

Minutes of the Meeting of the Executive Committee of the Board of Trustees of the University of Kentucky, Tuesday, March 10, 1981.

The Executive Committee of the Board of Trustees of the University of Kentucky met at 2 p.m. (Eastern Standard Time) on Tuesday, March 10, 1981 in the Board Room on the 18th floor of the Patterson Office Tower on the Lexington campus.

A. Meeting Opened and Roll Called

Mr. Sturgill, Chairman, called the meeting to order at 2:08 p.m. and the invocation was pronounced by Mr. Black. The following members of the Executive Committee answered the call of the roll: Mr. William B. Sturgill, Chairman, Mr. William R. Black, Mr. Albert G. Clay, Mr. Homer W. Ramsey, and Mrs. Betty Pace Clark, ex officio secretary. Mr. William T. Young was absent from the meeting. Members of the Board of Trustees attending the meeting were: Governor Albert Benjamin Chandler, Mr. Terry McBrayer, Professor Constance Wilson, Professor Opal Conley, and Mr. Brad Sturgeon. The University administration was represented by President Otis A. Singletary; Vice Presidents Jack C. Blanton, Peter P. Bosomworth, Donald B. Clapp, Lewis W. Cochran, Raymond R. Hornback, John T. Smith, Charles T. Wethington, and Robert G. Zumwinkle; Dr. Art Gallaher, Vice President-Designate; Dr. Wimberly C. Royster, Dean of the Graduate School and Coordinator of Research; Professor William F. Wagner, Trustee-Elect; and Mr. John C. Darsie, General Counsel. The Secretary reported a quorum present and the Chairman declared the meeting officially open for the conduct of business at 2:10 p.m.

B. Minutes Approved

The Minutes of the February 9, 1981 meeting of the Executive Committee of the Board of Trustees were approved without objection.

C. Adoption of Resolution Approving the Sale and Issuance of Series L Housing and Dining System Revenue Bond Anticipation Notes

Thereupon, a motion was made by Mr. Clay and seconded by Mr. Ramsey that the following Resolution, which was read in full to the Executive Committee, be passed and adopted; said Resolution was entitled as follows:

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY ACCEPTING THE SUCCESSFUL BID(S) FOR THE PURCHASE OF \$4,200,000 OF UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM REVENUE BOND ANTICIPATION NOTES, SERIES L.

WHEREAS, the Executive Committee of the Board of Trustees of the University of Kentucky (the "Board"); by Resolution passed and adopted on February 9, 1981 authorized First Kentucky Securities Corporation, Fiscal Agent for the Board, to solicit proposals for the purchase of the Board's \$4,200,000 principal amount of "University of Kentucky Housing and Dining System Revenue Bond Anticipation Notes, Series L" dated March 17, 1981 (the "Notes"), and

WHEREAS, in accordance with the terms of said Resolution the Fiscal Agent has prepared an "Official Statement" containing a form of "Invitation to Submit Proposals for Purchase" in regard to said Notes and has distributed same to perspective purchasers of said Notes in accordance with law, and

WHEREAS, under the terms of the "Invitation to Submit Proposals for Purchase" it is provided that proposals would be considered by the Board if submitted on or before 2:00 P.M. on March 10, 1981, and

WHEREAS, the hour of 2:00 P.M. has arrived and proposals for the purchase of the Notes having been received by the Vice President for Business Affairs as follows:

Bidders:	Coupon Rates	Discount or Premium	Effective Rate	Amount
John Nuveen & Co., Inc.	8.875	99.699	9.123	4,200,00
Hilliard Lyons	7.85	.9956238	8.222	1,100,00
Hilliard Lyons	8.00	.9956238	8.371	1,000,00
Hilliard Lyons	8.10	.9956238	8.471	1,000,00
Hilliard Lyons	8.20	.9956238	8.571	1,100,00
First Boston	8.5	100.002	8.479	4,200,00
Morgan Keegan & Co., Inc.	8.1	99.6	8.438	500,00
Morgan Keegan & Co., Inc.	8.125	99.6	8.463	500,00
Seasongood & Mayer	8	99.52	8.409	1,200,00
Seasongood & Mayer	8.1	99.5	8.527	100,00
Seasongood & Mayer	8.25	99.52	8.659	1,700,00
Seasongood & Mayer	8.35	99.55	8.732	600,00
Seasongood & Mayer	8.49	99.55	8.872	800,00
Bache Halsey Stuart Shields	8.05	99.6	8.388	1,000.00

Bache Halsey Stuart Shields	8.1	99.6	8.438	1,000,000
Bache Halsey Stuart Shields	8.15	99.6	8.488	1,000,000
Bache Halsey Stuart Shields	8.20	99.6	8.538	1,200,000
Drexell Burnham & Lambert	8.25	99.52	8.659	4,200,000
First Kentucky Securities	7.98	.995	8.407	1,500,000
First Kentucky Securities	8.49	.995	8.917	500,000
Merrill Lynch-Cincinnati	7.90	.9955	8.283	4,200,000

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

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

1. That the following bids for the sale of \$4,200,000 of University of Kentucky Housing and Dining System Revenue Bond Anticipation Notes, Series L, dated March 17, 1981, be accepted and confirmed:

Purchaser	Coupon Rates	Discount or Premium	Effective Rate	Amount
Hilliard Lyons	7.85%	.9956238	8.222%	1,100,000
Merrill Lynch	7.90%	.9955	8.283%	3,100,000

2. That said bid(s) identified in Section 1. hereof have been determined to be the highest and best to the Board and the University for said Notes, the interest rates on said Notes are hereby fixed at the rates set out in said successful bid(s).
3. That said Notes as identified in the Resolution passed and adopted by the Executive Committee on February 9, 1981 shall be delivered by the officers of the Board in accordance with the terms of said Resolution and the 1981 Trust Indenture as soon as ready.

4. That the confirmation of this bid subjects the Board to no liability if it is unable to obtain the final approving Legal Opinion of Henry M. Reed III, Bond Counsel, Louisville, Kentucky, or if said Notes or the interest thereon should be subject to ad valorem or income taxation by the Federal Government or Kentucky prior to delivery of said Notes, but the purchasers shall not be required to take up said Notes without the final approving Legal Opinion of Bond Counsel accompanying said Notes or if said Notes or the interest thereon should become so subject to taxation.
5. That this Resolution shall be in full force and effect from and after its adoption.

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

<u>Yeas</u>	<u>Nays</u>
William B. Sturgill, Chairman William R. Black Albert G. Clay Homer W. Ramsey	None

Thereupon the Chairman declared that the motion had carried and that the Resolution had been passed and adopted and directed that the same be recorded in the Minutes of the Board.

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

President Singletary reviewed briefly some of the items in his monthly report to the Trustees, calling particular attention to (1) the \$100,000 challenge grant for the Annual-Giving Fund made by Mr. Ervin Nutter, a distinguished alumnus of the University, and (2) the ground-breaking ceremonies for the Primary-Ambulatory Care Center scheduled for 4 p.m. today. He then recommended that the report be accepted and filed. Without dissent, it was so ordered.

E. Recommendations of the President (PR 2)

After noting that the personnel changes in PR 2, Recommendations of the President, were routine in nature, President Singletary recommended its approval. Without discussion, on motion by Mr. Black, seconded by Mr. Ramsey, and passed, PR 2 was approved. (See PR 2 at the end of the Minutes.)

F. Supplemental Recommendations of the President (PR 3)

In addition to the routine personnel matters contained in PR 3, President Singletary called attention to the recommendation that Dr. Richard W. Furst be appointed as Professor with tenure, Department of Business Administration, and named Dean of the College of Business and Economics, effective July 1, 1981. President Singletary pointed out that this recommendation was the result of a careful search and evaluation by the duly appointed Search Committee. Dr. Furst holds the M.B.A. and D.B.A. degrees from Washington University. He has been on the faculty of the University of South Carolina since 1960 and currently holds the J. Henry Fellers Professorship in Business Administration. President Singletary said he was delighted to recommend the appointment of Dr. Furst as Dean of the College of Business and Economics, effective July 1, 1981, and added that Dr. Furst was "our first choice".

Mr. Sturgill said he was happy to have been a part of the group to meet with Dr. Furst during his visit to Lexington, and that he was pleased to support President Singletary's recommendation.

On motion by Mr. Clay, seconded by Mr. Ramsey, and passed, the personnel actions in PR 3 were approved. (See PR 3 at the end of the Minutes.)

G. 1980-81 Budget Revisions (PR 4)

With President Singletary so recommending, on motion by Mr. Ramsey, seconded by Mr. Black, and passed, the budget revisions in PR 4 were authorized and approved. (See PR 4 at the end of the Minutes.)

H. Patent Assignments (PR 5)

The recommendations in PR 5 regarding patent assignments being of a routine nature, President Singletary recommended approval. On motion by Mr. Clay, seconded by Mr. Black, and passed, PR 5 was approved. (See PR 5 at the end of the Minutes.)

I. Interim Financial Report (FCR 1)

Mr. Clay, Chairman of the Finance Committee, said the Committee had four recommendations to be presented for action, the first of which was the Interim Financial Report for the period ending January 31, 1981, and moved that the report be accepted. His motion was seconded by Mr. Black, and passed without dissent. (See FCR 1 at the end of the Minutes.)

J. Resolution Regarding Safety Features of Blanding and Kirwan Towers (FCR 2)

Noting that the cost of installing sprinklers and smoke detectors for the safety of residents living in Blanding and Kirwan Towers has been estimated to exceed the sum of three hundred thousand dollars, Mr. Clay moved the adoption of the resolution in FCR 2 authorizing the Vice President for Business Affairs and Treasurer to request payment of the cost of the sprinkler system and smoke detectors from funds available in the Housing and Dining System's Repair and Maintenance Reserve. His motion was seconded by Mr. Ramsey and passed with all present voting "aye". (See FCR 2 at the end of the Minutes.)

K. Parking Permit Proposal (FCR 3)

Mr. Clay moved that the parking permit proposal regarding faculty, staff, and students as recommended in FCR 3 be approved. He pointed out that the Finance Committee realizes that it is not popular to increase fees; however, the Committee feels that the proposal is fair, reasonable and a modest one, and one that is required for a manageable situation of parking on campus.

The Chair recognized Professor Wilson who, speaking on behalf of two Trustees, wanted to go on record as being opposed to implementing the plan of increasing parking fees at this time in view of the financial conditions of the faculty.

Mr. Clay called upon Mr. Blanton who spoke in favor of the proposal. He reviewed briefly the parking and traffic study which had been conducted by the consulting firm of Harland-Bartholomew. He added that the plan being submitted would result in a considerable improvement over the current situation but that it was considerably less than that recommended by the consulting firm. He reviewed the meetings which had been held to discuss the plan and discussed the articles that appeared in the news media. Mr. Blanton concluded his remarks by saying that he feels the fees fall equitably on all segments of the University community and that the benefits realized from the plan will also fall equitably on all segments. Mr. Blanton then asked Mr. Thomas Padgett, Director of the Public Safety Division, to review briefly the proposal.

Mr. Padgett explained, with the use of charts, the disparity between the parking space supply and demand, the problems with the present parking regulations, and the inadequacies of the transit system. A survey of the University's parking fees in comparison with the benchmark institutions was explained. Mr. Padgett pointed out that the parking proposal contained basically three points: (1) some administrative improvements related to increased enforcement efforts, (2) increases in the number of parking spaces through some new construction, some parking lot redesignation and redesigning for smaller cars, and (3)

improvement to the transit sytem, including a proposed 20% increase in service, additional and improved bus-waiting facilities, and the institution of a night bus service. In order to fund these improvements, a fee schedule which would double the fees over the next two-year period is being recommended. It was explained by Mr. Padgett that this is a multifaceted approach to problems which will intensify without some corrective action.

The Chair recognized Mr. Sturgeon who said the Student Association feels that parking problems have reached a crisis, and thinks the only way to solve the problem is through a comprehensive plan as is being suggested. He said the Student Association endorses the proposal, and Mr. Sturgeon complimented the administration for their endeavors to incorporate ideas by all members of the University community in the decision-making process. Mr. Sturgill thanked Mr. Sturgeon for his comments.

On motion by Mr. Clay, seconded by Mr. Ramsey, and passed, the parking permit proposal in FCR 3 was approved. (See FCR 3 at the end of the Minutes.)

L. Adoption of Resolution Approving Issuance of Series G Consolidated Educational Buildings Revenue Bonds and Revenue Bond Anticipation Notes (FCR 4)

Thereupon, a motion was made by Mr. Clay and seconded by Mr. Black that the following Resolution, which was read in summary form to the Executive Committee, be passed and adopted; said Resolution was entitled as follows:

A RESOLUTION AUTHORIZING THE ISSUANCE OF \$18,600,000 CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES G AND \$18,600,000 CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BOND ANTICIPATION NOTES, SERIES G, OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY

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

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

<u>Yeas</u>	<u>Nays</u>
William B. Sturgill, Chairman	None
William R. Black	
Albert G. Clay	
Homer W. Ramsey	

Thereupon the Chairman declared that the motion had carried and that the Resolution had been passed and adopted and directed that the same be recorded in the Minutes of the Board. (See FCR 4 at the end of the Minutes.)

N. Meeting Adjourned

There being no further business to come before the meeting, the Chairman declared the meeting officially adjourned at 2:39 p.m.

Respectfully submitted,

Betty Pace Clark  
Ex Officio Secretary  
Executive Committee  
Board of Trustees

(PR's 2, 3, 4, and 5; and FCR's 1, 2, 3 and 4 which follow are official parts of the Minutes of the Meeting.)



Office of the President  
March 10, 1981

PR 2

Members, Executive Committee, Board of Trustees:

RECOMMENDATIONS OF THE PRESIDENT

I. Appointments and/or Other Staff Changes

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

Background: The following 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 vice president through the President and have his concurrence.

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

BOARD ACTION

A. Academic Appointments

DIVISION OF COLLEGES

College of Business and Economics

Hirsch, Barry T., Visiting Associate Professor,  
Economics, 8/16/81 through 6/30/82.

B. Joint Appointment

MEDICAL CENTER

College of Pharmacy

Digenis, George, Professor (with tenure), joint  
appointment as Professor in the Graduate Center for  
Toxicology, effective 1/1/81.

D. PromotionsDIVISION OF COLLEGESCollege of Engineering

Paul, Clayton R., from Associate Professor (without tenure), Electrical Engineering, to Professor (with tenure), Electrical Engineering, effective 7/1/81.  
 Peters, Leonard K., from Associate Professor (with tenure), Chemical Engineering, to Professor (with tenure), Chemical Engineering, effective 7/1/81.

College of Library Science

Sodt, James D., from Assistant Professor (without tenure), to Associate Professor (with tenure), effective 7/1/81.

MEDICAL CENTERCollege of Dentistry

Brown, Albert T., from Associate Professor, (with tenure), Oral Biology, to Professor (with tenure), Oral Biology, effective 7/1/81.

College of Medicine

Beach, Joseph Lawrence, from Associate Professor (without tenure), Radiation Medicine, joint appointments in Department of Physics and Astronomy, College of Arts and Sciences and Department of Health Radiation Sciences, College of Allied Health Professions, to Associate Professor (with tenure), Radiation Medicine, joint appointments in Department of Physics and Astronomy, College of Arts and Sciences and Department of Health Radiation Sciences, College of Allied Health Professions, effective 7/1/81.  
 Donaldson, Elvis S., from Assistant Professor (without tenure), Obstetrics and Gynecology, to Associate Professor (with tenure), Obstetrics and Gynecology, effective 7/1/81.

