

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, September 20, 1960.

The Board of Trustees of the University of Kentucky met in the President's Office on the campus of the University at 10:00 a. m. EST, Tuesday, September 20, 1960, with the following members present: Harper Gatton, Dr. Ralph J. Angelucci, Mrs. Paul G. Blazer, Robert Hillenmeyer, R. W. Bushart, H. B. Murray, Floyd H. Wright, William F. Foster, Clifford E. Smith, Thomas D. Clark and Aubrey J. Brown. Absent: Governor Bert T. Combs, Robert P. Hobson, Wendell P. Butler, Emerson Beauchamp, Dr. Paul B. Hall and J. Stephen Watkins. Present also were President Frank G. Dickey and Secretary Frank D. Peterson.

A. Meeting Opened.

President Dickey explained that Governor Combs, Chairman of the Board, was unable to be present because of the special session of the Legislature, that Mr. Robert P. Hobson, Vice Chairman of the Board, was unable to be present since he is in New York, and that Mr. Harper Gatton, a senior member of the Board of Trustees, had been asked to serve as Acting Vice Chairman for the meeting.

Upon motion duly made, seconded and by unanimous consent, Mr. Harper Gatton was appointed acting Vice Chairman of the Board.

Mr. Gatton took the chair and introduced the Reverend Wayne Smith, pastor of the Southland Christian Church, Lexington, Ky., to give the invocation.

B. Minutes Approved.

Upon motion duly made, seconded and carried, the Minutes of the Board of Trustees of May 25 and June 24, 1960; and the Minutes of the Executive Committee of July 15 and August 19, 1960, were approved as published.

C. Financial Report of the Treasurer.

Mr. Peterson stated that the Financial Report for the months of July and August had been mailed to members of the Board of Trustees on September 9. The report contained a balance sheet of the current funds of the University, a balance sheet of the Plant Funds of the University, and statements of income and expenditures covering the two-months period of the current fiscal year. He stated that he would review the report in detail, or answer questions that the Board members might have; whereupon, Member Clifford Smith stated that he had reviewed the financial report and desired to move that it be received and put to record. The motion was seconded and carried.

UNIVERSITY  OF KENTUCKY
LEXINGTON

September 9, 1960

Dr. Frank G. Dickey, President
University of Kentucky
Lexington
Kentucky

Dear Doctor Dickey:

I am submitting herewith the Financial Report of the University of Kentucky for the two months ended August 31, 1960. This report contains a balance sheet and related financial statements which present a complete financial picture of the period for all funds of the University.

The Current General Fund budgetary operations for the period reflect income realized for educational and general purposes in the amount of \$ 5,662,657.89 or 32.1 % of the budget estimate of \$17,608,573.10. The expenditures, including encumbrances outstanding, amount to \$ 2,727,294.29. This represents 15.9 % of the total Current General Fund Appropriations of \$ 17,130,637.27.

Respectfully submitted,



Frank D. Peterson
Vice President
Business Administration

University of Kentucky
Balance Sheet
August 31, 1960

ASSETS

I.	Current Funds:		
	A. General-		
	Cash in Bank	\$ 1,065,671.05	
	Available Balance, State Appropriation	2,261,679.79	
	Cash on Deposit, State Treasurer	937,876.39	
	Inventories	399,721.03	
	Deferred Charges	52,666.20	
	Accounts Receivable	35,669.64	
	Unrealized Income	12,707,802.71	
	Due from Other Funds	121,667.74	
	Total General		\$ 17,582,754.55
	B. Restricted-		
	Cash in Bank	\$ 826,902.39	
	Petty Cash Advances	15,557.65	
	Investments	2,159,492.42	
	Accounts Receivable		
	Total Restricted		3,001,952.46
	Total Current Funds		<u>\$ 20,584,707.01</u>
II.	Loan Funds:		
	Cash in Bank	\$ 69,171.75	
	Notes Receivable	204,110.33	
	Investments	30,500.00	
	Total Loan Funds		<u>\$ 303,782.08</u>
III.	Endowment Funds:		
	Cash in Bank	\$ 20,611.78	
	Investments	216,455.49	
	Total Endowment Funds		<u>\$ 237,067.27</u>

