods for reliably segregating a mineral stream into at least one fraction meeting desired quality specifications while at the same time maximizing yield of that fraction.

FCR 6

Office of the President
October 24, 2000

Members, Board of Trustees:

ABERCROMBIE FOUNDATION PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$225,000 from the Abercrombie Foundation of Versailles, Kentucky, for the Markey Cancer Center's Ovarian Cancer Screening Program.

Background: The Abercrombie Foundation is a long-time and generous supporter of the University. The gift will be used to expand the Ovarian Cancer Screening Program by enrolling more patients in an effort to provide early detection and treatment of ovarian cancer. The pledge will be paid in three annual payments of \$75,000 beginning in fiscal year 2000-01.

Action taken:



Approved



Disapproved



Other _____

FCR 7

Office of the President
October 24, 2000

Members, Board of Trustees:

ANONYMOUS GIFT AND PLEDGE

Recommendation: that the Board of Trustees accept a gift of \$100,000 and a pledge of \$150,000 from an anonymous donor to establish and endow a professorship/chair in physician leadership development in the College of Medicine.

Background: The donor wishes to support programs that provide physicians and health care professionals with the basic skills in management and financial strategies to become productive leaders in the health care industry. The donor anticipates his gift being matched by the state's Research Challenge Trust Fund. The pledge will be paid by December 31, 2001. The Chandler Medical Center will continue to raise funds for this position to reach the \$1,000,000 required to fund a chair.

Action taken: Approved Disapproved Other _____

FCR 8

Office of the President
October 24, 2000

Members, Board of Trustees:

C. MICHAEL GARVER PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$1,000,000 from C. Michael Garver of Houston, Texas, to fund the C. Michael Garver Endowment Fund in the College of Engineering's Department of Civil Engineering.

Background: Mr. Garver, a 1960 graduate in mechanical engineering, is president of BRH Garver, Inc., and is considered a pioneer in the microtunneling industry. He has offices in Houston and San Diego. Mr. Garver was inducted into the College of Engineering Hall of Distinction in 1999. The purpose of the gift is twofold: \$750,000 will support graduate fellowships, known as C. Michael Garver Fellows, and \$250,000 will support undergraduate scholarships, known as C. Michael Garver Scholars. The donor anticipates the \$750,000 gift for graduate fellowships being matched by the state's Research Challenge Trust Fund. Mr. Garver plans to fulfill his pledge by January 2001.

Action taken:



Approved

Disapproved

Other _____

FCR 9

Office of the President
October 24, 2000

Members, Board of Trustees:

CARL F. POLLARD GIFT AND PLEDGE

Recommendation: that the Board of Trustees accept a gift of \$100,000 and a pledge of \$400,000 from Carl F. Pollard of Goshen, Kentucky, for the William T. Young Library Endowment to support the library collection for the benefit of research and graduate programs of the University.

Background: Mr. Pollard is a 1960 graduate of the Gatton College of Business and Economics and was named to the college's Hall of Fame in 1994. A former president and chief operating officer of Humana, Inc., of Louisville, Mr. Pollard is the owner of Hermitage Farm LLC of Goshen. Mr. Pollard is a generous contributor to the University. His gift to the library is eligible for matching funds from the state's Research Challenge Trust Fund. His pledge will be paid by the end of 2004.

Action taken:



Approved



Disapproved



Other _____

FCR 10

Office of the President
October 24, 2000

Members, Board of Trustees:

CHANGING NAME OF PROFESSORSHIP IN CHANDLER MEDICAL CENTER

Recommendation: that the Board of Trustees change the name of an endowment from U. S. Surgical Corporation Professorship in Minimally Invasive Surgery to U. S. Surgical-Pfizer Professorship/Chair in Medical Management and accept gifts totaling \$150,000 to fund the professorship.

Background: The Board of Trustees accepted on December 8, 1998 gifts from United States Surgical Corporation of Norwalk, Connecticut, to establish and endow two professorships in minimally invasive surgery.

By this action, the Board is changing the name of one of the professorships to reflect a partnership between U. S. Surgical Corporation and Pfizer, Inc., and a change in the focus of that professorship from minimally invasive surgery to medical management. The other professorship will remain as accepted on December 8, 1998. This new position is named a "professorship/chair" to reflect the Medical Center's intentions to continue to raise funds to reach \$1,000,000, the level required for a chair.

By this action, the Board is also accepting a new gift of \$100,000 from U. S. Surgical Corporation of Norwalk, Connecticut, and a new gift of \$50,000 from Pfizer, Inc., to fund the professorship. This \$150,000 is eligible to be submitted for matching funds from the state's Research Challenge Trust Fund. The total endowment will fund the U. S. Surgical-Pfizer Professorship/Chair in Medical Management.

Action taken:



Approved

Disapproved

Other _____

FCR 11

Office of the President
October 24, 2000

Members, Board of Trustees:

CHRIS T. SULLIVAN PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$2,000,000 from Chris T. Sullivan of Tampa, Florida, for the William T. Young Library Endowment to support the library collection for the benefit of research and graduate programs of the University.

Background: Mr. Sullivan is a 1972 graduate of the Gatton College of Business and Economics and was named to the college's Hall of Fame in 1994. A native of Florida, he founded Outback Steak House, Inc., a national restaurant chain. Mr. Sullivan is a co-chair of the UK capital campaign and is one of the University's most generous benefactors. His gift to the library will be submitted for matching funds from the state's Research Challenge Trust Fund. Mr. Sullivan's pledge will be fulfilled within five years.