Garrity, Thomas F., from Associate Professor (with tenure), Behavioral Science, joint with Department of Sociology, College of Arts and Sciences, to Professor (with tenure), Behavioral Science, joint with Department of Sociology, College of Arts and Sciences, effective 7/1/81.

Jones, Russell A., from Associate Professor (with tenure), Behavioral Science, joint with Department of Psychology, College of Arts and Sciences, to Professor (with tenure), Behavioral Science, joint with Department of Psychology, College of Arts and Sciences, effective 7/1/81.

Vore, Mary, from Assistant Professor (without tenure), Pharmacology, to Associate Professor (with tenure), Pharmacology, effective 7/1/81.

#### F. Retirements

##### DIVISION OF COLLEGES

###### College of Education

Barrett, Olive E., Assistant Professor, Curriculum and Instruction, after 34 consecutive years of service, effective 6/30/81.

Kincheloe, James B., Professor (with tenure), Education, after 20 consecutive years of service, effective 6/30/81.

###### College of Engineering

Wright, Frederick D., Professor (with tenure), Engineering Dean's Office, after 14 consecutive years of service, effective 6/30/81.

###### College of Fine Arts

Briggs, Wallace N., Professor (with tenure), Theatre, after 39 consecutive years of service, effective 6/30/81.

###### Libraries

Dailey, Adelle G., Librarian II, Music Library, after 21 consecutive years of service, effective 6/30/81.

Howard, Elizabeth B., Librarian II, Biological Science Library, after 17 consecutive years of service, effective 6/30/81.

G. Early RetirementsDIVISION OF COLLEGESCollege of Agriculture

Allen, Stephen Q., Extension Specialist, Agricultural Economics, after 27.5 consecutive years of service, effective 2/9/81.

MEDICAL CENTERCollege of Medicine

Pratt, Judith D., Associate Professor, Physiology and Biophysics, after 21 consecutive years of service, effective 6/30/81.

University Hospital

Worthington, Mary Agnes, Senior Storekeeper, Pharmacy Central Supply, after 19.5 consecutive years of service, effective 5/1/81.

ADMINISTRATIVE ACTIONI. Academic AppointmentsDIVISION OF COLLEGESCollege of Agriculture

Basil, Danny J., Instructor (part-time), Forestry, 1/1/81 through 5/31/81.  
Doupnik, Ben, Jr., Visiting Professor, Plant Pathology, 2/1/81 through 3/20/81.

College of Arts and Sciences

Baskin, Carol C., Instructor (part-time), Biological Sciences, 1/1/81 through 6/30/81.  
Chen, Nyan-Ru, Visiting Instructor (part-time), Chemistry, 1/16/81 through 5/15/81.  
Cheniae, Margaret R., Instructor (part-time), French Language and Literature, 1/1/81 through 5/31/81.  
DeiaConcepcion, Janet, Visiting Instructor (part-time), Spanish and Italian, 1/1/81 through 5/31/81.

Duncan, Charles E., Visiting Instructor (part-time),  
Physics and Astronomy, 1/1/81 through 5/31/81.

Green, Rowena, Instructor (part-time), French Language  
and Literature, 1/1/81 through 5/31/81.

Hull, Ruth F., Instructor (part-time), English, 1/1/81  
through 4/30/81.

Hurt, Hobert, Visiting Instructor (part-time),  
Mathematics, 1/1/81 through 5/31/81.

Lancaster, Louis K., Assistant Professor, Aerospace  
Studies, effective 7/1/81. Note: Appointment is  
without tenure and normally for a period of no  
longer than three years - normal termination based  
on transfer is subject to military exigencies.

Lyon, Odyle R., Instructor (part-time), French Language  
and Literature, 1/1/81 through 5/31/81.

Martin, Newell, Instructor (part-time), French Language  
and Literature, 1/1/81 through 5/31/81.

Moore, Robert, Instructor (part-time), Sociology, 1/1/81  
through 5/31/81.

Pavon, Michele, Visiting Assistant Professor,  
Mathematics, 1/1/81 through 5/31/81.

Raya, Diana E., Instructor (part-time), Chemistry,  
1/16/81 through 5/15/81.

Richards, Cara E., Visiting Instructor (part-time),  
Anthropology, 1/1/81 through 5/31/81.

Schiomann, Pam, Visiting Instructor (part-time),  
Chemistry, 1/16/81 through 5/15/81.

Truong, Thoi, Visiting Instructor (part-time),  
Mathematics, 1/1/81 through 5/31/81.

Volpentesta, Antonio, Visiting Assistant Professor,  
Mathematics, 1/1/81 through 5/31/81.

College of Business and Economics

Smith, Corma Ann, Instructor (part-time), Accounting,  
1/1/81 through 5/15/81.

College of Communications

Gaitskilli, Alan, Instructor (part-time), Communication,  
1/1/81 through 5/31/81.

Sypher, Beverly, Visiting Instructor (part-time),  
Communication, 1/1/81 through 5/31/81.

College of Education

Cutter, Ronald J., Instructor (part-time), Special  
Education, 2/1/81 through 3/31/81.

Skarnulis, Edward R., Instructor (part-time), Special Education 2/1/81 through 3/31/81.  
 Stevens, Jimmy L., Instructor (part-time), Special Education, 1/1/81 through 2/28/81.  
 Watts, Shirley R., Instructor (part-time), Health, Physical Education and Recreation, 1/1/81 through 3/31/81.

College of Engineering

Sterling, Harry J., Assistant Professor, Civil Engineering, 1/1/81 through 6/30/81.

College of Fine Arts

Brock, Jennifer M., Visiting Instructor (part-time), Music, 1/1/81 through 5/31/81.

MEDICAL CENTER

College of Allied Health Professions

Metzger, Donna E., Clinical Instructor (voluntary), Physical Therapy, 1/27/81 through 6/30/82.  
 Saiot, Lucy Ann, Clinical Instructor (voluntary), Physical Therapy, 12/23/80 through 6/30/81.

College of Medicine

Cox, Stephen M., Assistant Clinical Professor (voluntary), Psychiatry, 2/1/81 through 6/30/82.  
 Slaughter, Joseph C., Assistant Clinical Professor (voluntary), Community Medicine, 1/1/81 through 6/30/81.  
 Zerzavy, Frederick M., Clinical Instructor (voluntary), Obstetrics and Gynecology, 2/1/81 through 6/30/82.

College of Nursing

Wilson, Carol E., Clinical Instructor (voluntary), 2/1/81 through 6/30/81.

College of Pharmacy

Guyer, Walter D., Jr., Clinical Instructor (voluntary), 1/1/81 through 6/30/82.  
 Keller, Paul D., III, Clinical Instructor (voluntary), 11/1/80 through 6/30/81.

Moore, Paula Anne, Clinical Instructor (voluntary),  
1/1/81 through 6/30/82.

COMMUNITY COLLEGE SYSTEM

Hazard Community College

Anthony, Joseph, Instructor in the Community College  
System, 8/1/80 through 6/30/81.

Louhrasbi, Jahanshah, Instructor in the Community  
College System, 1/1/81 through 6/30/81.

Henderson Community College

Corpus, Primiilina A., Instructor in the Community  
College System (voluntary), 9/1/80 through 5/31/81.

Jefferson Community College

Hoffman, Anne S., Instructor in the Community College  
System, 1/26/81 through 5/31/81.

Yates, Nancy, Instructor in the Community College  
System, 1/1/81 through 6/30/81.

Lexington Technical Institute

Jaggard Sharon B., Assistant Professor in the Community  
College System and Associate Director for Academic  
Affairs, 2/15/81 through 6/30/81.

Madisonville Community College

Vincent, Reneva E., Instructor in the Community College  
System, 1/12/81 through 6/30/81.

Weiss, Catherine A., Instructor in the Community College  
System, 1/13/81 through 6/30/81.

Paducah Community College

Canty, Rick, Instructor in the Community College System  
(voluntary) (part-time), 1/14/81 through 5/31/81.

Kaufman, Frank J., Instructor in the Community College  
System (voluntary) (part-time), 1/14/81 through  
5/31/81.

Perry, Michael W., Instructor in the Community College  
System (voluntary) (part-time), 1/14/81 through  
5/31/81.

Tilley, Donald W., Instructor in the Community College System (voluntary) (part-time), 1/14/81 through 5/31/81.

Wulff, Thomas R., Instructor in the Community College System (voluntary) (part-time), 1/14/81 through 5/31/81.

Somerset Community College

Broughton, Aalice, Instructor in the Community College System (voluntary) (part-time), 12/1/80 through 5/31/81.

Galloway, Debbie, Instructor in the Community College System (voluntary) (part-time), 12/1/80 through 5/31/81.

Lewis, Ralph C., Instructor in the Community College System (voluntary) (part-time), 12/1/80 through 5/31/81.

Weaver, Bobby, Instructor in the Community College System (voluntary) (part-time), 12/1/80 through 5/31/81.

J. Administrative Appointments

MEDICAL CENTER

College of Dentistry

McEvoy, Susan, Associate Professor\* (with tenure), Pediatric Dentistry, named Acting Chairman, Pediatric Dentistry, 1/1/81 through 6/30/81.

COMMUNITY COLLEGE SYSTEM

Lexington Technical Institute

Jaggard, Sharon B., Assistant Professor in the Community College System, named Acting Associate Director for Academic Affairs, 2/15/81 through 6/30/81.

SUPPORT UNITS

Vice President for Academic Affairs

Gaddie, George N., Assistant Dean, Admissions, named Acting Dean of Admissions and Registrar, 9/15/81 through 12/15/81.

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\*Special Title Series



M. ReappointmentsDIVISION OF COLLEGESCollege of Architecture

Kingsley, Julia W., Visiting Instructor (part-time),  
1/1/81 through 5/15/81.

College of Arts and Sciences

Ailen, Susan E., Instructor (part-time), English, 1/1/81  
through 5/31/81.  
Bierley, Deborah L., Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Biythe, Marsha J., Instructor (part-time), French  
Language and Literature, 1/1/81 through 5/31/81.  
Brangers, Peggy L., Visiting Instructor (part-time),  
Mathematics, 1/1/81 through 4/30/81.  
Brown, Marsha S., Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Burkholder, Donald L., Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Campbell, F. Diane, Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Cetrulo, Christine, Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Chen, Dien, Instructor (part-time), English, 1/1/81  
through 5/31/81.  
Conway, Gienda, Instructor (part-time), English, 1/1/81  
through 5/31/81.  
Cooper, John B., Instructor (part-time), English, 1/1/81  
through 5/31/81.  
Cottrell, Harold, Visiting Instructor (part-time),  
Mathematics, 1/1/81 through 4/30/81.  
Coz, Sigrid L., Instructor (part-time), French Language  
and Literature, 1/1/81 through 5/31/81.  
Crowley, Lillie, Visiting Instructor (part-time),  
Mathematics, 1/1/81 through 4/30/81.  
Dahmane, Abderrazak, Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Dawahare, Debra C., Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Dendle, Catherine M., Instructor (part-time), French  
Language and Literature, 1/1/81 through 5/31/81.  
DeSimone, Shirley C., Instructor (part-time), English,  
1/1/81 through 4/30/81.

Digenis, Helen A., Instructor (part-time), French Language and Literature, 1/1/81 through 5/31/81.

Easley, Dan, Visiting Instructor (part-time), 1/1/81 through 5/31/81.

Evenson, Rene M., Instructor (part-time), English, 1/1/81 through 5/31/81.

Ewbank, Joseph B., Instructor (part-time), English, 1/1/81 through 5/31/81.

Fazey, Mark T., Visiting Instructor (part-time), Mathematics, 1/1/81 through 5/31/81.

Fisch, A. L., Visiting Instructor (part-time), Mathematics, 1/1/81 through 5/31/81.

Fuimer, Constance M., Instructor (part-time), English, 1/1/81 through 4/30/81.

Furnish, Shearie, Instructor (part-time), English, 1/1/81 through 5/31/81.

Gehringer, Martha G., Instructor (part-time), English, 1/1/81 through 5/31/81.

Gilbert, Theresa, Instructor (part-time), English, 1/1/81 through 5/31/81.

Gillespie, William L., Instructor (part-time), English, 1/1/81 through 5/31/81.

Godfrey, David A., Instructor (part-time), English, 1/1/81 through 5/31/81.

Goode, Okey D., Instructor (part-time), English, 1/1/81 through 5/31/81.

Haddix, Edwina D., Instructor (part-time), English, 1/1/81 through 5/31/81.

Hall, Daniel J., Instructor (part-time), English, 1/1/81 through 5/31/81.

Hamilton, Sally, Instructor (part-time), English, 1/1/81 through 5/31/81.

Hansen, David B., Visiting Instructor (part-time), Mathematics, 1/1/81 through 5/31/81.

Hettich, Rebecca L., Instructor (part-time), English, 1/1/81 through 5/31/81.

Hewett, Donna, Visiting Instructor (part-time), Mathematics, 1/1/81 through 5/31/81.

Holwerk, Mildred, Instructor (part-time), English, 1/1/81 through 5/31/81.

Hoskins, Mary S., Instructor (part-time), English, 1/1/81 through 5/31/81.

Huntress, Elizabeth J., Instructor (part-time), English, 1/1/81 through 5/31/81.

Hutchings, John W., Instructor (part-time), English, 1/1/81 through 5/31/81.

Jackson, Jacquelyn V., Instructor (part-time), English, 1/1/81 through 5/31/81.

Janecek, Susan, Visiting Instructor (part-time), Slavic and Oriental Languages and Literatures, 1/1/81 through 5/31/81.

Kao, Theresa S., Visiting Instructor (part-time), 1/1/81 through 5/31/81.

Koehler, Lois A., Visiting Instructor (part-time), Mathematics, 1/1/81 through 5/31/81.

Lackey, Jackson, Visiting Instructor (part-time), Mathematics, 1/1/81 through 5/31/81.

Levine, Judith R., Instructor (part-time), English, 1/1/81 through 5/31/81.

MacKinnon, Molly R., Instructor (part-time), French Language and Literature, 1/1/81 through 5/31/81.

Maruskin, John R., Instructor (part-time), English, 1/1/81 through 5/31/81.

Moss, Marvin T., Visiting Instructor (part-time), Mathematics, 1/1/81 through 5/31/81.

Omlor, Dan, Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Patrick, Marietta, Visiting Instructor (part-time), 1/1/81 through 5/31/81.

Patterson, Sandra, Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Popenoe, Willis, Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Rea, Joanne, Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Reynolds, Oilye, Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Reynolds, Woodson, Visiting Instructor (part-time), 1/1/81 through 5/31/81.

Robinson, Penny, Visiting Instructor (part-time), 1/1/81 through 5/31/81.

Seiler, Michael J., Visiting Instructor (part-time), 1/1/81 through 5/31/81.

Shannon, Elizabeth T., Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Skarnulis, Leanna E., Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Sorokin, Larisa, Visiting Instructor (part-time), Slavic and Oriental Languages and Literatures, 1/1/81 through 5/31/81.

Spears, Marthaiee, Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Spears, Ronald T., Instructor (part-time), French Language and Literature, 1/1/81 through 5/31/81.

Stigers, Stephen W., Visiting Instructor (part-time), English, 1/1/81 through 5/31/81.