University of Kentucky
Balance Sheet
August 31, 1960

LIABILITIES

I.	Current Funds:			
	A. General-			
	Reserve for Departmental Req's		\$ 1,259,062.44	
	Reserve for Inventories		399,721.03	
	Reserve for Auxiliary Enterprises		41,087.92	
	Other Liabilities		58,356.20	
	Appropriation Balances		15,413,456.64	
	Unappropriated Surplus:			
	Division of Colleges	\$ 168,560.01		
	Medical Center	50,707.72		
	Agricultural Experiment Station	<u>191,802.59</u>	<u>411,070.32</u>	
	Total General			\$17,582,754.55
	B. Restricted-			
	Outstanding Check Liability		\$ 14,219.34	
	Restricted Fund Balances		2,987,733.12	
	Total Restricted			<u>3,001,952.46</u>
	Total Current Funds			<u>\$20,584,707.01</u>
II.	Loan Funds:			
	Due to Federal Government		\$ 183,702.00	
	Principal Balances:			
	University Student Loans	\$ 74,588.67		
	University Contribution-Nat'l			
	Defense Educ. Act, 1958	<u>20,411.33</u>	95,000.00	
	Expendable Balances		<u>25,080.08</u>	
	Total Loan Funds			<u>\$ 303,782.08</u>
III.	Endowment Funds:			
	Principal Balances		\$ 228,767.26	
	Expendable Balances		<u>8,300.01</u>	
	Total Endowment Funds			<u>\$ 237,067.27</u>

University of Kentucky
Balance Sheet
August 31, 1960

ASSETS

IV.	Plant Funds:		
	A. Unexpended Plant Funds-		
	Available Balance, State Approps.	\$ 11,433,111.08	
	Cash on Deposit, State Treasurer	1,144,870.15	
		<hr/>	
	Total Unexpended Plant Funds		\$ 12,577,981.23
	B. Retirement of Indebtedness Funds:		
	Cash in Bank	\$ 1,130.00	
	Cash on Deposit, State Treasurer	222,539.06	
	Cash on Deposit, Trustee	11,704.45	
	Investments	289,713.78	
	Unrealized Income	420,876.00	
	Due to Other Funds	323,086.00	
		<hr/>	
	Total Retirement of Indebtedness Funds		1,269,049.29
	C. Invested in Plant:		
	Land	\$ 3,583,588.79	
	Buildings	43,202,037.00	
	Equipment	13,513,811.22	
	Construction in Progress	21,996,215.76	
		<hr/>	
	Total Invested in Plant		82,295,652.77
	Total Plant Funds		<u>\$ 96,142,683.29</u>
V.	Agency Funds:		
	Cash in Bank	\$ (54,532.88)	
	Investments	125,967.19	
		<hr/>	
	Total Agency Funds		<u>\$ 71,434.31</u>

(cash overdraft)

University of Kentucky
Balance Sheet
August 31, 1960

LIABILITIES

IV.	Plant Funds:		
	A. Unexpended Plant Funds-		
	Reserve for Plant Req's	\$ 8,749,700.77	
	Due to Other Funds	121,667.74	
	Plant Appropriation Balance	<u>3,706,612.72</u>	
	Total Unexpended Plant Funds		\$ 12,577,981.23
	B. Retirement of Indebtedness Funds	\$ 1,269,049.29	
		<u>1,269,049.29</u>	
	C. Invested in Plant-		
	Bonds Payable	\$ 12,642,000.00	
	Due to Other Governmental Units	448,268.73	
	Net Investment in Plant	<u>69,205,384.04</u>	
	Total Invested in Plant		<u>\$ 82,295,652.77</u>
	Total Plant Funds		<u>\$ 96,142,683.29</u>
V.	Agency Funds:		
	Agency Funds Balances	\$ 71,434.31	
	Total Agency Funds		<u>\$ 71,434.31</u>

University of Kentucky
Statement of Unrealized Income
For the Current Fiscal Period Which Began
July 1, 1960 and ended August 31, 1960

	<u>GENERAL FUND</u>		<u>INCOME</u>
	<u>Estimated</u>	<u>Realized</u>	<u>Unrealized</u>
I. Educational and General			
A. Student Fees-			
Incidental Fees and Tuition	\$ 1,346,630.00	\$ 127,814.72	\$ 1,218,815.28
Training School Fees	32,000.00		32,000.00
Adult and Extension Education Fees	180,000.00	11,861.76	168,138.24
Total Student Fees	<u>\$ 1,558,630.00</u>	<u>\$ 139,676.48</u>	<u>\$ 1,418,953.52</u>
B. State Appropriations-			
Division of Colleges	\$ 7,443,300.00	\$ 2,194,500.00	\$ 5,248,800.00
Medical Center	1,975,300.00	600,000.00	1,375,300.00
Geological Projects	503,860.00	465,860.00	38,000.00
Agricultural Experiment Station	1,069,000.00	313,500.00	755,500.00
Agricultural Extension Service	1,211,200.00	342,000.00	869,200.00
Total State Appropriations	<u>\$ 12,202,660.00</u>	<u>\$ 3,915,860.00</u>	<u>\$ 8,286,800.00</u>
C. Federal Grants-			
Division of Colleges	\$ 150,529.60	\$ 84,965.60	\$ 65,564.00
Agricultural Experiment Station	890,432.00	320,187.00	570,245.00
Agricultural Extension Service	2,059,252.00	1,001,626.00	1,057,626.00
Total Federal Grants	<u>\$ 3,100,213.60</u>	<u>\$ 1,406,778.60</u>	<u>\$ 1,693,435.00</u>
D. Endowment Income-	<u>\$ 47,069.50</u>	<u>\$ 12,991.01</u>	<u>\$ 34,078.49</u>
E. Sales and Services of Educational Depts. -			
Division of Colleges	\$ 25,000.00	\$ 1,626.85	\$ 23,373.15
Agricultural Experiment Station	675,000.00	185,724.95	489,275.05
Total Sales and Services of Educational Departments	<u>\$ 700,000.00</u>	<u>\$ 187,351.80</u>	<u>\$ 512,648.20</u>
Total Educational and General	<u>\$ 17,608,573.10</u>	<u>\$ 5,662,657.89</u>	<u>\$ 11,945,915.21</u>
II. Service Enterprises:			
Post Office	\$ 4,000.00	\$ 1,368.66	\$ 2,631.34
III. Auxiliary Enterprises:			
Men's Residence Halls	\$ 364,857.00	\$ 12,556.36	\$ 352,290.64
Women's Residence Halls	430,186.00	23,220.48	406,965.52
Total Auxiliary Enterprises	<u>\$ 795,043.00</u>	<u>\$ 35,786.84</u>	<u>\$ 759,256.16</u>
Total General Fund Income	<u>\$ 18,407,616.10</u>	<u>\$ 5,699,813.39</u>	<u>\$ 12,707,802.71</u>