Action taken:



Approved



Disapproved



Other _____

FCR 12

Office of the President
October 24, 2000

Members, Board of Trustees:

DAVID H. KAUFMAN PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$25,000 from David H. Kaufman of Palo Alto, California. The General Electric Company of Fairfield, Connecticut, will match Mr. Kaufman's gift. When this \$50,000 is matched by the state's Research Challenge Trust Fund, the University will establish and endow the David H. and Barbara Schlund Kaufman Professorship in the Carol Martin Gatton College of Business and Economics.

Background: Mr. Kaufman is a 1949 graduate of the Gatton College of Business and Economics and has been active in financial and investment planning throughout California. Named in honor of Mr. Kaufman's parents, the professorship will support a faculty member whose research and scholarship relate to the areas of investments and securities. Mr. Kaufman's pledge will be paid in 2000. The General Electric Company's matching \$25,000 will be paid in the first quarter of 2001.

Action taken:



Approved

Disapproved

Other _____

FCR 13

Office of the President
October 24, 2000

Members, Board of Trustees:

DEVELOPMENT DIMENSIONS INTERNATIONAL PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$100,000 from Development Dimensions International of Bridgeville, Pennsylvania, to establish and endow the Development Dimensions International Professorship in Behavioral Sciences in the School of Public Health in the College of Medicine.

Background: Development Dimensions International (DDI) specializes in developing employee staffing, assessment, training and development programs. The company provides competency and behavior-based human resource solutions drawing from three decades of research and experience in the fields of selection, assessment, training and development to help organizations worldwide. The company has a network of 70 offices in 22 countries. Since DDI's learning and selection systems are based on extensive research into the skills, motivations and behaviors required for successful performance, the company supports behavioral sciences research. The pledge will be paid in this fiscal year. DDI anticipates its pledge being matched by the state's Research Challenge Trust Fund to create a \$200,000 professorship.

Action taken:



Approved

Disapproved

Other _____

FCR 14

Office of the President
October 24, 2000

Members, Board of Trustees:

GIFTS TO CREATE CAREY PROFESSORSHIP

Recommendation: that the Board of Trustees accept gifts of \$50,000 from friends and colleagues of the late William "Jack" Carey, M.D., to create and endow the William "Jack" Carey, M.D., Professorship in Emergency Medicine in the College of Medicine's Department of Emergency Medicine.

Background: Dr. Carey was the University's first emergency medicine director and founding chair of the emergency medicine program. The emergency residency program founded by Dr. Carey was the sixth such program in the nation when it was started in 1972. Dr. Carey died in 1978 at the age of 46. The \$50,000 given by colleagues and friends of Dr. Carey will create a \$100,000 professorship to support emergency medicine research when matched by the state's Research Challenge Trust Fund.

Action taken:



Approved

Disapproved

Other _____

FCR 15

Office of the President
October 24, 2000

Members, Board of Trustees:

JANE I. MORRIS ESTATE GIFT

Recommendation: that the Board of Trustees accept a gift of \$387,469 from the estate of Jane I. Morris of Lexington, Kentucky, to establish and endow the Joe and Jane I. Morris Endowment Fund to benefit the University of Kentucky Alumni Association.

Background: Mrs. Morris, a 1938 UK graduate, died in September 1999. Her husband, Joe F. Morris, died in October 1995. Both had been associated with Forbes-Morris Building Company of Lexington. Mrs. Morris was treasurer of the UK Alumni Association for 26 years and was one of the original life members of the association. She chaired the House Committee from the construction phase of the Helen King Alumni House in the early 1960s through 1990. Mrs. Morris was the first honorary member of the association's board of directors and was awarded the alumni association's Distinguished Service Award in 1967.

Action taken: Approved Disapproved Other _____

FCR 16

Office of the President
October 24, 2000

Members, Board of Trustees:

JOHN EDWIN AND GWENDOLYN GRAY PARTINGTON ESTATE GIFT

Recommendation: that the Board of Trustees accept a gift of \$268,000 from the estate of John Edwin Partington and Gwendolyn Gray Partington of Lexington, Kentucky, to establish and endow the John Edwin Partington and Gwendolyn Gray Partington Scholarship Fund in the College of Education.

Background: Mr. Partington, a psychologist, graduated from the University in 1938. Mrs. Partington, a 1936 graduate of the College of Education, was a retired teacher from the Indianapolis school system and had taught at Picadome Elementary School in Lexington. The John Edwin Partington and Gwendolyn Gray Partington Scholarship Fund will support graduate fellowships in the College of Education. The gift is eligible to be submitted for matching funds from the state's Research Challenge Trust Fund.

Action taken:



Approved



Disapproved



Other _____

FCR 17

Office of the President
October 24, 2000

Members, Board of Trustees:

KATHLEEN STRUNK GIFT

Recommendation: that the Board of Trustees accept a gift of \$929,081 from Kathleen Strunk of Bristol, Virginia, to the Thurston H. Strunk Scholarship Fund in the College of Engineering.

Background: Mrs. Strunk established the Thurston H. Strunk Scholarship in memory of her husband, a 1940 mining engineering graduate, in December 1982, and has supported it annually since its inception. The gift will support undergraduate scholarships in the college. According to the endowment agreement, recipients are selected based on “academic ability, motivation, emotional maturity, a likelihood to contribute to the field of energy and be worthy and deserving.”

Action taken: Approved Disapproved Other _____

FCR 18

Office of the President
October 24, 2000

Members, Board of Trustees:

LINDEMANN FOUNDATION PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$500,000 from the Lindemann Foundation, Inc., of New York, New York, to create and endow the Endowed Enrichment Fund for Research in Vocal Studies in the School of Music in the College of Fine Arts.