Tandy, Caron, Visiting Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Taylor, Mary Ann, Visiting Assistant Professor, English,  
1/1/81 through 6/30/81.  
Thomas, Stephen R., Visiting Instructor (part-time),  
English, 1/1/81 through 5/31/81.  
Tipton, Louise B., Visiting Instructor (part-time),  
English, 1/1/81 through 5/31/81.  
Wets, Marie J., Instructor (part-time), French Language  
and Literature, 1/1/81 through 5/31/81.  
Wilson, David L., Visiting Instructor (part-time),  
English, 1/1/81 through 4/30/81.  
White, Alayne, Visiting Instructor (part-time), English,  
1/1/81 through 5/31/81.  
Wright, James C., Visiting Instructor (part-time),  
1/1/81 through 4/30/81.  
Young, Lloyd P., Visiting Instructor (part-time), 1/1/81  
through 5/31/81.

College of Business and Economics

Sypher, Beverly, Instructor, Business Administration,  
3/1/81 through 5/15/81.

College of Communications

Barry, Michael W., Visiting Instructor (part-time),  
Telecommunications, 1/1/81 through 5/31/81.  
Church, Samuel M., Visiting Instructor (part-time),  
Communication, 1/1/81 through 5/31/81.  
Herbener, Gerald F., Instructor (part-time),  
Communication, 1/1/81 through 5/31/81.  
Miller, Cynthia H., Instructor (part-time),  
Communication, 1/1/81 through 5/31/81.  
Peel, Barry W., Visiting Instructor (part-time),  
Communication, 1/1/81 through 5/31/81.  
Rayburn, Winnifred S., Visiting Instructor (part-time),  
Communication, 1/1/81 through 5/31/81.  
White, Michael A., Instructor (part-time),  
Communication, 1/1/81 through 5/31/81.

Undergraduate Studies

Albisetti, James C., Assistant Professor, Honors  
Program, joint with Department of History, College  
of Arts and Sciences, 7/1/81 through 6/30/82.  
Force, James E., Assistant Professor, Honors Program,  
joint with Department of Philosophy, College of  
Arts and Sciences, 7/1/81 through 6/30/82.

Rabel, Robert J., Assistant Professor, Honors Program, joint with Department of Classical Languages and Literatures, College of Arts and Sciences 7/1/81 through 6/30/82.  
 Sallee, Jonei C., Assistant Professor, Honors Program, 7/1/81 through 6/30/82.

#### MEDICAL CENTER

##### College of Dentistry

Martin, Michael, Instructor (part-time), Community Dentistry, 9/1/80 through 6/30/81.  
 Nusbacher, Chris, Instructor (part-time), Community Dentistry, 9/1/80 through 6/30/81.

##### College of Medicine

Deibel, Martin R., Jr., Assistant Research Professor, Biochemistry, 7/1/81 through 6/30/82.  
 Pavlik, Edward, Assistant Research Professor, Obstetrics and Gynecology, joint with Biochemistry, 7/1/81 through 6/30/82.

#### COMMUNITY COLLEGE SYSTEM

##### Prestonsburg Community College

Tomlinson, Bill, Voluntary Instructor in the Community College System (part-time), 1/1/81 through 5/31/81.

#### N. Promotions (without tenure)

##### DIVISION OF COLLEGES

##### College of Fine Arts

Kelly, Zoe A., from Instructor\*, Music, to Assistant Professor, Music, 2/1/81 through 6/30/81.

##### Libraries

Birchfield, James, from Librarian IV, Special Collections, to Librarian III, Special Collections, 7/1/81 through 6/30/82.  
 Campbell, Anne G., from Visiting Librarian IV (part-time), Special Collections, to Librarian III, Special Collections, 7/1/81 through 6/30/82.

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\*Special Title Series

Dare, Philip N., from Librarian IV, Reference Library, to Librarian III, Reference Library, 7/1/81 through 6/30/82.

Holden, Kathryn, from Librarian IV, Government Publications, to Librarian III, Government Publications, 7/1/81 through 6/30/82.

MEDICAL CENTER

College of Nursing

Warden, Louise S., from Instructor to Assistant Professor\*, 7/1/81 through 6/30/82.

Medical Center Library

Barnett, Alice Lynne, from Librarian IV, to Librarian III, 7/1/81 through 6/30/82.

Lucas, Barbara A., from Librarian IV, to Librarian III, 7/1/81 through 6/30/82.

O. Change

DIVISION OF COLLEGES

College of Arts and Sciences

Tidwell, John E., from Assistant Professor, English, to Instructor, English, 1/1/81 through 6/30/81.

MEDICAL CENTER

College of Dentistry

Wells, Richard S., from Clinical Instructor (voluntary), Restorative Dentistry, to Clinical Instructor (part-time), Restorative Dentistry, 1/1/81 through 5/31/81.

O. Special Assignments

SUPPORT UNITS

Vice President for Academic Affairs

Ockerman, E. W., Dean, Admissions and Registrar, special assignment with the American Council on Education in Washington, 9/15/81 through 12/15/81.

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\*Special Title Series

P. Leaves of AbsenceDIVISION OF COLLEGESCollege of Agriculture

Jackson, Mary N., Area Extension Agent for 4-H, Agricultural Extension:Area Extension Programs, first six months will be Sabbatical leave with half salary and the last 6 months will be Leave without pay, 2/1/81 through 7/31/82.

Randall, Alan J., Professor (with tenure), Agricultural Economics, Leave without pay, 1/23/81 through 8/15/81.

College of Arts and Sciences

Allen, David M., Associate Professor (with tenure), Statistics, Sabbatical leave with half salary, 7/1/81 through 6/30/82.

Stephenson, John B., Professor (with tenure), Sociology, and Director of the Appalachian Center, Sabbatical leave with full salary, 7/1/81 through 12/31/81.

College of Education

Guskey, Thomas, Assistant Professor, Educational Psychology and Counseling, Leave without pay, 6/1/81 through 8/1/82.

Rankin, Earl, Professor (with tenure), Educational Psychology and Counseling, Sabbatical leave with full salary, 8/1/81 through 12/31/81.

MEDICAL CENTERCollege of Allied Health Professions

Kingston, Richard, Professor\* (with tenure), Allied Health Education and Research, Leave without pay, 4/1/81 through 3/31/82. Note: Change of dates from 3/1/81 through 2/28/82 to 4/1/81 through 3/31/82.

College of Dentistry

Drummond, James F., Associate Professor (with tenure), Oral Pathology, Sabbatical leave with full salary, 4/1/81 through 9/30/81.

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\*Special Title Series

College of Medicine

Maguire, Grace F., Assistant Clinical Professor (part-time), Family Practice, Maternity Leave, 3/2/81 through 4/10/81.  
 Randali, David C. Associate Professor (with tenure), Physiology and Biophysics, Sabbatical leave with full salary, 7/1/81 through 12/31/81.

College of Nursing

Hicks, Beth, Associate Professor\* (with tenure), Leave without pay, 7/1/81 through 6/30/82.  
 Pratt, Mary Alice, Associate Professor\* (with tenure), Leave without pay, 7/1/81 through 6/30/82.

COMMUNITY COLLEGE SYSTEMJefferson Community College

Cundiff, Lois M., Associate Professor in the Community College System (with tenure), Sabbatical leave with half salary, 7/1/81 through 6/30/82.  
 Mahanes, James G., Associate Professor in the Community College System (with tenure), Sabbatical leave with half salary, 7/1/81 through 6/30/82.

Madisonville Community College

Massey, G. Harold, Associate Professor in the Community College System (with tenure), Sick leave with pay, 11/13/80 through 5/31/81.

Southeast Community College

Thomas, Bonnie J., Associate Professor in the Community College System (with tenure), and Acting Division Chairman, Sabbatical leave with half-salary, 7/1/81 through 6/30/82.

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Action taken: Approved XX Disapproved \_\_\_\_\_ Other \_\_\_\_\_

Date: March 10, 1981

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\*Special Title Series



Office of the President  
March 10, 1981.

PR 3

Members, Executive Committee, Board of Trustees:

RECOMMENDATIONS OF THE PRESIDENT

I. Appointment of Dean of College of Business and Economics

Recommendation: that Dr. Richard W. Furst be appointed as Professor with tenure, Department of Business Administration, and named Dean of the College of Business and Economics, effective July 1, 1981.

Background: Following the resignation of Dr. William Ecton, a search committee was appointed in accordance with the Governing and Administrative Regulations to identify and recommend qualified persons for the position of Dean of the College of Business and Economics. Approximately 125 nominees and applicants were considered by the Search Committee and three of these were invited to the campus for interview by the Committee. The results of this careful search and evaluation led to a recommendation from the Search Committee that Professor Furst be appointed Dean of the College of Business and Economics.

Dr. Furst did his undergraduate work at Alfred University and he holds the M.B.A. and D.B.A. degrees from Washington University. He taught at the University of Missouri in St. Louis, and since 1960, has been on the faculty of the University of South Carolina. Professor Furst's academic interests are in the general area of finance with special attention to health care financial management. He has published widely in these areas. At the University of South Carolina, Professor Furst has served as Director of the Finance area, as Director of the Charles E. Daniel Center for Management Education and as Director of the Executive Graduate Program in Health Care Financial Management. Since 1978, he has held the J. Henry Fellers Professorship in Business Administration.

The College of Business and Economics is an area where considerable growth and development are anticipated. The University is fortunate to attract a person so well qualified as Professor Furst to provide leadership in this important area during this critical period.

II. Appointments and/or Other Staff Changes

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

Background: The following 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 vice president through the President and have his concurrence.

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

BOARD ACTION

A. Administrative Appointments

DIVISION OF COLLEGES

College of Education

Danner, Frederick W., Associate Professor (with tenure), Educational Psychology and Counseling, named Department Chairman, Educational Psychology and Counseling, 7/1/81 through 6/30/85.

Garrett, H. Leon, Professor (with tenure), Health, Physical Education and Recreation, reappointed Department Chairman, Health, Physical Education and Recreation, 7/1/81 through 6/30/84.

Peters, William H., Professor (with tenure), Curriculum and Instruction, reappointed Department Chairman, Curriculum and Instruction, 7/1/81 through 6/30/85.

ADMINISTRATIVE ACTION

B. Reappointments

DIVISION OF COLLEGES

College of Arts and Sciences

Fulmer, Constance, Visiting Instructor (part-time), Mathematics, 1/1/81 through 5/31/81.

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Action taken: Approved XX Disapproved \_\_\_\_\_ Other \_\_\_\_\_

Date: March 10, 1981

Office of the President  
March 10, 1981

PR 4

Members, Executive Committee, Board of Trustees:

1980-81 Budget Revisions

Recommendation: that the following revisions in the 1980-81 budget be authorized and approved.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
<b>A. <u>General Fund</u></b>			
1. Income Estimates			
Student Fees			
Registration Fees			
Community College System	\$ 5,053,900	\$ 5,408,900	\$ 355,000
Continuing Education Fees	2,023,800	2,055,600	31,800
Miscellaneous Fees	143,300	147,300	4,000
Federal Appropriations			
Agricultural Experiment Station	3,808,700	4,000,700	160,900
Agricultural Cooperative Extension	8,488,700	8,880,000	391,300
Gifts and Grants			
The Fund for the Advancement of Education and Research in the UK Medical Center	714,800	977,800	263,000
Sales and Services			
Departmental Sales and Services	3,645,600	3,780,800	<u>135,200</u>
			<u>1,341,200</u>
2. Expenditures			
Academic Affairs			
College of Architecture Instruction	640,400	645,400	5,000
Agricultural Experiment Station	11,500,600	11,692,600	160,900
Agricultural Cooperative Extension Service	19,190,000	19,581,300	391,300
Administration and Support			
General Library	3,058,900	3,125,600	66,700
University Extension Council on Aging	57,900	59,200	1,300

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
2. Expenditures (Cont'd)			
Community College System			
Hopkinsville Community College	\$ 1,116,900	\$ 1,120,900	\$ 4,000
Maysville Community College	772,600	787,100	14,500
Somerset Community College	1,279,300	1,286,300	7,000
Enrollment Growth	225,000	580,000	355,000
Medical Center			
College of Dentistry			
Faculty Salary Supplementation	-0-	163,200	163,200
College of Medicine			
Faculty Salary Supplementation	-0-	67,500	67,500
College of Pharmacy			
Instruction	1,412,000	1,416,000	4,000
Administration and Support			
Vice President	461,600	525,800	64,200
Student Health Service			
Salary Supplementation	-0-	32,300	32,300
University Wide			
Student Aid			
Community College Scholarships	84,800	89,100	4,300
			<u>1,341,200</u>

3. Comments - Additional continuing education programs in the College of Architecture, the University Extension's Council on Aging, Hopkinsville Community College, Maysville Community College, and Somerset Community College will be supported by income generated by the respective programs. An increase in student fee income will fund the replacement of teaching lab materials in the College of Pharmacy. Salary supplementation for the Colleges of Dentistry and Medicine and the Student Health Service will be supported by an increase in the grant from The Fund for the Advancement of Education and Research in the UK Medical Center. An increase in federal appropriations will fund budget increases for the Agricultural Experiment Station and the Agricultural Cooperative Extension Service. The Community College System's enrollment growth income will provide additional instructional support for the Community Colleges. Income generated by copy services, data services, and book sales will support an increase in the budget for the Margaret I. King Library. Reimbursed costs for the National Preventive Dentistry Demonstration Program will support the budget increase for the Medical Center Vice President's Office. An increase in vending commission income will support the additional Community College System scholarships.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
<b>B. <u>Restricted Funds</u></b>			
1. Income Estimates	\$16,646,000	\$16,732,800	\$ 86,800
2. Expenditures			
Academic Affairs			
College of Arts and Sciences			
Chemistry	14,600	24,600	10,000
Geology	51,100	54,000	2,900
College of Business and Economics			
Administration	43,200	65,500	22,300
College of Engineering			
Chemical Engineering	41,500	45,500	4,000
Agricultural Experiment Station			
Rural Sociology	-0-	24,100	24,100
Medical Center			
College of Dentistry			
Prosthodontics	500	2,000	1,500
Oral Surgery	-0-	1,400	1,400
College of Allied Health Professions			
Administration	400	10,400	10,000
University Wide			
Council on Aging	10,100	20,100	10,000
Student Aid			
Gifts and Grants for Scholarships			
General Scholarships	621,400	622,000	600
			<u>86,800</u>
3. <u>Comments</u> - Income restricted for the purposes indicated above will fund the proposed additional expenditures.			
	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
<b>C. <u>Auxiliary Services</u></b>			
1. Income Estimates	\$20,462,300	\$20,547,500	\$ 85,200
2. Expenditures			
Community College System			
Henderson Community College	80,500	100,700	20,200
Hopkinsville Community College	81,400	106,400	25,000
Somerset Community College	92,000	132,000	40,000
			<u>85,200</u>

3. Comments - The proposed expenditure increases will be supported by additional income generated by the respective auxiliary operations.

D. Contracts and Grants Received

	<u>Amount</u>
Academic Affairs	
College of Arts and Sciences	
Chemistry	
Transition Metal Cumulene and Carbide Complexes (T0188)	\$ 13,000
Political Science	
Conference on Cooperative State Polling (T0193)	10,000
College of Engineering	
Mechanical Engineering	
Graduate Student Support (T0198)	9,000
Administration and Support	
Graduate School	
Kentucky Geological Survey	
Coring of Devonian	
Black Shale in Kentucky (T0199)	11,200
Community College System	
Southeast Community College	
1981 Alcor Program (T0197)	5,000
Medical Center	
College of Medicine	
Biochemistry	
Eucaryotic Enzyme Induction (T0189)	26,000
Pharmacology	
PMA Starter Grant (T0196)	6,500
College of Pharmacy	
Optimal Retention Characteristics for	
Ophthalmic Microsuspensions (T0190)	7,500
College of Nursing	
WEDCO District Health Department Contract (T0195)	6,200
	<u>94,400</u>

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Action taken: Approved   \*\*   Disapproved            Other           

Date:   March 10  , 1981

Office of the President  
March 10, 1981

PR 5

Members, Executive Committee, Board of Trustees:

Patent Assignments

1. Recommendation: that authorization be given to the proper officials of the University of Kentucky Board of Trustees to execute an assignment on behalf of the Board of Trustees to the University of Kentucky Research Foundation of the following application for Letters of Patent of the United States and the invention represented thereby: James K. Shou, Serial No. 6-179500, filed August 19, 1980.