Background: The pledge was facilitated by New York businessman George L. Lindemann, who is an officer of the foundation, and his wife Freda, a director of the Metropolitan Opera's managing board and holder of a doctorate in musicology from Columbia University. The Lindemann's have a special interest in training young people for performing opera. They have given \$10 million to the Metropolitan Opera's Young Artist Development Program. It was through this program that the Lindemanns met tenor Gregory Turay, a 1996 UK graduate who received special recognition from the young artist program. Gail Robinson, who holds an endowed chair in vocal arts in the UK College of Fine Arts, is closely acquainted with the Lindemanns through her past association with the Metropolitan Opera.

The Endowed Enrichment Fund for Research in Vocal Studies will support research into historical and experimental dimensions of vocal music; the dissemination of information, including performances, regarding vocal music styles, their presentation and documentation; and observation, measurement and training in vocal techniques and traditions. The Lindemann Foundation's pledge is contingent on matching funds being received from the state's Research Challenge Trust Fund. The pledge will be paid on or before December 31, 2005.

Action taken:



Approved



Disapproved



Other _____

FCR 19

Office of the President
October 24, 2000

Members, Board of Trustees:

LUCILLE CAUDILL LITTLE PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$500,000 from Lucille Caudill Little of Lexington, Kentucky, to create and endow the Lucille Caudill Little Endowment for Theatre in the Department of Theatre in the College of Fine Arts.

Background: Mrs. Little, a philanthropist and long-time patron of the arts in Lexington and Central Kentucky, is one of the University's most generous benefactors. A previous donation of \$1,000,000 established the Lucille Caudill Little Fine Arts Library, which officially opened October 2. The Lucille Caudill Little Endowment for Theatre will support historical research, productions and other creative activity and provide graduate fellowships. Mrs. Little's pledge is contingent on matching funds being received from the state's Research Challenge Trust Fund. Her pledge will be paid in five annual payments of \$100,000 beginning in October 2000.

Action taken:



Approved

Disapproved

Other _____

FCR 20

Office of the President
October 24, 2000

Members, Board of Trustees:

MICHAEL P. THORNTON PLEDGE

Recommendation: that the Board of Trustees accept a pledge of up to \$100,000 from Michael P. Thornton of Boston, Massachusetts, to create and endow the Paul A. Thornton Graduate Student Fellowship in Nutritional Sciences in the College of Allied Health Professions.

Background: The fellowship will memorialize Michael Thornton's father, Paul A. Thornton, a highly respected faculty member in the College of Allied Health Professions who retired in 1990 and died in July 2000. The college has established a goal of raising \$100,000 for the fellowship and Michael Thornton has pledged to provide the funds needed to ensure that \$100,000 in contributions is received. Mr. Thornton and the college anticipate matching funds from the state's Research Challenge Trust Fund to create a \$200,000 graduate student fellowship. The pledge will be paid within five years.

Action taken:



Approved

Disapproved

Other _____

FCR 21

Office of the President
October 24, 2000

Members, Board of Trustees:

REESE S. TERRY, JR. PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$100,000 from Reese S. Terry, Jr. of Houston, Texas, to establish an endowed professorship in the Department of Electrical Engineering in the College of Engineering.

Background: Mr. Terry is the co-founder, chair and executive vice president of Cyberonics, Inc., a company that designs and manufactures devices that provide state-of-the-art therapy for patients with epilepsy and other neurological disorders. Mr. Terry received a Bachelor of Science degree in 1964 and Master of Science degree in 1966 in electrical engineering and was inducted into the College of Engineering Hall of Distinction in 1999. The gift will support the Reese S. Terry Professorship in the Department of Electrical Engineering. The donor anticipates matching funds from the state's Research Challenge Trust Fund. His pledge will be paid within five years.

Action taken: Approved Disapproved Other _____

FCR 22

Office of the President
October 24, 2000

Members, Board of Trustees:

S. J. "SAM" WHALEN PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$500,000 from S. J. "Sam" Whalen of Blowing Rock, North Carolina, to establish a graduate fellowship endowment fund in the Department of Chemical and Materials Engineering in the College of Engineering.

Background: Mr. Whalen, a 1949 graduate in metallurgical engineering, is a long-time supporter and benefactor of the College of Engineering and the Department of Chemical and Materials Engineering. Mr. Whalen is the retired founder of Aerobraz Corporation, an internationally known leader in the fabrication of jet engine components. He is recognized for his work in the areas of brazing, welding and non-destructive testing. The former Transportation Research Building was named the S. J. "Sam" Whalen building in 1998, in honor of Mr. Whalen. Mr. Whalen was inducted into the College of Engineering Hall of Distinction in 1994 and the UK Alumni Association Hall of Distinguished Alumni on May 19, 2000. He serves as a member of the college's Capital Campaign Steering Committee. The purpose of this gift, known as the Whalen Graduate Fellowship Fund, is to support graduate students in the Department of Chemical and Materials Engineering. The donor anticipates his gift being matched by the state's Research Challenge Trust Fund. His pledge will be paid within five years.

Action taken: Approved Disapproved Other _____

FCR 23

Office of the President
October 24, 2000

Members, Board of Trustees:

SYNAPSE, LTD., GIFT AND PLEDGE

Recommendation: that the Board of Trustees accept a gift of \$50,000 and a pledge of \$100,000 from Synapse, Ltd., of Suffern, New York, on behalf of the company president Leon D. Wang, to establish three professorships in the College of Medicine's Department of Physiology.

Background: Dr. Wang is a 1976 graduate of the physiology program who through his gift wishes to recognize three physiology professors, Dr. Louis L. Boyarsky, Dr. Donald T. Frazier, and Dr. Fred W. Zechman, whom he credits with having a major influence on his successful career. Dr. Wang's gift is contingent on matching funds being received from the state's Research Challenge Trust Fund to create three professorships of \$100,000 each. Drs. Frazier and Zechman are former chairs of the Department of Physiology and Dr. Boyarsky served as a professor from its inception in 1960 until his retirement in 1989. The \$100,000 pledged will be paid over five years.

Action taken:



Approved

Disapproved

Other _____

FCR 24

Office of the President
October 24, 2000

Members, Board of Trustees:

TOYOTA MOTOR MANUFACTURING NORTH AMERICA, INC., PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$1,000,000 from Toyota Motor Manufacturing North America, Inc., of Erlanger, Kentucky, for the William T. Young Library Endowment to support the library collection for the benefit of research and graduate programs of the University.

Background: Since locating a plant in Georgetown, Kentucky, in the late 1980s, Toyota Motor Manufacturing has been a generous supporter of the University of Kentucky. The pledge is eligible to be submitted for matching funds from the state's Research Challenge Trust Fund. The pledge will be paid in the next two years.

Action taken:



Approved

Disapproved

Other _____

FCR 25

Office of the President
October 24, 2000

Members, Board of Trustees:

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY AUTHORIZING THE ISSUANCE OF SAID BOARD'S HOUSING AND DINING SYSTEM REVENUE BONDS, SERIES R, TO BE DATED THE FIRST DAY OF THE MONTH IN WHICH SOLD; AUTHORIZING PROPER PROCEEDINGS RELATIVE TO THE PUBLIC SALE OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AUTHORIZING EXECUTION OF A TENTH SUPPLEMENTAL TRUST INDENTURE BETWEEN THE BOARD AND FARMERS BANK & CAPITAL TRUST COMPANY, FRANKFORT, KENTUCKY, AS TRUSTEE, IN COMPLIANCE WITH THE PROVISIONS OF THE TRUST INDENTURE DATED JUNE 1, 1965

Recommendation: that the Board of Trustees approve the Resolution authorizing the issuance of \$10,450,000 of University of Kentucky Housing and Dining System Revenue Bonds, Series R, to be dated the first day of the month in which they are sold.

The Resolution authorizes the execution of the Tenth Supplemental Trust Indenture which authorizes the issuance of the University of Kentucky Housing and Dining System Revenue Bonds, Series R, relating to the (i) Patterson Hall Renovation, (ii) Holmes Hall HVAC, (iii) Cooperstown/Shawneetown III (including Student Housing Fire Safety), (iv) Blanding I-IV Sprinklers (Blanding Low Rise), (v) Keeneland Hall Sprinklers and (vi) Blazer Hall Sprinklers, for housing and dining purposes, all of which are part of the Housing and Dining System. The Board previously entered into a Financing Agreement dated as of March 9, 2000 with the Kentucky Asset/Liability Commission and the Finance and Administration Cabinet of the Commonwealth of Kentucky in order to provide interim financing for certain of the projects. The Series R Bonds will retire the Board's obligations under the Financing Agreement and provide permanent financing for the projects.

The Resolution also approves the sale of the Series R Bonds upon the advice of the Financial Advisor, J.J.B. Hilliard, W.L. Lyons, Inc., on December 12, 2000, or on such other date as may be determined by the Treasurer of the University, upon the advice of said Financial Advisor and the acceptance of the bid for the sale of the bonds by the Board.

Background: The University presently has outstanding Housing and Dining System Revenue Bonds, Series F, G, I, K, M, N, O, P and Q (the "Outstanding Bonds"), all secured by a pledge of the Revenues derived from the operation of the University's Housing and Dining System (the "System") and by a statutory mortgage lien against all of the buildings of the System. The Resolution authorizes the execution of a Tenth Supplemental Trust Indenture with Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as Trustee, Bond Registrar, Transfer Agent and Payee Bank, which provides for the execution of an appropriate parity certification establishing that the "coverage" of projected income of the System over debt service will meet the 1.30 test necessary to establish that the Series R Bonds will rank on a parity with the Outstanding Bonds, and the execution of the Certificate of the Director of Physical Plant.

Action Taken:

Approved

Disapproved

Other _____

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY AUTHORIZING THE ISSUANCE OF SAID BOARD'S HOUSING AND DINING SYSTEM REVENUE BONDS, SERIES R, TO BE DATED THE FIRST DAY OF THE MONTH IN WHICH SOLD; AUTHORIZING PROPER PROCEEDINGS RELATIVE TO THE PUBLIC SALE OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AUTHORIZING EXECUTION OF A TENTH SUPPLEMENTAL TRUST INDENTURE BETWEEN THE BOARD AND FARMERS BANK & CAPITAL TRUST COMPANY, FRANKFORT, KENTUCKY, AS TRUSTEE, IN COMPLIANCE WITH THE PROVISIONS OF THE TRUST INDENTURE DATED JUNE 1, 1965.

WHEREAS, the Board has heretofore determined that the (i) Patterson Hall Renovation, (ii) Holmes Hall HVAC, (iii) Cooperstown/Shawneetown III (including Student Housing Fire Safety), (iv) Blanding I-IV Sprinklers (Blanding Low Rise), (v) Keeneland Hall Sprinklers and (vi) Blazer Hall Sprinklers (collectively, the "Project"), for housing and dining purposes are necessary, all of which are a part of the University's Housing and Dining System established in the Trust Indenture between the Board with the Farmers Bank & Capital Trust Company, dated June 1, 1965 (the "Indenture"); and

WHEREAS, based upon such determination, the Board entered into a Financing Agreement dated as of March 9, 2000 with the Kentucky Asset/Liability Commission and the Finance and Administration Cabinet of the Commonwealth of Kentucky (the "Financing Agreement") in order to provide interim financing for part of the Project; and