Background: James K. Shou has invented certain improvements in the USE OF COAL BOTTOM ASH AS A FILTER MEDIUM IN COAL LIQUEFACTION AND GASIFICATION OPERATIONS. He has assigned his rights to the invention to the University of Kentucky. In accord with usual practice, it is recommended that the University assign the patent to the University of Kentucky Research Foundation.

- II. Recommendation: that authorization be given to the proper officials of the University of Kentucky Board of Trustees to execute an assignment on behalf of the Board of Trustees to the University of Kentucky Research Foundation of the following application for Letters of Patent of the United States and the invention represented thereby: Anwar A. Hussain, Shinichiro Hirai and Rima Bawarshi, Serial No. 154,995, filed May 30, 1980.

Background: Anwar A. Hussain, Shinichiro Hirai, and Rima Bawarshi invented certain improvements in NOVEL METHOD OF ADMINISTERING NATURAL FEMALE SEX HORMONES AND NOVEL DOSAGE FORMS CONTAINING SAME. They have assigned their rights to the invention to the University of Kentucky. In accord with usual practice, it is recommended that the University assign the patent to the University of Kentucky Research Foundation.

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Action taken: Approved  Disapproved  Other

Date: March 10, 1981.

Office of the President  
March 10, 1981

FCR 1

Members, Executive Committee, Board of Trustees:

INTERIM FINANCIAL REPORT

Recommendation: that the financial report for the seven months ending January 31, 1981, be accepted.

Background: The January 31, 1981, report reflects income of \$166,727,371 for the period of the report; the income figure is 61% of the annual income estimate of \$273,772,451.

The expenditures and commitments represent a total of \$153,923,732 for the period of seven months, or 56% of the expenditure authority of \$273,772,451 approved by the Board.

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Action taken: Approved XX Disapproved \_\_\_\_\_ Other \_\_\_\_\_

Date: March 10, 1981.



University of Kentucky  
 Balance Sheet  
 January 31, 1981  
 With Comparative Figures for 1979-80

ASSETS

	<u>1980-1981</u>	<u>1979-1980</u>
<b>Current Funds:</b>		
<b>Unrestricted:</b>		
Cash in banks:		
Trust and agency	\$ 7,761,815	\$ 7,711,113
Imprest funds	278,237	
Cash on deposit with State Treasurer:		
Trust and agency	1,120,672	14,791,251
State appropriations	<u>3,991</u>	<u>11,520,663</u>
Total cash	<u>9,164,715</u>	<u>34,023,027</u>
Due from other funds and affiliated corporations	8,573,069	8,124,265
Accounts receivable	7,644,808	6,063,956
Notes receivable	71,190	71,190
Inventories	4,665,114	4,301,996
Unrealized income (Statement 3)	<u>71,407,949</u>	<u>39,737,967</u>
Total unrestricted	<u>101,526,845</u>	<u>92,322,401</u>
<b>Restricted:</b>		
Cash in bank	9,144,663	8,408,718
Imprest funds	43,869	
Cash on deposit with State Treasurer	<u>2,282,554</u>	<u>1,700,178</u>
Total cash	<u>11,471,086</u>	<u>10,108,896</u>
Petty cash advances	280,412	232,369
Travel advances	266,733	244,934
Accounts receivable	13,947	51,638
Accrued interest receivable	662,637	521,234
Investments:		
Short-term (Schedule 1)	17,575,324	13,710,000
Other	18,078	140,160
Unrealized income:		
Restricted (Statement 3)	7,398,652	5,251,302
Tobacco Research Trust Fund (Statement 3)	1,694,959	2,374,381
Total restricted	<u>39,381,828</u>	<u>32,634,914</u>

University of Kentucky  
Balance Sheet  
January 31, 1981  
With Comparative Figures for 1979-80

LIABILITIES AND FUND BALANCES

	<u>1980-1981</u>	<u>1979-1980</u>
<b>Current Funds:</b>		
<b>Unrestricted:</b>		
Outstanding encumbrances	\$ 5,183,418	\$ 6,251,359
Accounts payable-county funds	54,932	28,565
Accrued expenses	738,314	853,000
Advance from state for imprest cash fund	1,300,000	1,300,000
Deferred income	35,543	23,151
Accrued vacation	3,100,000	2,825,000
Unencumbered balance, departmental appropriations (Statement 4)	80,616,080	70,575,153
Fund balances:		
Allocated for working capital	<u>10,498,558</u>	<u>10,466,173</u>
Total unrestricted	<u>101,526,845</u>	<u>92,322,401</u>
<b>Restricted:</b>		
General Fund collections	8,518,604	6,960,717
Payroll withholdings and deposits	2,451,838	1,293,280
Outstanding encumbrances	565,837	712,598
Due to other funds and affiliated corporations	9,446,171	8,277,715
Advance from state for imprest cash fund	50,000	50,000
Deferred income	3,436	37,590
Refundable deposits	66,359	61,856
Outstanding check liability	54,498	45,519
Unencumbered balance, departmental appropriations (Statement 4)	6,517,449	5,755,270
Unencumbered balance, Tobacco Research Trust Fund		
Appropriation (Statement 4)	3,226,712	2,632,612
Fund balances:		
Restricted fund (Statement 2)	8,130,924	5,873,866
Tobacco Research Trust Fund-unallocated funds (Statement 2)	<u>350,000</u>	<u>933,891</u>
Total restricted	<u>39,381,828</u>	<u>32,634,914</u>

University of Kentucky  
 Balance Sheet  
 January 31, 1981  
 With Comparative Figures for 1979-80

ASSETS

	<u>1980-1981</u>	<u>1979-1980</u>
<b>Hospital and clinics:</b>		
Due from other funds and affiliated corporations	5,707,649	5,635,568
Accounts receivable, net of allowance for doubtful account of \$7,684,874 in 1980 and \$8,690,807 in 1979	10,868,512	12,403,161
Inventories	1,085,597	521,391
Unrealized income (Statement 3)	<u>19,218,821</u>	<u>14,076,790</u>
Total hospital and clinics	<u>36,880,579</u>	<u>32,636,910</u>
<b>Housing and dining system:</b>		
Cash in bank	3,824,970	781,001
Cash on deposit with State Treasurer	2,482,976	4,020,046
Accounts receivable	517,829	403,718
Inventories	1,324,162	1,238,068
Prepaid expenses	73,096	52,924
Unrealized income (Statement 3)	<u>5,406,524</u>	<u>5,828,844</u>
Total housing and dining system	<u>13,629,557</u>	<u>12,324,601</u>
<b>Auxiliary enterprises:</b>		
Cash in banks	676,687	355,761
Cash on deposit with State Treasurer	<u>266,782</u>	<u>390,409</u>
Total cash	<u>943,469</u>	<u>746,170</u>
Accounts receivable	53,045	29,291
Notes receivable	87,000	87,000
Inventories	589,760	537,540
Unrealized income (Statement 3)	<u>1,918,175</u>	<u>2,017,775</u>
Total auxiliary enterprises	<u>3,591,449</u>	<u>3,417,776</u>
<b>TOTAL CURRENT FUNDS</b>	<u>\$ 195,010,258</u>	<u>\$ 173,336,602</u>

University of Kentucky  
Balance Sheet  
January 31, 1981  
With Comparative Figures for 1979-80

LIABILITIES AND FUND BALANCES

	<u>1980-1981</u>	<u>1979-1980</u>
<b>Hospital and clinics:</b>		
Outstanding encumbrances	2,232,235	364,583
Accounts payable	3,040,911	2,327,600
Accrued vacation	500,000	470,000
Unexpended balance, departmental appropriation (Statement 4)	21,524,948	18,981,228
Fund balances-allocated for working capital (Statement 2)	<u>9,582,485</u>	<u>10,493,499</u>
Total hospital and clinics	<u>36,880,579</u>	<u>32,636,910</u>
<b>Housing and dining system:</b>		
Accrued expenses	199,773	443,275
Accrued wages	80,806	68,156
Accrued vacation	75,000	60,000
Accounts payable	296,912	365,418
Due to other funds and affiliated corporations	1,671,125	604,804
Refundable deposits	97,294	85,432
Deferred income	4,609,982	4,080,097
Unexpended balance, departmental appropriation (Statement 4)	6,026,004	6,268,205
Fund balances:		
Allocated for future operating purposes (Statement 2)	<u>572,661</u>	<u>349,214</u>
Total housing and dining system	<u>13,629,557</u>	<u>12,324,601</u>
<b>Auxiliary enterprises:</b>		
Outstanding encumbrances	135,965	278,868
Due to other funds and affiliated corporations	498,583	822,142
Unencumbered balance, departmental appropriation (Statement 4)	1,937,526	1,489,651
Fund balances-allocated:		
Working capital	770,607	686,487
Future operating purposes	<u>248,768</u>	<u>140,628</u>
Total fund balance (Statement 2)	<u>1,019,375</u>	<u>827,115</u>
Total auxiliary enterprises	<u>3,591,449</u>	<u>3,417,776</u>
<b>TOTAL CURRENT FUNDS</b>	<u>\$ 195,010,258</u>	<u>\$ 173,336,602</u>

University of Kentucky  
 Balance Sheet  
 January 31, 1981  
 With Comparative Figures for 1979-80

ASSETS

	<u>1980-1981</u>	<u>1979-1980</u>
Loan Funds:		
Cash in bank	\$ 236,183	\$ 582,211
Notes receivable, net allowance for doubtful accounts of \$989,387 in 1980 and \$1,043,572 in 1979	12,295,959	11,263,808
Due from other funds and affiliated corporations	42,421	42,421
Due from United Student Aid loan fund	<u>2,000</u>	<u>2,000</u>
TOTAL LOAN FUNDS	<u>\$ 12,534,142</u>	<u>\$ 11,890,440</u>
Endowment Funds:		
Investments	<u>\$ 5,465,122</u>	<u>\$ 4,732,206</u>
TOTAL ENDOWMENT FUNDS	<u>\$ 5,465,122</u>	<u>\$ 4,732,206</u>
Plant Funds:		
Unexpended:		
Cash on deposit with State Treasurer:		
Trust and agency	\$ 4,314,300	\$ 7,968,434
Capital construction funds	<u>24,373,982</u>	<u>9,207,368</u>
Total cash on deposit with State Treasurer	<u>28,688,282</u>	<u>17,175,802</u>
Due from other funds and affiliated corporations	3,075,059	2,597,084
Due from Federal Government	5,278,159	339,473
Due from proposed bond issue	4,295,791	823,848
Construction in progress	<u>41,337,291</u>	<u>25,160,051</u>
Total unexpended plant funds	<u>\$ 41,337,291</u>	<u>\$ 46,096,258</u>

University of Kentucky  
Balance Sheet  
January 31, 1981  
With Comparative Figures for 1979-80

LIABILITIES AND FUND BALANCES

	<u>1980-1981</u>	<u>1979-1980</u>
Loan Funds:		
Federal sponsored loan funds:		
Federal Government	\$ 9,197,407	\$ 9,041,830
University matching funds	1,156,127	1,015,858
Accumulated interest income	<u>1,191,252</u>	<u>1,058,288</u>
Total sponsored loan funds	<u>11,544,786</u>	<u>11,115,976</u>
University loan funds:		
University student aid funds	87,794	87,084
University special student loan funds	899,562	685,380
United Student Aid loan funds	<u>2,000</u>	<u>2,000</u>
Total University loan funds	<u>989,356</u>	<u>774,464</u>
TOTAL LOAN FUNDS	<u>\$ 12,534,142</u>	<u>\$ 11,890,440</u>
Endowment Funds:		
Fund balances	<u>\$ 5,465,122</u>	<u>\$ 4,732,206</u>
TOTAL ENDOWMENT FUNDS	<u>\$ 5,465,122</u>	<u>\$ 4,732,206</u>
Plant Funds:		
Unexpended:		
Outstanding encumbrances	\$ 5,137,312	\$ 5,346,712
Accounts payable	447,839	623,000
Due to capital construction fund		823,848
Bonds payable	4,667,925	4,730,000
Fund balances allocated for construction-renovation	<u>31,084,215</u>	<u>34,572,698</u>
Total unexpended plant funds	<u>41,337,291</u>	<u>46,096,258</u>

University of Kentucky  
 Balance Sheet  
 January 31, 1981  
 With Comparative Figures for 1979-80

ASSETS

	<u>1980-1981</u>	<u>1979-1980</u>
<b>Renewal and replacements:</b>		
Cash on deposit with Trustees	26,034	25,409
Cash on deposit with State Treasurer	401,737	57,756
Due from other funds and affiliated corporations	272,349	239,838
Accrued interest receivable	21,900	
Investments held by Trustees	<u>1,132,613</u>	<u>1,065,275</u>
<b>Total renewal and replacements</b>	<u>1,854,633</u>	<u>1,388,278</u>
<b>Retirement of indebtedness:</b>		
Cash on deposit with State Treasurer	50,000	50,000
Cash on deposit with Trustees	59,652	1,087
Accrued interest receivable	146,368	
Investments held by Trustees	<u>47,121,090</u>	<u>46,936,384</u>
<b>Total retirement of indebtedness</b>	<u>47,377,110</u>	<u>46,987,471</u>
<b>Investment in plant:</b>		
Land	18,028,323	20,335,589
Buildings	277,919,695	253,345,833
Equipment	<u>95,228,893</u>	<u>87,916,869</u>
<b>Total investment in plant</b>	<u>391,176,911</u>	<u>361,598,291</u>
<b>TOTAL PLANT FUNDS</b>	<u>\$ 481,745,945</u>	<u>\$ 456,070,298</u>
<b>Agency Funds:</b>		
Cash in bank	\$ 85,136	
Accounts receivable	2,231	\$ 307,495
Due from other funds and affiliated corporations	47,070	
Investments short-term (Schedule 1)	<u>15,000</u>	<u>15,000</u>
<b>TOTAL AGENCY FUNDS</b>	<u>\$ 149,437</u>	<u>\$ 322,495</u>

University of Kentucky  
 Balance Sheet  
 January 31, 1981  
 With Comparative Figures for 1979-80

LIABILITIES AND FUND BALANCES

	<u>1980-1981</u>	<u>1979-1980</u>
<b>Renewal and replacements:</b>		
Outstanding encumbrances	10,150	5,039
Fund balances:		
Restricted (Schedule 4)	818,529	825,525
Unrestricted (Schedule 4)	<u>1,025,954</u>	<u>557,714</u>
<b>Total fund balances</b>	<u>1,844,483</u>	<u>1,383,239</u>
<b>Total renewal and replacements</b>	<u>1,854,633</u>	<u>1,388,278</u>
<b>Retirement of indebtedness:</b>		
Bonds payable (Schedule 3)	32,727,000	32,782,000
Fund balances (Schedule 3)	<u>14,650,110</u>	<u>14,205,471</u>
<b>Total retirement of indebtedness</b>	<u>47,377,110</u>	<u>46,987,471</u>
<b>Investment in plant:</b>		
Due to other funds and affiliated corporations	381,000	381,000
Notes payable	1,113,746	
Bonds payable	107,802,516	104,441,500
Lease purchase obligation	4,835,000	5,000,000
Net investment in plant	<u>277,044,649</u>	<u>251,775,791</u>
<b>Total investment in plant</b>	<u>391,176,911</u>	<u>361,598,291</u>
<b>TOTAL PLANT FUNDS</b>	<u>\$ 481,745,945</u>	<u>\$ 456,070,298</u>
<b>Agency Funds:</b>		
Outstanding encumbrances	\$ 1,869	\$ 2,083
Due to other funds and affiliated corporations		14,016
Funds held in custody for others	<u>147,568</u>	<u>506,396</u>
<b>TOTAL AGENCY FUNDS</b>	<u>\$ 149,437</u>	<u>\$ 522,495</u>



University of Kentucky  
Statement of Changes in Fund Balances—Current Funds  
Seven Months Ended January 31, 1981

	Unrestricted Allocated	Restricted	Tobacco Research Trust Fund	Hospitals and Clinics	Housing Dining System Funds for Future Operating Purposes	Auxiliary Enterprises
Fund Balances, July 1, 1980	\$ 18,513,558	\$ 8,130,924	\$ 1,192,309	\$ 10,462,485	\$ 572,661	\$ 1,019,375
Realized income	117,669,742	3,882,270	2,897,350	29,320,768	10,140,386	2,816,855
Unrealized income	71,407,949	7,398,652	1,694,959	19,218,821	5,406,524	1,918,175
Total estimated income	189,077,691	11,280,922	4,592,309	48,539,589	15,546,910	4,735,030
Less fund balance appropriated	8,015,000		842,309	880,000		
Net current estimated income	181,062,691	11,280,922	3,750,000	47,659,589	15,546,910	4,735,030
Total available	199,576,249	19,411,846	4,942,309	58,122,074	16,119,571	5,754,405
Current year expenditures/ encumbrances	108,461,611	4,763,473	1,365,597	27,014,641	9,520,906	2,797,504
Unencumbered balances, appropriations	80,616,080	6,517,449	3,226,712	21,524,948	6,026,004	1,937,526
Total authorized appropriations	189,077,691	11,280,922	4,592,309	48,539,589	15,546,910	4,735,030
Fund Balances, January 31, 1981	\$ 10,498,558	\$ 8,130,924	\$ 350,000	\$ 9,582,485	\$ 572,661	\$ 1,019,375

University of Kentucky  
 Summary of Current Revenues and Appropriated Balances  
 Seven Months Ended January 31, 1981  
 With Comparative Figures for 1979-80

Fund and Source:	1980-1981			1979-1980		
	Estimated for the Year	Realized to Date	% Realized to Date	Estimated for the Year	Realized to Date	% Realized to Date
<b>Unrestricted:</b>						
Student fees	\$ 25,379,100	\$ 24,675,114	97	\$ 22,080,155	\$ 20,240,764	92
Federal appropriations	12,746,931	6,873,280	54	11,733,135	6,467,618	55
County appropriations	2,183,200	869,707	40	2,011,500	876,233	44
Endowment and trust fund income	183,900	169,277	92	168,900	155,114	92
Investment income	4,060,000	3,137,468	77	1,935,000	1,970,394	102
Gifts and grants:						
Affiliated corporations	3,732,568	56,464	2	3,320,996	116,000	3
Other funds	5,849,100	88,753	2	375,000	156,049	42
Other	1,040,261	663,992	64	1,505,458	879,796	58
Sales, services, other income	6,141,731	3,193,066	52	5,326,188	3,366,028	63
Subtotal	61,316,791	39,727,121	65	48,456,332	34,227,996	71
State appropriations	119,745,900	69,927,621	58	116,907,411	91,397,780	78
Fund balance appropriated	8,015,000	8,015,000	100	5,565,385	5,565,385	100
Total unrestricted	189,077,691	117,669,742	62	170,929,128	131,191,161	77
Restricted	11,280,922	3,882,270	34	10,167,954	4,916,652	48
Tobacco Research Trust Fund:						
State appropriations	3,750,000	2,055,041	55	4,438,889	2,064,508	47
Fund balance appropriated	842,309	842,309	100			
Total Tobacco Research Trust Fund	4,592,309	2,897,350	63	4,438,889	2,064,508	47
Hospital and Clinics:						
State appropriations	7,110,800	4,151,896	58	6,988,889	5,455,558	78
Hospital earned income-net	40,548,789	24,288,872	60	31,696,100	19,152,641	60
Fund balance appropriated	880,000	880,000	100			
Total Hospital and Clinics	48,539,589	29,320,768	60	38,684,989	24,608,199	64
Housing and Dining System	15,546,910	10,140,386	65	14,771,288	8,942,444	61
Auxiliary Enterprises	4,735,030	2,816,855	59	4,473,558	2,455,783	55
TOTAL CURRENT FUNDS AND APPROPRIATED BALANCES	\$273,772,451	\$166,727,171	61	\$243,465,806	\$174,178,747	72

University of Kentucky  
 Summary of Current Funds Expenditures  
 Seven Months Ended January 31, 1981  
 With Comparative Figures for 1979-80

Fund or Function:	1980-1981			1979-1980		
	Appropriation for the Year	Expended to Date	% Expended Encumbered to Date	Appropriation for the Year	Expended to Date	% Expended Encumbered to Date
Department of Instruction and research	\$ 75,066,643	\$ 44,928,157	60	\$ 70,262,801	\$ 41,702,763	59
Summer session-1980	1,494,574	1,286,605	87	1,400,718	1,116,800	80
Organized activities	1,797,907	1,055,958	59	1,762,317	985,493	56
Organized research	15,734,145	10,410,939	66	15,134,039	9,340,318	62
Libraries	6,148,327	3,685,975	60	5,521,226	3,588,450	65
Extension and public service	23,169,986	13,122,562	57	20,296,275	12,050,809	59
Maintenance and operation of plant	15,382,347	9,517,934	62	14,517,347	8,190,072	56
Renovation, office furniture, etc.	290,283	207,882	72	2,150,950	1,550,471	72
General administration	8,666,178	4,860,148	56	7,909,207	4,169,635	53
Student services	5,516,623	3,331,585	60	4,954,713	2,882,315	58
Staff benefits	12,736,664	3,123,000	24	10,721,113	2,784,778	26
General institutional services	8,893,548	5,637,383	63	7,807,728	4,950,183	63
Service enterprises	290,155	240,657	83	211,676	221,441	105
Debt service cost	5,925,100	5,368,826	91	5,925,500	5,399,432	91
Student aid	2,059,779	1,684,000	82	1,884,992	1,421,015	75
Reserves	5,905,432			468,526		
<b>Total unrestricted</b>	<b>189,077,691</b>	<b>108,461,611</b>	<b>57</b>	<b>170,929,128</b>	<b>100,353,975</b>	<b>59</b>

University of Kentucky  
 Summary of Current Funds Expenditures  
 Seven Months Ended January 31, 1981  
 With Comparative Figures for 1979-1980

Fund or Function:	1980-1981			1979-1980		
	Appropriation for the Year	Expended Encumbered to Date	% Expended Encumbered to Date	Appropriation for the Year	Expended Encumbered to Date	% Expended Encumbered to Date
<b>Restricted:</b>						
Departments of instruction and research	\$ 2,438,523	\$ 917,144	38	\$ 2,565,825	\$ 832,142	32
Organized activities	140,925	64,093	45	151,069	52,334	35
Organized research	4,367,568	1,569,238	36	3,336,720	1,533,192	46
Libraries	78,618	35,377	45	55,942	6,473	12
Extension and public service	556,904	198,096	36	434,855	192,625	44
General institutional services	605,799	167,859	28	684,155	348,442	51
Student aid	3,092,585	1,811,666	59	2,939,388	1,447,476	49
Total restricted	11,280,922	4,763,473	42	10,167,954	4,412,684	43
Tobacco Research Trust Fund	4,592,309	1,365,597	30	4,438,889	1,806,277	41
Hospital and Clinics	48,539,589	27,014,641	56	38,684,989	19,703,761	51
Housing and Dining System	15,546,910	9,520,906	61	14,771,288	8,503,083	58
Auxiliary Enterprises	4,735,030	2,797,504	59	4,473,558	2,983,907	67
<b>TOTAL CURRENT FUND EXPENDITURES</b>	<b>\$273,772,451</b>	<b>\$153,923,732</b>	<b>56</b>	<b>\$243,465,806</b>	<b>\$137,763,687</b>	<b>57</b>

University of Kentucky  
 Schedule of Short Term Investments  
 January 31, 1981

	<u>Maturity Value</u>	<u>Cost</u>
<b>Restricted Current Fund:</b>		
Government securities:		
U. S. Treasury Bills, 9.89%, 7/16/81	\$ 2,180,000	\$ 1,997,018
U. S. Treasury Bills, 16.72%, 7/16/81	220,000	200,778
U. S. Treasury Bills, 12.00%, 9/10/81	3,325,000	2,992,528
FHLB, 7.375%, 11/26/84	200,000	200,000
U. S. Treasury Notes, 7.875%, 5/15/86	685,000	685,000
<b>Total government securities</b>	<u>6,610,000</u>	<u>6,075,324</u>
<b>Certificates of deposit:</b>		
Bank of Commerce & Trust Company, 13.26%, 2/26/81	3,200,000	3,200,000
Bank of Lexington, 13.26%, 2/26/81	1,000,000	1,000,000
First Security National Bank & Trust Company, 16.01%, 4/10/81	1,900,000	1,900,000
Bank of Lexington, 10.15%, 7/16/81	1,400,000	1,400,000
Bank of Commerce & Trust Company, 11.55%, 9/10/81	2,000,000	2,000,000
Bank of Lexington, 12.25%, 9/10/81	2,000,000	2,000,000
<b>Total certificates of deposit</b>	<u>11,500,000</u>	<u>11,500,000</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>\$ 18,110,000</u>	<u>\$ 17,575,324</u>
<b>Agency Funds:</b>		
Government securities:		
U. S. Treasury Notes, 7.875%, 5/15/86	\$ 15,000	\$ 15,000
<b>TOTAL AGENCY FUNDS</b>	<u>\$ 15,000</u>	<u>\$ 15,000</u>

University of Kentucky  
 Schedule of Retirement of Indebtedness Funds  
 For the Seven Months Ended January 31, 1981

Source of Funds:	<u>Estimated</u>	<u>Realized</u>	<u>% Realized</u>
Unrestricted current funds	\$ 5,925,100	\$ 5,368,826	91
Housing and dining system	1,731,956	969,199	56
Auxiliary enterprises current funds	<u>167,796</u>	<u>69,019</u>	<u>41</u>
<b>TOTAL RETIREMENT OF INDEBTEDNESS FUNDS</b>	<u>\$ 7,824,852</u>	<u>\$ 6,407,044</u>	<u>82</u>

Debt Service:	<u>Appropriated</u>	<u>Expended</u>	<u>% Expended</u>
Unrestricted funds debt:			
Consolidated Educational Buildings--Series A	\$ 510,000	\$ 52,788	10
Consolidated Educational Buildings--Series B	478,000	59,544	12
Consolidated Educational Buildings--Series C	233,000	44,054	19
Consolidated Educational Buildings--Series D	2,475,100	1,050,694	42
Consolidated Educational Buildings--Series E	289,000	134,555	47
Consolidated Educational Buildings--Series F	524,000	234,664	45
Community Colleges Educational Buildings--Series A	838,000	353,796	42
Community Colleges Educational Buildings--Series B	193,000	56,675	29
Community Colleges Educational Buildings--Series C	<u>385,000</u>	<u>145,174</u>	<u>38</u>
<b>Subtotal</b>	<u>5,925,100</u>	<u>2,131,944</u>	<u>36</u>

Housing and Dining System Revenue Bonds--Series A-I	<u>1,731,956</u>	<u>640,561</u>	<u>37</u>
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University of Kentucky  
 Schedule of Retirement of Indebtedness Funds  
 For the Seven Months Ended January 31, 1981

	<u>Appropriated</u>	<u>Expended</u>	<u>% Expended</u>
<b>Auxiliary Enterprises:</b>			
Chi Omega	2,538	2,538	100
Alpha Delta Pi	11,086	10,039	84
Dorms A-F	38,850	1,925	5
Dorms G-L	50,365	12,683	25
Phi Delta Theta	7,880	1,940	25
Delta Delta Delta	4,450	4,270	96
Alpha Tau Omega	8,078	2,039	25
Housing Bonds of 1964	13,313	3,157	24
Student Housing Bonds of 1964	<u>30,436</u>	<u>30,436</u>	<u>100</u>
Subtotal	<u>167,796</u>	<u>69,027</u>	<u>41</u>
<b>TOTAL RETIREMENT OF INDEBTEDNESS FUNDS</b>	<u>\$ 7,824,852</u>	<u>\$ 2,841,532</u>	<u>36</u>

University of Kentucky  
 Schedule of Sinking Funds  
 January 31, 1981

<u>Bond Issue with Reserves Fully Funded:</u>	<u>Total</u>	<u>Bonds</u>	<u>Fund Balances</u>
	<u>Sinking Fund</u>	<u>Payable</u>	
Housing and Dining System Revenue Bond and Interest Sinking Fund	\$ 2,171,769		\$ 2,171,769
Consolidated Educational Buildings Project and Interest Sinking Fund:			
Series A	1,029,676		1,029,676
Series B	996,875		996,875
Series C	396,497		396,497
Series D	3,486,432		3,486,432
Series E	398,186		398,186
Series F	1,221,226		1,221,226
121,222	121,222		121,222
Student Housing Bond and Interest Sinking Fund of 1964			
Community College Educational Buildings Project Bond and Interest			
Sinking Fund:			
Series A	1,368,097		1,368,097
Series B	326,991		326,991
Series C	598,301		598,301
Student Housing Bond and Interest Sinking Fund of 1960	84,843		84,843
Dormitory Revenue Bonds of 1956	50,000		50,000
	<u>12,250,115</u>		<u>12,250,115</u>
<b>Total Bond Issues with Reserves Fully Funded</b>			
<u>Bonds Fully Funded by Escrow Accounts:</u>			
Keeneland, Cooperstown and Student Union Future Bond and			
Interest Fund	2,113,708	\$ 1,727,000	386,708
Consolidated Educational Series D Refunding Issue:			
Bonds Payable	31,000,000	31,000,000	839,150
Premium on Sale of Bonds	839,150		2,896,250
Amortization of Discount on Investment	2,896,250		11,385,741
Investment Income	11,385,741		(13,107,854)
Interest Paid	(13,107,854)		
	<u>33,013,287</u>	<u>31,000,000</u>	<u>2,013,287</u>
<b>Total Series D Refunding Issue</b>			
<b>TOTAL SINKING FUNDS</b>	<u>\$ 47,377,110</u>	<u>\$ 32,727,000</u>	<u>\$ 14,650,110</u>



University of Kentucky  
 Schedule of Renewal and Replacement  
 For the Seven Months Ended January 31, 1981

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total Fund Balances</u>
Repair and Maintenance Reserves:			
Housing and Dining System	\$ 750,000	\$ 346,151	\$ 1,096,151
Student Housing Buildings of 1964	42,817		42,817
Student Housing Buildings of 1960	25,712		25,712
Other Auxiliary Enterprises		<u>10,632</u>	<u>10,632</u>
Total repair and maintenance reserves	<u>818,529</u>	<u>356,783</u>	<u>1,175,312</u>
Renewal and Replacement Funds:			
Housing and Dining Funds		521,396	521,396
Other Auxiliary Enterprises		<u>147,775</u>	<u>147,775</u>
Total renewal and replacement funds		<u>669,171</u>	<u>669,171</u>
GRAND TOTAL	<u>\$ 818,529</u>	<u>\$ 1,025,954</u>	<u>\$ 1,844,483</u>

Office of the President  
March 10, 1981

FCR 2

Members, Executive Committee, Board of Trustees:

RESOLUTION REGARDING SAFETY FEATURES  
OF BLANDING & KIRWAN TOWERS

Whereas, it has become necessary to provide in the University's Kirwan, Blanding Towers in the Housing and Dining System, the addition of sprinklers and smoke detectors for the safety of residents living in these towers, and,

Whereas, the cost of installing the aforesaid distribution system has been estimated to exceed the sum of three hundred thousand dollars,

NOW THEREFORE BE IT RESOLVED THAT:

1. In accordance with Section 907 of the Trust Indenture made by the Board of Trustees to Farmers Bank & Capital Trust Company, Frankfort, Kentucky, securing the University of Kentucky Housing and Dining System Revenue Bonds, the Board finds that the unanticipated cost of the sprinklers and smoke detectors has resulted in a situation where the available budgeted resources of the Housing and Dining System are inadequate to meet the costs to be incurred.