WHEREAS, the Board has determined that it is now appropriate to provide permanent financing for the Project and to retire its obligations under the Financing Agreement through the issuance of University of Kentucky Housing and Dining System Revenue Bonds, Series R, dated December 1, 2000, in accordance with the right reserved in the Indenture; and

WHEREAS, it is necessary for the Board to enter into a Tenth Supplemental Trust Indenture in the usual and customary form in order to proceed with the issuance of the Series R Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF UNIVERSITY OF KENTUCKY, AS FOLLOWS:

Section 1. This Board hereby authorizes the issuance of its "University of Kentucky Housing and Dining System Revenue Bonds, Series R (the "Series R Bonds"), in the principal amount of \$10,450,000, according to statutory authority as set forth in KRS 162.340 to 162.380, inclusive, and in accordance with the terms, provisions, conditions and restrictions set forth in the Indenture, wherein the present Housing and Dining System of the University was created and established, and a certain Tenth Supplemental Trust Indenture to be dated as of the date of the Series R Bonds (the "Tenth Supplemental Trust Indenture"); the Series R Bonds to rank on a basis of parity and equality as to security and source of payment with the Board's previously issued and outstanding "Housing and Dining System Revenue Bonds," Series F, G, I, K, M, N, O, P and Q (the "Outstanding Bonds").

Section 2. In order to assure the purchasers of the Series R Bonds that interest thereon will be excludable from gross income for federal income tax purposes and exempt from Kentucky income taxation, the Board agrees that (1) the Board will take all actions necessary to comply with the provisions of the Internal Revenue Code of 1986 (the "Code"), (2) the Board will take no actions which will violate any of the provisions of the Code, or that would cause the Series R Bonds to become "private activity bonds" within the meaning of the code, (3) none of the proceeds of the Series R Bonds will be used for any purpose which would cause the interest on the Series R Bonds to become subject to federal income taxation, and that the Board will comply with any and all requirements as to rebate (and reports with reference thereto) to the United States of America of certain investment earnings on the proceeds of the Series R Bonds.

The Board has been advised by Bond Counsel, Peck, Shaffer & Williams LLP, Covington, Kentucky, and therefore believes, that the Series R Bonds are not "private activity bonds" within the meaning of the Code, and that interest on the Series R Bonds is not included as an item of tax preference in calculating the alternative minimum tax for individuals.

Prior to or at the time of delivery of the Series R Bonds, the Chairman of the Board and/or the chief financial officer of the University shall execute the appropriate certifications with reference to the matters referred to above, setting out all known and contemplated facts concerning such anticipated expenditures and investments, including the execution of necessary and/or desirable certifications of the type contemplated by applicable Treasury Regulations in order to assure that interest on the Series R Bonds will be exempt from all federal income taxes and that the Series R Bonds will not be treated as arbitrage bonds.

Section 3. Compliance With SEC Rule 15c2-12. The Board of Trustees hereby agrees, to comply with the provisions of Rule 15c2-12, as amended and interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934. In order to comply with the Rule, the Continuing Disclosure Agreement dated as of December 1, 2000 between the Board and the Trustee is hereby authorized and approved, substantially in the form presented or described to the Board, with such modifications and additions as may be approved by the officer of the University executing the same. The Chairman and the Secretary of the Board and the Treasurer and the Controller of the University are each separately authorized to execute and deliver the Continuing Disclosure Agreement.

Section 4. In order to implement the issuance of the Series R Bonds, and to make provision for all details relating to the Series R Bonds, including the date thereof, the disposition thereof, respective conditions and limitations applicable to the public offering thereof, maturities, redemption provisions and security and source of payment thereof, and in order to comply with the requirements of the Indenture, in connection therewith, this Board shall execute the Tenth Supplemental Trust Indenture with Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as Trustee. A proposed form of Tenth Supplemental Trust Indenture has been prepared in advance by Bond Counsel, Peck, Shaffer & Williams LLP, Covington, Kentucky, with the approval of the Treasurer of the University, and the Financial Advisor, J.J.B. Hilliard, W.L. Lyons, Inc., in the usual and customary form prescribed in the Indenture, with permissible modifications and corrections which, in the opinion of Bond Counsel and the Treasurer of the University, do not change the import thereof in any material respect. The form of the Tenth Supplemental Trust Indenture is hereby approved and shall be executed by the Chairman and attested by the Secretary of the Board.

Section 5. Provisions as to Sale of Series R Bonds. The acceptance of bids for the Series R Bonds has been tentatively scheduled for December 12, 2000, with final approval by the Board of the sale of the Bonds scheduled for December 12, 2000; however, the Treasurer of the University is hereby authorized to direct that the Series R Bonds be sold at a later date if conditions in the marketplace are not favorable for the sale of the Series R Bonds as scheduled.

The forms of Notice of Bond Sale, Official Terms and Conditions of Sale of Bonds, Bid Form and Official Statement, shall be in such form as approved by Bond Counsel, by the Financial Advisors, by the General Counsel of the University and by the Treasurer of the University.

The Board authorizes the publication of the Notice of Bond sale in accordance with Chapter 424 of the Kentucky Revised Statutes and the Financial Advisors are authorized to disseminate copies of the Official Statement. The Treasurer of the University and any other officer of the Board are each further authorized to deem the Official Statement, in both preliminary and final form, to be "final" for purposes of Securities and Exchange Commission Rule 15c2-12.

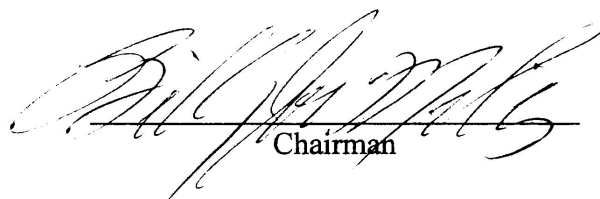
Bids will be received for the purchase of the Series R Bonds no later than December 12, 2000 at 10:00 A.M., local time, or at such other date and hour as shall be fixed or otherwise determined by the Treasurer of the University.