2. The Vice President for Business Affairs and Treasurer is hereby authorized and directed to deliver to the aforesaid Trustee, an authenticated copy of this resolution, together with a request for the payment of the cost of the sprinkler system and smoke detectors in Kirwan Blanding Towers from funds available in the System's Repair and Maintenance Reserve.

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Action taken: Approved XX Disapproved \_\_\_\_\_ Other \_\_\_\_\_

Date: March 10, 1981.

Office of the President  
March 10, 1981

FCR 3

Members, Executive Committee, Board of Trustees

PARKING PERMIT PROPOSAL

Recommendation: that faculty, staff and student permits be increased over a two-year period according to the following table:

<u>Permit</u>	<u>Current Fee</u>	<u>1981-82 Parking Year</u>	<u>1982-83 Parking Year</u>
A	\$36	\$54	\$72
B	24	36	48
C	20	30	40
R	0	25	35
K	0	10	20

Background: Parking is one of the chief problems of the University community. The proposed fee increases will improve the level of service of the current parking and transit program and, at the same time, fund necessary capital improvements. (see attachment)

\_\_\_\_\_  
Action taken: Approved XX Disapproved \_\_\_\_\_ Other \_\_\_\_\_

Date: March 10, 1981

ATTACHMENT I

A. Administrative Improvements

1. Registration of all vehicles parking on University property
2. Employment of additional gate attendants
3. Installation of mechanical gates
4. Employment of students to act in an enforcement capacity
5. Issuance of multi-car parking permits

B. Parking Regulations

1. Implementation of a graduated fine system
2. Amnesty Week, May 4-8
3. Increase towing charge from \$10.00 to \$20.00
4. Definition of appellate process on ticket

C. Parking Space Increases

1. Redesignation of Rose Street Lot (front section) from C to A
2. Conversion of Medical Center Drive to perpendicular parking
3. Redesignation of Physical Plant Lot from C to B
4. Redesignation of Memorial Coliseum Lot from C to B
5. Redesignation of Rose Street Lot (back section) from C to B
6. Paving of an additional 15 parking spaces at Scott Street Lot
7. Paving of temporary lot on Virginia Avenue
8. Provision of an additional 350 parking spaces on University property in conjunction with KMSF property on South Limestone
9. Construction of 800 space parking structure on Huguelet Drive
10. Paving of PPD Park on Hilltop Avenue
11. Construction of 233 additional C spaces at College View Drive Lot
12. Paving of an additional 1,000 spaces at Commonwealth Stadium
13. Redesignation of space at Memorial Coliseum and Funkhouser Drive as visitor parking, as well as, construction of a visitor lot at main gate
14. Restriping for small car parking

D. Transportation Improvements

1. Increase of existing bus service by 20%
2. Construction of five bus shelters
3. Provision of night bus service to student housing
4. Renaming of transit system to Campus Area Transit System

EXHIBIT 1

Office of the President  
March 10, 1981

FCR 4

Members, Executive Committee, Board of Trustees:

RESOLUTION AUTHORIZING ISSUANCE OF  
CONSOLIDATED EDUCATION BUILDINGS REVENUE  
BONDS, SERIES G, AND REVENUE BOND  
ANTICIPATION NOTES, SERIES G.

Recommendation: That the Board of Trustees approve the following: A Resolution authorizing the issuance of University Consolidated Educational Buildings Revenue Bond Anticipation Notes, Series G, both issues in the principal amount of \$18,600,000, a copy of which is attached and made a part of this resolution. Further, that the Board authorize the publication of a Notice of Notes Sale and the dissemination of an Official Statement and Official Bid Form, copies of which are attached and made a part of this resolution.

Background: University of Kentucky Consolidated Educational Buildings Revenue Bond Anticipation Notes, Series G, will be issued to provide funds for the construction of additions to the University Medical Center consisting of the Primary/Ambulatory Care Facilities and a Patient Parking structure and for the completion of the Center for Study of Aging. University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series G, will be issued at a future date to pay the principal of the Bond Anticipation Notes, Series G, at maturity. On December 9, 1980, the Board authorized the issuance of Series G Notes and Bonds in an amount not to exceed \$19,800,000; however, neither the exact amount of Notes and Bonds required nor the attached documents were available at that time and, therefore, require this further action of the Board.

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Action:    Approved   xx      Disapproved               Other           

Date:                                  March 10, 1981

A RESOLUTION AUTHORIZING THE ISSUANCE OF \$18,600,000 CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES G AND \$18,600,000 CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BOND ANTICIPATION NOTES, SERIES G, OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY.

WHEREAS, the Board of Trustees of the University of Kentucky, by Resolution entitled:

"A RESOLUTION creating and establishing a Consolidated Educational Buildings Project of the University of Kentucky; creating and establishing an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of the University of Kentucky; providing for the issuance from time to time of said bonds; providing for the payment of the principal of and interest on said bonds and repealing all resolutions or parts of resolutions in conflict with this resolution,"

adopted September 20, 1960 (hereinafter referred to as the "Resolution"), has created and established an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of the University of Kentucky; and

WHEREAS, the Resolution authorizes the issuance by said Board of said Bonds in one or more series pursuant to a resolution authorizing such series; and

WHEREAS, there have heretofore been issued pursuant to such Resolution Series A Bonds in the original face amount of \$8,000,000 in 1960, of which \$2,680,000 face amount are still outstanding; Series B Bonds in the original face amount of \$7,500,000 in 1963, of which \$3,310,000 face amount are still outstanding; Series C Bonds in the original face amount of \$4,290,000 in 1970, of which \$2,935,000 face amount still remain outstanding; Series D Bonds in the original face amount of \$34,700,000, of which \$32,465,000 remain outstanding, being the bonds maturing to and including May 1, 1981, provisions having been made to call on May 1, 1981, Series D Bonds maturing on May 1, 1982, and thereafter; Series D Refunding Bonds in the original face amount of \$31,000,000, of which all remain outstanding; Series E Bonds in the original face amount of \$4,750,000, of which \$4,710,000 remain outstanding; and Series F Bonds in the original face amount of \$7,500,000, of which \$7,300,000 remain outstanding; and

WHEREAS, the Board has determined that the conditions of the municipal bond market are presently unfavorable to issuers of municipal obligations in that higher interest rates for long-term financing are presently unattractive to the issuers of bonds; provided, however, that it is necessary that the Board proceed immediately with the construction of additions to the University's Medical Center facilities (Primary/Ambulatory Care Center and related patient parking structure and completion of the Center for Study of Aging) (the "Series G Project"), based upon the acceptance of bids on publicly advertised specifications and in that connection it is necessary that the Board obtain interim construction loans through the issuance of \$18,600,000 "University of Kentucky Consolidated Educational Buildings Revenue Bond Anticipation Notes, Series G (the "Series G Notes");

NOW, THEREFORE, THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY HEREBY RESOLVES AS FOLLOWS:

#### ARTICLE I

##### Definitions and Authority

Section 1.01. This resolution (hereinafter referred to as the "Series G Resolution") is adopted in accordance with Article II, Section 2.03, of the Resolution.

Section 1.02 (A) All terms which are defined in Article I of the Resolution shall have the same meanings, respectively, in this Series G Resolution as such terms are given in said Article of the Resolution.

(B) In this Series G Resolution, Series G Bonds shall mean the Bonds authorized by Article II of this Series G Resolution.

(C) In this Series G Resolution, Series G Notes shall mean the Bond Anticipation Notes authorized by Article III of this Series G Resolution.

Section 1.03. This Series G Resolution is adopted pursuant to the provisions of Section 162.340 et seq. of the Kentucky Revised Statutes and the Resolution.

#### ARTICLE II

##### Authorization of Series G Bonds

Section 2.01. Pursuant to the provisions of the Resolution there is hereby authorized to be issued by the Board

of Trustees of the University of Kentucky, in its corporate capacity, a series of Bonds in the aggregate principal amount of Eighteen Million Six Hundred Thousand Dollars (\$18,600,000). Such Bonds shall be designated as "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series G." Said Series G Bonds are hereby declared to have been authorized under the Resolution and in conformity with the provisions of Section 7.10 of the Resolution.

Section 2.02. Said Series G Bonds are being issued for the purpose of paying the costs (to the extent not otherwise provided) of erecting the Series G Project with necessary appurtenances upon the property of the University in Fayette County, Kentucky.

Section 2.03. The Series G Bonds shall be dated April 1, 1982, and bear interest payable semiannually on November 1 and May 1 of each year at a coupon rate or coupon rates, the exact rate or rates of interest for said Series G Bonds to be fixed as a result of advertised sale and competitive bidding for said Series G Bonds, as hereinafter provided. Said Series G Bonds shall be numbered and scheduled to become due and payable in numerical order on May 1 of the respective years as follows:

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>	<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
1-48	\$ 240,000	1983	1045-1178	\$ 670,000	1996
49-100	260,000	1984	1179-1323	725,000	1997
101-156	280,000	1985	1324-1481	790,000	1998
157-217	305,000	1986	1482-1657	880,000	1999
218-282	325,000	1987	1658-1859	1,010,000	2000
283-353	355,000	1988	1860-2066	1,035,000	2001
354-430	385,000	1989	2067-2291	1,125,000	2002
431-513	415,000	1990	2292-2533	1,210,000	2003
514-603	450,000	1991	2534-2795	1,310,000	2004
604-701	490,000	1992	2796-3080	1,425,000	2005
702-807	530,000	1993	3081-3389	1,545,000	2006
808-921	570,000	1994	3390-3720	1,655,000	2007
922-1044	615,000	1995			

Section 2.04. Said Series G Bonds shall be issued in coupon form, in the denomination of \$5,000 and shall be registrable as to principal only.

Section 2.05. The principal of and interest on said Bonds shall be payable in any coin or currency of the United States of America, which at the time of Series G payment therefor is legal tender for the payment of public and private debts, at the principal office of First Security National Bank & Trust



Company of Lexington, in the City of Lexington, Kentucky, Trustee (or successor Trustee appointed pursuant to the provisions of the Resolution), or at the option of the holders of the respective Series G Bonds and coupons at the principal office of Chemical Bank, in the City of New York, New York, which are hereby appointed Paying Agents for the Series G Bonds.

Section 2.06. The Series G Bonds maturing May 1, 1993, and thereafter (being the Bonds numbered 702 and upwards) shall be subject to redemption by the Board in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot) on any interest payment date on or after May 1, 1992, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption.

If Redeemed	Redemption Price
On and after May 1, 1992, and prior to May 1, 1996	103%
On and after May 1, 1996, and prior to May 1, 1999	102%
On and after May 1, 1999, and prior to May 1, 2005	101%
On and after May 1, 2005, and prior to final maturity	100%

Section 2.07. Said Series G Bonds shall be executed on behalf of said Board with the reproduced facsimile signature of the Chairman or Vice-Chairman of the Board and attested by the manual signature of the Secretary of the Board, and the facsimile of the corporate seal of said Board shall be imprinted thereon. Interest on said Series G Bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached to each of said Series G Bonds, which coupons shall be executed with the facsimile of the official signatures of said Chairman or Vice-Chairman and said Secretary.

Section 2.08. For the purpose of securing the payment of both the principal of and interest on all the Series G Bonds and to secure for the benefit of all the holders of said Series G Bonds the faithful performance of the covenants and provisions contained in the Resolution in the manner and to the extent permitted and provided in the Resolution and in Sections 162.340 et seq. of the Kentucky Revised Statutes, First Security National Bank & Trust Company of Lexington, in the City of Lexington, Kentucky, is hereby designated as Trustee

under the Resolution for the holders of all of said Series G Bonds, with the powers and duties set forth in the Resolution and with no liability in connection with any action or omission to act under the Resolution except for its own negligence or willful breach of trust. Execution of the authentication certificate of the Trustee on the back of the respective Series G Bonds shall conclusively establish the acceptance as to such Series G Bonds by the Trustee of the trusts and provisions with respect thereto as set forth in the Resolution.

Section 2.09. The Series G Bonds and coupons and provisions for registration appertaining thereto and the certificate of the Trustee to be endorsed on said Series G Bonds shall be in substantially the following respective forms, to-wit:

(Form of Bond)

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
UNIVERSITY OF KENTUCKY  
CONSOLIDATED EDUCATION BUILDINGS REVENUE BOND  
SERIES G

No. \_\_\_\_\_

\$5,000.00

The Board of Trustees of the University of Kentucky, a body corporate, as an educational institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the special fund provided therefor, as hereinafter set forth, to the bearer or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of Five Thousand Dollars (\$5,000.00) on the first day of May, 19\_\_, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of \_\_\_ per cent (\_\_\_%) per annum, such interest being payable semiannually on the first days of November and May in each year, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity date of this Bond to be paid only upon presentation and surrender of the annexed coupons as they severally mature, both principal and interest being payable in any coin or currency of the United States of America which at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of the Trustee, First Security National Bank & Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof or of the interest coupons hereunto appertaining, at the principal office of Chemical Bank, in the City of New York, New York.

This Bond is one of a duly authorized issue of Bonds designated as "Consolidated Educational Buildings Revenue Bonds" (hereinafter referred to as the "Bonds") issued and to be issued under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including, among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes now in full force and effect, and under and pursuant to the Resolution adopted by the Board of Trustees on September 20, 1960 (hereinafter referred to as the "Resolution") and the Series G Resolution adopted by the Executive Committee of the Board of Trustees on March 10, 1981.

As provided in the Resolution, the Bonds may be issued from time to time pursuant to separate resolutions in one or more series, in various principal amounts, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all Bonds issued and to be issued under the Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

This Bond is one of a series of Bonds of various maturities designated as "Consolidated Educational Buildings Revenue Bonds, Series G" (herein called the "Series G Bonds"), issued in the aggregate amount of \$18,600,000 under the Resolution for the purpose of financing the costs to the extent not otherwise provided) of erecting educational buildings and necessary appurtenances as parts of the Consolidated Education Buildings Series G Project of said University (hereinafter referred to as the "Project"). Copies of the Resolution and the Series G Resolution are on file at the office of the Trustee. Reference is hereby made to the Resolution pursuant to which First Security National Bank & Trust Company of Lexington, in the City of Lexington, Kentucky, has been designated as Trustee for the holders of the issue of Bonds of which this Bond is one and for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds; the rights, duties and obligations of said Board of Trustees, and of the Trustee, and the rights of the holders of the Bonds; and by the acceptance of this Bond the holder hereof assents to all of the provisions of the Resolutions. Under authority of the statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and subject to the provisions for registration endorsed hereon and contained in the Resolution, nothing contained in this Bond or in the Resolution shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce

the provisions of the Resolution or to institute action to enforce the covenants therein, or to take any action with respect to any default under the Resolution, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Resolution. The Resolution provides for fixing, charging and collecting fees for the services of said Series G Project, which fees will be sufficient to pay the principal of and the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the costs of operation and maintenance of the Project to the extent the same are not otherwise provided. The Resolution provides for the creation of a special account designated "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (herein called the "Bond Fund") and for the deposit to the credit of said Bond Fund of a fixed amount of the gross Revenues of said Project to pay interest on the Bonds as the same become due and to pay or retire the principal of the Bonds at or prior to the maturity thereof, and to provide a reserve for such purpose, which Bond Fund is pledged to and charged with the payment of said principal and interest.

The issue of Series G Bonds of which this Bond is one and all other Bonds as may be outstanding from time to time under the Resolution, are payable only from a fixed amount of the gross Revenues derived from the operation of said Series G Project which will be set aside in said Bond Fund, and this Bond does not constitute any indebtedness of the University of Kentucky or of its Board of Trustees or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The Series G Bonds maturing May 1, 1993, and thereafter (being the Bonds numbered \_\_\_ and upwards) shall be subject to redemption at the option of the Board of Trustees in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot) on any interest payment date on or after May 1, 1992, at the redemption prices, expressed in percentage of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

If Redeemed	Redemption Price
On and after May 1, 1992, and prior to May 1, 1996	103%
On and after May 1, 1996, and prior to May 1, 1999	102%
On and after May 1, 1999, and prior to May 1, 2005	101%
On and after May 1, 2005, and prior to final maturity	100%

In the event the Board of Trustees shall exercise its option to redeem any of the Series G Bonds of which this Bond is a part, notice of such redemption identifying the Bonds to be redeemed will be given to the Trustee at least forty-five (45) days prior to the specified redemption date, and such notice shall be published at least once not less than thirty (30) days prior to the specified redemption date, in a newspaper or financial journal of general circulation published in each of the Cities of Louisville, Kentucky, and New York, New York. Any Bonds called for redemption and for the payment of which funds are deposited with said Trustee on the specified redemption date shall cease to bear interest on said redemption date.

This Bond shall pass by delivery unless registered as to principal on the books of said Board of Trustees at the office of the Trustee under the Resolution, and such registration noted hereon, after which no valid transfer hereof shall be effective unless made on said books and similarly endorsed hereon at the written request of the registered holder of his duly authorized representative, but this Bond may be discharged from registration by being in like manner registered to bearer, whereupon full negotiability and transferability by delivery shall be restored but may again from time to time be registered as aforesaid. Such registration, however, shall not affect the negotiability of the interest coupons which shall always remain payable to bearer and transferable by delivery merely. The Board of Trustees, the Trustee and the Paying Agents may treat the bearer of this Bond, if not registered as to principal, and the bearer of any coupon hereto appertaining, whether or not this Bond be so registered, or if this Bond be registered as herein authorized, the person in whose name the same is registered, as the absolute owner for the purpose of making payment and for all other purposes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said Project, is created and granted to and in favor of the holder or holders of this Bond and the issue of Bonds of which it is one, and in favor of the holder or holders of the coupons attached hereto, and said Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the issue of Bonds of which it is one.

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

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and the amount of this Bond,

together with all other obligations of said Board of Trustees and of said University of Kentucky, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Project will be continuously operated, and that a sufficient portion of the gross Revenues therefrom has been pledged to and will be set aside into said Bond Fund for the payment of the principal of and interest on this Bond and the issue of which it is one, and all other bonds, which by their terms and the terms of the Resolution are payable from said Bond Fund, as and when the same will respectively become due.

IN TESTIMONY WHEREOF, the Board of Trustees of the University of Kentucky has caused this Bond to be executed on its behalf by the reproduced facsimile signature of its Chairman or Vice-Chairman and the facsimile of its corporate seal to be imprinted hereon, attested by the manual signature of its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman or Vice-Chairman and Secretary, all being done as of the first day of April, 1982.

\_\_\_\_\_  
Chairman, Board of Trustees  
University of Kentucky

(SEAL)

ATTEST:

\_\_\_\_\_  
Secretary, Board of Trustees

(Form of Coupon)

No. \_\_\_\_\_ \$ \_\_\_\_\_

On the first day of \_\_\_\_\_, 19\_\_, \*(unless the Bond to which this coupon is attached shall have been duly called for prior redemption and payment of the redemption price duly made or provided for), the Board of Trustees of the University of Kentucky, at Lexington, Kentucky will pay to bearer \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) in any coin or currency which at the time of payment thereof is legal tender for the payment of public and private debts out of its "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" at the principal office of First Security



Section 2.10. The Chairman and/or Vice Chairman and Secretary of the Board are hereby authorized and directed to cause to be published a Notice of Sale of Bonds with reference to the Bonds herein authorized when it is determined by said Board to offer said Series G Bonds, in the Daily Bond Buyer, New York, New York, which is a publication having general circulation among bondbuyers, and in The Courier-Journal, a legal newspaper, published in Louisville, Kentucky, which affords state-wide notice. Such papers are hereby determined and directed to be required to publish such Notice within the meaning and provisions of Chapter 424 of the Kentucky Revised Statutes.

Section 2.11. Immediately upon the issuance, sale and delivery of the Series G Bonds, all sums received as accrued interest thereon shall be deposited by the Treasurer of the Commonwealth with the Trustee in the Bond Fund established under the Resolution. The balance of the Bond proceeds shall be deposited by the Treasurer of the Commonwealth in said Bond Fund and shall be applied by the Treasurer in accordance with the provisions of Section 3.08 of this Series G Resolution to accomplish the full and complete payment of all issued and outstanding Series G Notes at the maturity date of said Series G Notes, without default. Any proceeds of the Series G Bonds remaining after the required deposits to the Bond Fund shall be deposited in the Construction Account established under Section 3.08 of this Series G Resolution.

### ARTICLE III

#### Authorization of Series G Notes

Section 3.01. That the Board having determined that the conditions of the municipal bond market are presently unfavorable to the issuers of long-term municipal obligations, pending the issuance and delivery of the Series G Bonds there is hereby authorized to be issued by the Board of Trustees of the University of Kentucky, in its corporate capacity, a series of Bond Anticipation Notes in the aggregate principal amount of Eighteen Million Six Hundred Thousand Dollars (\$18,600,000). Such Bond Anticipation Notes shall be designated as "University of Kentucky Consolidated Educational Buildings Revenue Bond Anticipation Notes, Series G." Said Series G Notes are hereby declared to have been authorized under the Resolution and in conformity with the provisions of Section 7.10 of the Resolution.

The right is reserved in the Board to issue Renewal Notes upon such terms as it may deem appropriate if it is determined that the issuance of the Series G Bonds is not prudent at the time same are now scheduled to be issued. In such case, the Board shall adopt a resolution making appropriate amendments to this Series G Resolution in regard to the Series G Bonds and said Renewal Notes.



Section 3.02. Said Series G Notes are being issued for the purpose of providing interim construction financing for the Series G Project pending the issuance and delivery of the Series G Bonds.

Section 3.03. The Series G Notes shall be dated May 1, 1981 and bear interest from their date payable on May 1, 1982, the exact rate or rates of interest for said Series G Notes to be fixed as a result of the solicitation for proposals for the purchase of said Notes made in accordance with Section 56.513 of the Kentucky Revised Statutes. The minimum bid for the purchase of all of said Series G Notes shall be \$18,507,000 (99.5% of par). No bid for less than \$500,000 of said Series G Notes shall be considered.

Section 3.04. Said Series G Notes shall be issued in denominations of multiples of \$25,000 and shall be in bearer or fully registered form.

Section 3.05. Said Series G Notes shall be executed on behalf of said Board with the reproduced facsimile signature of the Chairman or Vice-Chairman of the Board and attested by the manual signature of the Secretary of the Board, and the facsimile of the corporate seal of said Board shall be imprinted thereon.

Section 3.06. For the purpose of securing the payment of both the principal of and interest on all of the Series G Notes and to secure for the benefit of the holders of said Series G Notes the faithful performance and covenants and provisions contained in the Resolution in the manner and to the extent permitted and provided in the Resolution and in Sections 162.340 et. seq. of the Kentucky Revised Statutes, First Security National Bank & Trust Company of Lexington, in the City of Lexington, Kentucky, is hereby designated as Trustee under the Resolution for the holders of all of said Series G Notes, with the powers and duties set forth in the Resolution and with no liability in connection with any action or omission to act under the Resolution except for its own negligence or willful breach of trust. Execution of the Authentication Certificate of the Trustee on the respective Series G Notes shall conclusively establish the acceptance as to said Series G Notes by the Trustee of the trusts and the provisions with respect thereto as set forth in the Resolution.

Section 3.07. The Series G Notes and the Certificate of the Trustee to be endorsed on said Series G Notes shall be in substantially the following respective forms, to-wit:

(FORM OF NOTE)

UNITED STATES OF AMERICA  
COMMONWEALTH OF KENTUCKY  
UNIVERSITY OF KENTUCKY  
CONSOLIDATED EDUCATIONAL BUILDINGS  
REVENUE BOND ANTICIPATION NOTE  
SERIES G

No. G \_\_\_\_\_

\$ \_\_\_\_\_

The Board of Trustees of the University of Kentucky, a body corporate, as an education institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the sources herein identified, as hereinafter set forth, to \_\_\_\_\_, the sum of \_\_\_\_\_ Thousand Dollars (\$ \_\_\_\_\_) on the first day of May, 1982, and to pay, solely from such sources identified, interest thereon from the date hereof until May 1, 1982 at the rate of \_\_\_\_\_ per cent ( \_\_\_\_\_ %) per annum, both principal and interest being payable in any coin or currency of the United States of America which at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of the Trustee, First Security National Bank & Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Bank in the City of New York, New York.

This Note is one of a duly authorized issue of Notes designated as "Consolidated Educational Buildings Revenue Bond Anticipation Notes, Series G" (hereinafter referred to as the "Notes"), issued and to be issued under and in full compliance with the Constitution and Statutes of Kentucky, including, among others, Sections 162.350 to 162.380, inclusive, and Section 56.513 of the Kentucky Revised Statutes now in full force and effect, and under and pursuant to the Resolution adopted by the Board of Trustees on September 20, 1960 (hereinafter referred to as the "Resolution"), and the Series G Resolution adopted by the Executive Committee of the Board of Trustees on March 10, 1981.

As provided in the Series G Resolution, the Notes are issued in anticipation of the later issuance by the Board of Trustees of Eighteen Million Six Hundred Thousand Dollars (\$18,600,000) of "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series G," dated April 1, 1982 (the "Series G Bonds") or Renewal Notes for interim financing purposes in meeting the costs, to the extent not otherwise provided, of erecting educational buildings and necessary appurtenances as parts of the Consolidated Educational Buildings Project of said University (the "Project"). Copies of the Resolution and the Series G Resolution are on file in the office of the Trustee. Reference is hereby made to the Resolution and the Series G

Resolution pursuant to which First Security National Bank & Trust Company of Lexington, in the City of Lexington, Kentucky, has been designated as Trustee for the holders of the Series G Bonds and the Notes of which this Note is one for the provisions, among others, with respect to the custody and application of the proceeds of the Notes, the rights, duties and obligations of the Board of Trustees in regard to the issuance of the Series G Bonds and the Notes, and of the Trustee, and the rights of the holders of the Series G Bonds and the Notes; and by the acceptance of this Note, the holder hereof assents to all of the provisions of the Resolution and the Series G Resolution.

Under authority of the Statutes pursuant to which this Note is issued, this Note shall have all of the qualities and incidents of a negotiable instrument, and nothing contained in this Note or in the Resolution or the Series G Resolution shall affect or impair the negotiability of this Note.

Under the Series G Resolution Board of Trustees has covenanted with the holder of the Notes that it has authorized the Series G Bonds and that it will sell the same at public sale and will duly issue the same at such time as funds are required to pay the principal amount due on this Note; and this Note is payable as to principal solely from (i) the proceeds of said Series G Bonds when such proceeds are received by the Board of Trustees upon the delivery of the Series G Bonds to the purchaser thereof, or (ii) from the proceeds of one or more issues of Renewal Notes, or (iii) the Revenues of the Project, to the extent required.

Interest on this Note is payable solely from the "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (herein called the "Bond Fund") established under the Resolution into which an amount equal to not less than the interest on all of the Notes from their date to their maturity has been deposited simultaneously with the delivery of said Notes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said Project, is created and granted to and in favor of the holder of this Note and the issue of Notes of which it is one and said Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Note and the issue of Notes of which it is one.

This Note shall not be valid or become obligatory for any purpose, or be entitled to any security benefit, under the Resolution or the Series G Resolution, until it has been authenticated by the execution by the Trustee of the Certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and the amount of this Note, together with all other obligations of said Board of Trustees and of said University of Kentucky, does not violate any provision or exceed any limit prescribed by the Constitution or statutes of Kentucky; that said Project will be continuously operated, and that a sufficient portion of the gross Revenues therefrom has been pledged to and will be set aside into said Bond Fund for the payment of the principal of and interest on all other bonds, which by their terms and the terms of the Resolution are payable from said Bond Fund, as and when the same will respectively become due.

IN TESTIMONY WHEREOF, the Board of Trustees of the University of Kentucky has caused this Note to be executed on its behalf by the reproduced facsimile signature of its Chairman or Vice-Chairman, and the facsimile of the corporate seal to be imprinted hereon, attested by the manual signature of its Secretary, all being done as of the first day of May, 1981.

(Facsimile Signature)  
Chairman, Board of Trustees  
University of Kentucky

(SEAL)

ATTEST:

(Manual Signature)  
Secretary, Board of Trustees

(FORM OF AUTHENTICATION CERTIFICATE)

This Note is one of the Notes described or provided for in the withinmentioned Series G Resolution.

FIRST SECURITY NATIONAL BANK &  
TRUST COMPANY OF LEXINGTON  
Lexington, Kentucky, Trustee

By (Manual Signature)  
Authorized Officer

Section 3.08. There is hereby established in the State Treasury of the Commonwealth a Construction Account to be designated as "University of Kentucky Consolidated Educational Buildings Project-Series G Note Proceeds Construction Account" (the "Construction Account"). Immediately upon the issuance, sale and delivery of the Series G Notes, all sums received as accrued interest thereon plus an additional amount so that the total deposit shall equal twelve months' capitalized interest on said Series G Notes shall be deposited by the Treasurer of the Commonwealth with the Trustee in the Bond Fund established under the Resolution. The balance of the Series G Note proceeds shall be deposited by the Treasurer of the Commonwealth in the Construction Account and shall be disbursed by such Treasurer according to such inspection, audit and disbursement procedures as may from time to time be provided by law for the purpose of paying the costs (to the extent not otherwise provided) of erecting the Series G Project as identified in the preamble to this Series G Resolution in accordance with the approved plans and specifications therefor, and only upon the certification of the Architect or Engineer having supervision of construction, as to each disbursement, that the amount thereof has been duly earned by and is payable to the designated party or parties for materials, services and/or labor furnished pursuant to proper contract duly awarded therefor. Any balance remaining in said Construction Account after the erection of said Series G Project and the payment of all costs in connection therewith shall be deposited in the Bond Fund; provided, however, that if proceedings are then pending or imminently contemplated for the construction or completion of one or more additional educational buildings which are or will be financed by the issuance of additional Series Bonds pursuant to the Resolution, and which building or buildings constitute or will constitute a part of the Consolidated Educational Buildings Series G Project, any such unexpended balance may be taken into account in determining the amount of Bonds to be authorized therefor, or may be otherwise applied to the proper costs thereof, in which event such unexpended balance may, upon authority of the Board, be transferred to the particular Series G Construction Account thereof.