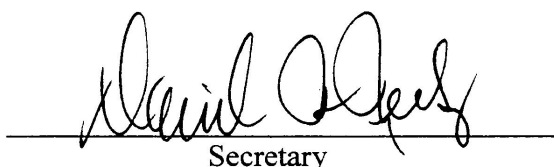
Acceptance of the successful bid for the purchase of the Series R Bonds will be considered at the December 12, 2000 meeting of the Board of Trustees, upon the advice of the Board's Financial Advisor, J.J.B. Hilliard, W.L. Lyons, Inc.

Section 6. Certificate of Director of Physical Plant. The Board hereby acknowledges and approves the Certification of Director of Physical Plant in the form attached hereto.

Dated: October 24, 2000

(SEAL)

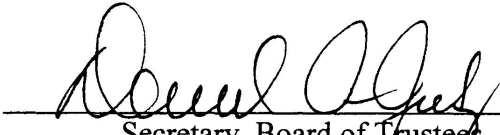

Chairman


Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of Trustees of University of Kentucky, Lexington, Kentucky, hereby certifies that the foregoing Resolution was adopted by the Board of Trustees at its meeting held on October 24, 2000, and has been duly recorded in the official minutes and records of this Board of Trustees.

Witness my signature this 24th day of October, 2000.


Secretary, Board of Trustees

Re: \$10,450,000 University of Kentucky Housing and Dining System Revenue Bonds, Series R, dated December 1, 2000

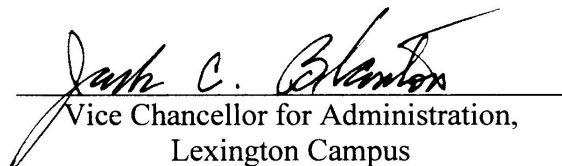
CERTIFICATE WITH REFERENCE TO THE ISSUANCE OF HOUSING AND DINING SYSTEM REVENUE BONDS, SERIES R, CONFORMING TO THE REQUIREMENTS OF SECTION 1101(C) OF ARTICLE XI OF THE TRUST INDENTURE DATED JUNE 1, 1965, BETWEEN THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY AND FARMERS BANK & CAPITAL TRUST COMPANY, FRANKFORT, KENTUCKY, AS TRUSTEE, SHOWING COMPLIANCE WITH CONDITIONS FOR ISSUANCE OF PARITY BONDS

The undersigned Vice Chancellor for Administration, Lexington Campus, of the University of Kentucky, hereby makes the following certification for the purpose of showing compliance by said University with the requirements of Section 1101(c) of ARTICLE XI of the Trust Indenture dated June 1, 1965, made by the Board of Trustees of University of Kentucky with Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as Trustee (the "Trust Indenture"), with reference to the issuance of \$10,450,000 of said Board's "Housing and Dining System Revenue Bonds, Series R" in order to qualify the Series R Bonds to rank on a basis of parity and equality as to security and source of payment with the previously issued and outstanding Housing and Dining System Revenue Bonds, Series F, G, I, K, M, N, O, P and Q, inclusive:

In my capacity as the employee of the Board and the University at this time principally charged with responsibility for the maintenance and repair of the housing and dining buildings and appurtenant facilities comprising the presently existing housing and dining facilities of the System, I certify that a physical inspection of said housing and dining buildings and appurtenant facilities of the System has been made, and that the same are in a good and current state of tenantability and repair there being no exceptions or reservations in this connection.

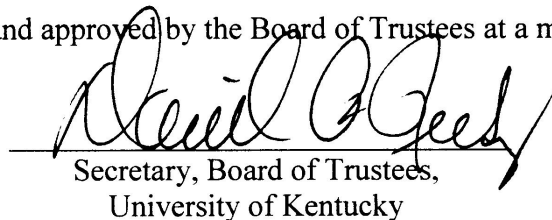
IN TESTIMONY WHEREOF, witness my signature as Vice Chancellor for Administration, Lexington Campus, this 21st day of December, 2000.

APPROVED:


Vice Chancellor for Administration,
Lexington Campus


President, University of Kentucky

Certified to have been submitted to and approved by the Board of Trustees at a meeting held on October 24, 2000.


Secretary, Board of Trustees,
University of Kentucky

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FCR 26

Office of the President
October 24, 2000

Members, Board of Trustees:

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE OF \$29,870,000 PRINCIPAL AMOUNT OF UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES Q DATED OCTOBER 15, 2000 AND AMENDING ITS BOND RESOLUTION WITH RESPECT THERETO TO PROVIDE FOR THE ISSUANCE OF BOOK-ENTRY ONLY BONDS AND REDEMPTION PRIOR TO MATURITY AT PAR

Recommendation: that the Board of Trustees approve a Resolution accepting the successful bid of Banc One Capital Markets with reference to the sale of the \$29,870,000 of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series Q, dated October 15, 2000, at a net interest cost of 5.20900%.

Background: On September 19, 2000, the Board of Trustees approved a Resolution authorizing the issuance of \$29,870,000 of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series Q, dated October 15, 2000. Said Resolution also authorized the public advertising for sealed competitive bids to be received for said Series Q Bonds. Bids were received by the Controller and Treasurer and tabulated by J.J.B. Hilliard, W.L. Lyons, Inc., the Financial Advisors for the Series Q Bonds. The recommended bid is the lowest net interest cost to the University.