Section 3.09. The Board covenants that sums derived from the proceeds of the Series G Notes or the Series G Bonds shall not be invested in any manner which will cause any of the Series G Notes or Series G Bonds to be treated as arbitrage bonds within the meaning of Section 103(c)(2) of the Internal Revenue Code of 1954, as amended (the "Code"), and the applicable Income Tax Regulations thereunder (the "Regulations").

On the basis of information furnished to the Board of Trustees, on known facts, circumstances and reasonable expectations on the date this Series G Resolution is adopted, the Board covenants and certifies as follows:

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

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

(C) That it is expected and contemplated that the Board will comply with (i) all of the requirements of Section 103(c) of the Code; and (ii) all of the requirements of the Regulations.

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

Prior to or at the time of delivery of the Series G Notes, and prior to or at the time of delivery of the Series G Bonds, the Chairman or Vice-Chairman of the Board, or the University's Vice-President for Business Affairs and Treasurer, or any of them, are authorized to execute the appropriate certification with reference to the matters referred to in this Section 3.08, setting all known and contemplated facts and reasonable expectations concerning such anticipated construction, expenditures and investments, including the execution of necessary and/or desirable certifications of the type contemplated by the Code and the Regulations in order to assure that the interest on the Series G Notes and the Series G Bonds will be exempt from all federal income taxes and that said Series G Notes and Series G Bonds will not constitute or be treated as arbitrage Bonds.

#### ARTICLE IV

##### Effectiveness of Resolution

Section 4.01. A certified copy of this Series G Resolution shall be filed with the Trustee, and this Series G Resolution shall take effect immediately upon its adoption and the filing of the certified copy thereof with the Trustee.

Adopted this 10th day of March, 1981.

Chairman, Board of Trustees

University of Kentucky

(SEAL)

ATTEST:

Secretary, Board of Trustees

SERIES G OFFICIAL BID FORM

\_\_\_\_\_, 1981

To the Hon. Chairman and Members of  
the Board of Trustees of the  
University of Kentucky  
c/o Mr. Jack C. Blanton  
Vice President for Business Affairs  
Administration Building  
Lexington, Kentucky 40506

Gentlemen:

Pursuant to your "Notice of Sale of Notes" and "Invitation to Submit Proposals For the Purchase", we offer to purchase \$\_\_\_\_\_ "University of Kentucky Consolidated Educational Buildings Revenue Bond Anticipation Notes, Series G," dated May 1, 1981, in accordance with and subject to the terms set forth in said Notice of Sale of Notes and Invitation to Submit Proposals For the Purchase and to pay you therefor \$\_\_\_\_\_ (not less than 99 1/2%; bidders must bid for the entire \$18,600,000 or for blocks thereof in the amount of not less \$100,000; provided, however, to be considered a proposal must bid on at least \$500,000) plus accrued interest from the date of the Notes to date of delivery, said Notes to mature as to principal on May 1, 1982 and to bear interest at the annual rates set forth below; to be issued in multiples of \$25,000 at the election of the purchaser.

Number of Notes	Denomination	Total Principal Amount	Interest Rate
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This bid is made subject to the unqualified approving Legal Opinion of Henry M. Reed III, Bond Counsel, Louisville, Kentucky, and tender of customary closing documents at delivery, including No-Litigation Certificate.

Herewith is our prescribed good faith check in the amount of \$ \_\_\_\_\_ (2% of Notes bid).

Respectfully submitted,

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Name of Bidder

\_\_\_\_\_  
Address

\* \* \* \* \*

Accepted this \_\_\_\_ day of \_\_\_\_\_, 1981, by Resolution of the Board of Trustees of the University of Kentucky.

\_\_\_\_\_  
Chairman or Vice Chairman  
Board of Trustees  
University of Kentucky

(SEAL)

ATTEST:

\_\_\_\_\_  
Secretary

UNIVERSITY OF KENTUCKY  
LEXINGTON, KENTUCKY  
\$18,600,000 CONSOLIDATED EDUCATIONAL BUILDINGS  
REVENUE BOND ANTICIPATION NOTES, SERIES G  
DATED MAY 1, 1981  
MATURING MAY 1, 1982

\* \* \* \* \*

INVITATION TO SUBMIT PROPOSALS FOR THE PURCHASE OF \$18,600,000  
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BOND  
ANTICIPATION NOTES, SERIES G  
(OR PERMISSIBLE BLOCKS THEREOF)

You have been determined to be a "responsible lender" within the meaning of Section 56.513 of the Kentucky Revised Statutes, and as such you are one of a number of lenders who are being provided with an "Official Statement" relative to the perspective sale by the Board of Trustees of the University of Kentucky (the "Board") of its \$18,600,000 Consolidated Educational Buildings Revenue Bond Anticipation Notes, Series G (the "Notes"), dated May 1, 1981, maturing on May 1, 1982 which Notes are identified above and identified in the Notice of Sale of Notes which accompanies this Invitation.

You are advised that Mr. Jack C. Blanton, Vice President for Business Affairs of the University, acting for and on behalf of the Board, will, at his office, in the Administration Building on the campus of the University at Lexington, Kentucky 40506, on the 7th day of April, 1981, at the hour of 2:00 P.M. (E.S.T.), receive and consider proposals for the purchase of all of the Notes or permissible blocks thereof, upon the terms and conditions hereinafter set forth and set forth in said Notice of Sale of Notes. Proposals will be subsequently referred to the Board. You are invited to submit one or more proposals, which may be:

- (a) Wholly in writing, complete in all details, or
- (b) In writing over your signature, but containing blanks which you may complete by telegraphic communication, or
- (c) In writing over your signature, but containing blanks which you may complete by telephone, providing your authorized representative is identified to the satisfaction of Mr. Blanton, or his designee, or

(d) Wholly by telephone, providing your authorized representative is identified to the satisfaction of Mr. Blanton, or his designee. You may arrange, in advance, a satisfactory means of identification.

A form of Series G Official Bid Form accompanies this Invitation and in no event will the Board or Mr. Blanton undertake any responsibility for your completion or delivery, of your proposal by the specified time, notwithstanding failure or delay in the mail or in any other form of communication.

Proposals will be received for the entire \$18,600,000 of Notes or for blocks thereof in amounts of not less than \$100,000 each; provided, however, that each bidder must bid on a block of not less than \$500,000 in order for a bid to be considered. In your proposal, you may state whether or not you are willing to accept on the same terms, an additional principal amount of Notes, up to a stated amount, if necessary to effect a sale of all the Notes. The Board reserves the right to waive informalities and irregularities which it may deem to be immaterial, to reject any or all proposals for any reason it may deem to be sufficient, to award less than all of the Notes, and to award to bidder less than all of the Notes offered to be purchased (but not less than \$500,000 in any case). The Notes will be dated, will mature and will be secured as set forth with particularity in the Notice of Sale of Notes and the Official Statement. Delivery will be tendered to all successful purchasers on or shortly after May 1, 1981 in accordance with the terms of the Notice of Sale of Notes.

In the event the Board does not receive bids for all of the Notes, or if the Board decides, for any reason, to award less than all of the Notes, the Board expressly reserves the right to authorize the Fiscal Agent to negotiate with a "responsible lender or lenders" for the sale of the remaining Notes.

Each proposal shall contain an offer to purchase a permissible block of the Notes or all of the Notes; shall offer to pay therefor not less than 99.5% of the face amount thereof; and shall stipulate an interest rate or more than one interest rate in multiples of 1/100th of one percent for the Notes offered to be purchased. If more than one interest rate is stipulated, the amount of Notes to bear each such rate shall be made clear. Each proposal shall be accompanied by a certified or bank cashier's check payable to the University of Kentucky in an amount to equal 2% of the face amount of Notes offered to be purchased.

Each proposal shall stipulate how many Notes are desired, and the denominations desired, in multiples of \$25,000. A proposal will not be deemed incomplete if the denominations are not provided. However, upon being advised that the Notes have been awarded, the bidder will be required to furnish desired denominations within twenty four hours. Otherwise, Notes will be tendered in the denomination of \$100,000.

Comparison of proposals will be upon the basis of interest cost to the Board. It is the express intent of the Board to accept the best proposal to the full amount of the Notes therein offered to be purchased, thereafter the next best proposal to the full amount thereof, etc. until all of the Notes are awarded; subject, nevertheless, to the reserved right of the Board to award less than all of the Notes offered.

If a bidder is awarded less than the amount of Notes offered to be purchased, the stipulated purchase price will be pro-rated; and if a single proposal contains an offer to purchase stated amounts of Notes at different rates, the Board may accept the offer to the extent one or more rates are stipulated while rejecting the proposal in other respects.

All communications will be held in the strictest confidence, no matter how submitted, until the day and hour hereinabove stated.

Proposals in writing, by telegraph or by telephone should be addressed and transmitted as follows:

Mr. Jack C. Blanton,  
Vice President for Business Affairs  
Administration Building  
University of Kentucky  
Lexington, Kentucky 40506

606/257-1841

It is understood that if any of the Notes are awarded to you, there will be delivered to you at the time of delivery of the Notes without expense on your part at the places indicated in the Notice of Sale of Notes the final approving legal opinion of Henry M. Reed III, Bond Counsel, Louisville, Kentucky, as described in the Official Statement.

BOARD OF TRUSTEES OF THE  
UNIVERSITY OF KENTUCKY

s/ Mrs. Betty Pace Clark

NOTICE OF SALE OF NOTES

UNIVERSITY OF KENTUCKY  
Lexington, Kentucky

\$18,600,000 CONSOLIDATED AND EDUCATIONAL BUILDINGS  
REVENUE BOND ANTICIPATION NOTES, SERIES G

The Board of Trustees of the University of Kentucky (the "Board"), a public body corporate, education agency and instrumentality, and a political subdivision of the Commonwealth of Kentucky, hereby gives notice that until the 7th day of April, 1981, at the hour of 2:00 P.M., E.S.T., it will receive in the office of Jack C. Blanton, its Vice President for Business Affairs, in the Administration Building on the Campus of the University at Lexington, Kentucky 40506, proposals for the purchase of its \$18,600,000 Consolidated Educational Buildings Revenue Bond Anticipation Notes, Series G (the "Notes"), dated May 1, 1981, maturing on May 1, 1982. The Notes are to be issued in anticipation of the issuance of \$18,600,000 Consolidated Educational Buildings Revenue Bonds, Series G (the "Bonds") dated April 1, 1982 maturing serially in various amounts on May 1, in each of the years 1983 through 2007, callable on any interest payment date on or after May 1, 1992. The right is reserved in the University to issue Renewal Notes.

The maturity schedules, redemption provisions, and other details of the Bonds, together with Invitation to Submit Proposals for the Purchase and Official Bid Forms, and financial and other pertinent information concerning the University, the Consolidated Educational Buildings Project, and the Notes and Bonds are contained in the "Official Statement" which may be obtained by addressing the Vice President for Business Affairs, as above, or the Fiscal Agent, First Kentucky Securities Corporation, State National Bank Building, P. O. Box 554, Frankfort, Kentucky 40602.

The Bonds are not general obligations of the Board, the University, or the Commonwealth of Kentucky, but are special obligations payable solely from a first lien and charge upon the defined Revenues of the University's Consolidated Educational Buildings Project (the "Project") as defined in the original Resolution adopted by the Board on September 20, 1960 (the "Resolution") and will rank on a basis of parity and equality as to security and source of payment with Consolidated Educational Buildings Project Revenue Bonds, Series A to Series F, inclusive, previously issued in the aggregate principal amount of \$97,740,000 (\$1,305,000 of said Bonds mature May 1, 1981 and \$32,145,000 of said Series D Bonds have been called for

redemption on May 1, 1981), under the Resolution which outstanding Bonds are without default as to principal or interest. Statutory authority exists in Sections 162.340 to 162.380, inclusive, of the Kentucky Revised Statutes. The Bonds are being issued to pay for additions and improvements to the Project.

The Resolution provides that the Bonds and the Notes, the outstanding Bond Series A through F and additional parity bonds, which may hereafter be issued and outstanding under the terms of the Resolution, will be payable from and will constitute a paramount charge upon the Revenues to be derived by the University of Kentucky, at Lexington, Kentucky, from the operation of its Consolidated Educational Buildings Project as defined in said Resolution. The fee imposed upon and collected from all students of the University at Lexington as incident to registration at the beginning of each semester of the regular academic year and each summer session, including fees imposed for part-time students, night school and extension courses, is designated as the source of Revenues of the Consolidated Educational Buildings Project. Such fees are known as the Student Registration Fees and the Board of Trustees covenants that the same will be fixed (and if necessary revised and increased from time to time) at such rates as may be required to pay the interest on and principal of the Bonds as they respectively mature, to provide reserves therefor and to pay the operating costs of the Project to the extent that they are not otherwise provided. All collections of the Student Registration Fees are to be set aside, as received, into the Consolidated Educational Buildings Project Revenue Fund and made subject to a first lien and paramount charge for the security and source of payment of all outstanding Consolidated Educational Buildings Revenue Bonds.

The purchasers of the Notes will be furnished at delivery, at the cost of the Board, the unqualified approving opinion of Henry M. Reed III, Bond Counsel, Louisville, Kentucky, which will contain a statement that in Bond Counsel's opinion interest on the Notes will be exempt from federal income taxation, based upon statutes, regulations, court decisions and administrative rulings as interpreted and applied at that date, and that the Notes and interest thereon are exempt from all Kentucky ad valorem and income taxation. The Board expressly reserves the right to reject all bids and to waive informalities and irregularities which in the judgment of the Board do not impair the integrity of the bidding process. Delivery is guaranteed within 45 days after awards are made and it is now anticipated that delivery will be made on or about May 1, 1981.

The Board will tender the Notes to the purchasers thereof, at its own expense, at any bank or trust company in the continental United States (exclusive of Alaska). Bids shall be accompanied by a certified or bank cashier's check payable to the University of Kentucky in an amount equal to two per cent (2%) of the face amount of the Notes offered to be purchased; checks of

unsuccessful bidders to be returned immediately; checks of the purchasers to be held uncashed until delivery and then credited (without interest thereon) upon the respective purchase prices, or, at the option of the purchasers, the checks will be returned upon payment of the full purchase price with accrued interest to delivery.

BIDDING CONDITIONS: Purchase bids for the Notes shall be made on the Official Bid Form, shall be for cash and for all of the Notes or blocks thereof in the amounts of not less than \$100,000 each and shall be for not less than 99 1/2% of the face amount bid upon, to which shall be added accrued interest from May 1, 1981 to date of delivery; provided, however, no bid for less than \$500,000 of Notes shall be considered. Bidders shall stipulate interest rates of their own choosing in multiples of 1/100 of one percent; provided (i) all Notes of the same block shall bear interest at a single rate from date to maturity, (ii) there is no limit to the number of different rates, and (iii) no maximum rate is prescribed. CUSIP identification numbers will be printed on the Notes at the expense of the Board. Neither the improper imprintation nor the failure to imprint CUSIP numbers shall constitute a cause for failure or refusal by the purchaser to accept delivery and pay for the Notes.

BY ORDER OF THE BOARD:

/s/ Mrs. Betty Pace Clark  
Secretary, Board of Trustees,  
University of Kentucky