9 bids were received and tabulated as follows:

<u>Firm</u>	<u>Net Interest Cost</u>
Banc One Capital Markets	5.20900%
Paine Webber	5.20985%
ABN Amro	5.22691%
Robert W. Baird & Co.	5.23880%
Morgan Keegan	5.24960%
Banc of America	5.25900%
Merrill Lynch	5.28275%
W.R. Hough & Co.	5.28740%
Morgan Stanley Dean Witter Reynolds	5.30080%

Action Taken: Approved Disapproved Other _____

RESOLUTION

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE OF \$29,870,000 PRINCIPAL AMOUNT OF UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES Q DATED OCTOBER 15, 2000 AND AMENDING ITS BOND RESOLUTION WITH RESPECT THERETO TO PROVIDE FOR THE ISSUANCE OF BOOK-ENTRY ONLY BONDS AND REDEMPTION PRIOR TO MATURITY AT PAR.

WHEREAS, pursuant to a resolution (the "Bond Resolution") of the Board of Trustees (the "Board") adopted on September 19, 2000, the Board authorized the advertisement for sale of the University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series Q, dated October 15, 2000 (the "Series Q Bonds"), and the receipt of bids for the Series Q Bonds at such time and date designated by the Treasurer of the University, which time and date have been designated as 10:00 A.M., E.D.T., on October 24, 2000, and the acceptance of the lowest and best bid received upon the advice of J.J.B. Hilliard, W.L. Lyons, Inc., the Financial Advisor to the Board; and

WHEREAS, notice of the sale of \$29,870,000 principal amount of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series Q, has heretofore been advertised in strict compliance with all legal requirements; and

WHEREAS, all bids received for the purchase of said Series Q Bonds from the Board have been duly considered and are as follows:

BIDDERS	INTEREST RATES	AMOUNTS BID FOR SAID \$29,870,000 PRINCIPAL AMOUNT OF BONDS, PLUS ACCRUED INTEREST FROM OCTOBER 15, 2000	NET INTEREST COST
Banc One Capital Markets	4.75-5.25%	\$29,289,505.65	5.20900%
Paine Webber	4.50-5.125%	\$29,274,935.05	5.20985%
ABN Amro	4.75-5.125%	\$29,273,421.41	5.22691%
Robert W. Baird & Co.	4.75-5.125%	\$29,272,600.00	5.23880%
Morgan Keegan	5.00-5.125%	\$29,276,367.95	5.24960%
Banc of America	4.625-5.25%	\$29,418,046.21	5.25900%
Merrill Lynch	4.75-5.25%	\$29,272,600.00	5.28275%
W.R. Hough & Co.	5.00-5.25%	\$29,285,250.80	5.28740%
Morgan Stanley Dean Witter Reynolds	4.50-5.25%	\$29,272,600.00	5.30080%

WHEREAS, the matter of which bid is the most advantageous and with the most favorable net interest cost to the Board has been sufficiently considered;

WHEREAS, upon advice of the Financial Advisor, the Board has determined to issue the Series Q Bonds in book-entry only form and has further determined to amend the Bond Resolution for such purpose.

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

1. Determination of Best Bid; Acceptance. That the bid of Banc One Capital Markets, for the purchase of said \$29,870,000 principal amount of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series Q, dated October 15, 2000, be accepted and confirmed, said bid being at a price of \$29,289,505.65 for said \$29,870,000 principal amount of Series Q Bonds, plus accrued interest from October 15, 2000, to the date of delivery of the Series Q Bonds, such Series Q Bonds being payable as follows:

<u>Maturity</u> <u>May 1</u>	<u>Principal</u> <u>Amount</u>	<u>Rate</u>	<u>Maturity</u> <u>May 1</u>	<u>Principal</u> <u>Amount</u>	<u>Rate</u>
2001	\$590,000	4.75%	2011	\$1,350,000	5.00%
2002	900,000	4.75%	2012	1,415,000	5.00%
2003	940,000	4.75%	2013	1,500,000	5.00%
2004	1,015,000	4.75%	2014	1,570,000	5.00%
2005	1,025,000	4.75%	2015	1,650,000	5.00%
2006	1,035,000	5.00%	2016	1,735,000	5.00%
2007	1,120,000	5.00%	2017	1,830,000	5.00%
2008	1,175,000	5.00%	2018	1,920,000	5.00%
2009	1,230,000	5.00%	2019	2,035,000	5.00%
2010	1,290,000	5.00%	2020	4,545,000	5.25%

and being a bid at an average net interest cost to the University of 5.2090% per annum; and said bid is hereby determined to be the best bid with the most favorable net interest cost to the University for said Series Q Bonds; and the principal maturities and interest rates on said Series Q Bonds are hereby fixed at the principal maturities and interest rates set out above.

2. All Other Bids Rejected. That all other bids are hereby rejected, and the good faith deposit of the successful purchaser will be deposited in immediately available funds prior to the close of business on October 25, 2000, and the amount thereof will be credited (without interest) against the purchase price of the Bonds on the date of delivery to such purchaser.

3. Delivery of Bonds; Application of Proceeds. That said Series Q Bonds shall be delivered by the Chairman of the Board of Trustees and/or other proper officers of the Board to said purchaser as soon as the Series Q Bonds are printed, authenticated and ready for delivery, and all of the proceeds of the Series Q Bonds shall be used only as provided in the Resolution pursuant to which the Series Q Bonds will be issued.

4. Acceptance of Bid is Subject to Approving Legal Opinion of Bond Counsel. That said bid is accepted subject to the condition that such acceptance subjects the Board to no obligation to deliver the Series Q Bonds if for any reason the Board is unable to obtain the final approving legal opinion of the firm of Peck, Shaffer & Williams LLP, Covington, Kentucky, as to said Series Q Bonds, or if said Series Q Bonds shall be subject to ad valorem taxation by the Commonwealth of Kentucky, or if the receipt of interest on said Series Q Bonds shall be subject to income taxation by the federal government or by the Commonwealth of Kentucky, prior to or on the delivery date of said Series Q Bonds, and the purchaser shall not be required to take delivery of said Series Q Bonds without the final approving opinion of said attorneys accompanying said Series Q Bonds, or if said Series Q Bonds or the interest thereon shall become subject to such ad valorem or income taxation prior to such delivery date.

5. Amendments to Bond Resolution. The Bond Resolution is hereby amended to add the following additional provisions:

(a) Definitions. In addition to the definitions set forth in the original Bond Resolution, the following terms shall have the following respective meanings:

"Agent Member" means a member of, or participant in, the Securities Depository.

"Book-Entry Form" means, with respect to the Series Q Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Series Q Bonds and bond service charges may be transferred only through a book entry, and (ii) physical Series Q Bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as owner, with the physical Series Q Bond certificates in the custody of a Securities Depository.

"Securities Depository" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act, operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of beneficial interests in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

"Securities Depository Nominee" means any nominee of a Securities Depository and initially means Cede & Co., New York, New York, as nominee of The Depository Trust Company.

(b) Securities Depository; Ownership of Bonds. Except as provided in paragraph (2) below, the Series Q Bonds shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Agent Members of the Securities Depository. Initially, the Series Q Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Except as provided in paragraph (2) below, the Series Q Bonds may be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository selected or approved by the Board or to a nominee of such successor Securities Depository. As to any Series Q Bond, the person in whose name such Series Q Bond shall be registered shall be the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest on any such Series Q Bond shall be made only to or upon the order of the registered owner thereof or his legal representative.

(1) Neither the Board nor the Trustee shall have any responsibility or obligation with respect to:

(i) the accuracy of the records of the Securities Depository or any Agent Member with respect to any beneficial ownership interest in the Series Q Bonds;

(ii) the delivery to any Agent Member, any beneficial owner of the Series Q Bonds or any other person, other than the Securities Depository, of any notice with respect to the Series Q Bonds or the Bond Resolution: or

(iii) the payment to any Agent Member, any beneficial owner of the Series Q Bonds or any other person, other than the Securities Depository, of any amount with respect to the principal of, premium, if any, or interest on the Series Q

Bonds.

So long as any Series Q Bonds are registered in Book-Entry Form, the Board and the Trustee may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Series Q Bonds for all purposes whatsoever, including without limitation:

- (A) the payment of principal of, premium, if any, and interest on the Series Q Bonds;
- (B) giving notices of redemption and other matters with respect to the Series Q Bonds;
- (C) registering transfers with respect to the Series Q Bonds;
- (D) the selection of Series Q Bonds for redemption;
- (E) for purposes of obtaining consents under the Bond Resolution; and
- (F) notwithstanding the definition of the terms "bondholder" or "holder" or "owner" in the Bond Resolution as referencing the registered owners of the Series Q Bonds, the Trustee shall be entitled to rely upon written instructions from a majority of the beneficial owners of the Series Q Bonds with reference to consent, if any, required from the owners of the Series Q Bonds pursuant to the terms of the Bond Resolution.

(2) If at any time the Securities Depository notifies the Board that it is unwilling or unable to continue as Securities Depository with respect to the Series Q Bonds, or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Securities Depository is not appointed by the Board within 90 days after the Board receives notice or becomes aware of such condition, as the case may be, then this Section shall no longer be applicable, and the Board shall execute and the Trustee shall authenticate and deliver certificates representing the Series Q Bonds to the owners of the Series Q Bonds as otherwise provided in Article II of the Bond Resolution.

(3) Payment of the principal of, premium, if any, and interest on any Series Q Bonds not registered in Book-Entry Form shall be made as provided in Section 2.7 of the Bond Resolution.

(4) The principal of, premium, if any, and interest on the Series Q Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee shall be payable by wire transfer from the Trustee to the Securities Depository or the Securities Depository Nominee, as the case may be.

Section 2.9 of the Bond Resolution is hereby amended by deleting paragraph (a) thereof and replacing it with the following:

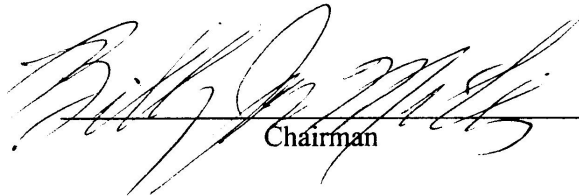
(a) Redemption Prior to Maturity. The Series Q Bonds maturing on and after May 1, 2011, shall be subject to redemption by the Board prior to maturity, in whole or in part, in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any date, on or after May 1, 2010, at a redemption price equal to the principal amount of the Series Q Bonds called for redemption, plus unpaid interest accrued to the date of redemption, without premium.

6. All Provisions of Bond Resolution are Hereby Readopted, Ratified and Confirmed. The Board hereby readopts, ratifies and confirms all other provisions of the Bond Resolution adopted on September 19, 2000.

7. Resolution Contractual with Bondowners. The Bond Resolution and this Resolution shall, from and after the issuance and delivery of the Series Q Bonds, constitute a contract between the Board and the owners of the Series Q Bonds as shall be outstanding hereunder and thereunder.

Adopted on October 24, 2000.


Secretary


Chairman

CERTIFICATE

The undersigned, Secretary of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, hereby certifies that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Trustees of said University of Kentucky at a meeting duly held on October 24, 2000, and that said Resolution has been duly recorded in the Minute Book of said Board.


Secretary, Board of Trustees
University of Kentucky