University of Kentucky
Statement of Departmental Appropriations
For the Current Fiscal Period Which Began
July 1, 1960 and Ended August 31, 1960

	<u>Appropriation</u>	<u>Expenditures</u>	<u>Encumbrances Outstanding</u>	<u>Unencumbered</u>
I Educational and General				
A. General	\$ 318,881.36	\$ 82,446.95	\$ 3,067.70	\$ 253,366.71
B. General Expenses-				
Student Services	409,460.58	55,849.19	3,940.63	349,670.76
Staff Welfare	190,000.00	24,640.45		165,359.55
General Institutional Services	205,009.22	33,511.58	20,402.57	151,095.07
Total General Expenses	<u>\$ 804,469.80</u>	<u>\$ 114,001.22</u>	<u>\$ 24,343.20</u>	<u>\$ 666,125.38</u>
C. Instruction and Dept. Research				
College of:				
Agr. & Home Ec.	\$ 464,490.34	\$ 69,794.21	\$ 3,730.78	\$ 390,965.35
Arts and Sciences	2,545,004.74	326,654.01	44,362.88	2,173,987.85
Commerce	315,775.03	43,594.62	1,736.45	270,443.96
Dentistry	23,550.00			23,550.00
Education	580,379.86	91,102.22	9,228.95	480,048.69
Engineering	545,839.06	98,955.01	8,379.53	538,504.52
Law	147,882.74	20,341.38	6,421.27	121,120.09
Medicine	985,356.10	94,204.19	10,505.35	880,646.56
Nursing	88,162.50	10,482.18	915.08	76,765.24
Pharmacy	124,000.00	7,201.88	5,963.59	110,834.53
Graduate School	28,830.00	4,240.96	356.53	24,232.74
Univ. Extended Prog.	583,785.70	66,624.52	15,146.63	502,014.55
Total Instruction and Departmental Research	<u>\$ 6,533,056.07</u>	<u>\$ 833,195.18</u>	<u>\$ 106,746.81</u>	<u>\$ 5,593,114.06</u>
D. Activities Relating to Educational Depts.	<u>\$ 63,552.00</u>	<u>\$ 7,679.37</u>	<u>\$ 7,575.40</u>	<u>\$ 48,297.23</u>
E. Organized Research-				
University Research	\$ 201,622.35	\$ 26,132.35	\$ 42,798.85	\$ 132,691.15
Agricultural Experiment Station	2,634,432.00	329,341.02	107,328.72	2,197,762.26
Total Organized Research	<u>\$ 2,836,054.35</u>	<u>\$ 355,473.37</u>	<u>\$ 150,127.57</u>	<u>\$ 2,330,453.41</u>
F. Extension and Public Services-				
Univ. Ext. and Public Services	\$ 823,346.00	\$ 32,223.06	\$ 5,278.33	\$ 785,844.61
Agr. Extension Service	3,270,452.00	496,182.77	8,188.81	2,766,080.42
Total Extension and Public Service	<u>4,093,798.00</u>	<u>528,405.83</u>	<u>13,467.14</u>	<u>3,551,925.03</u>

University of Kentucky
Statement of Departmental Appropriations
For the Current Fiscal Period Which Began
July 1, 1960 and Ended August 31, 1960

	<u>Appropriation</u>	<u>Expenditures</u>	<u>Encumbrances Outstanding</u>	<u>Unencumbered</u>
G. Libraries	\$ 585,449.69	\$ 83,642.69	\$ 32,467.06	\$ 469,339.94
H. Operation and Maintenance of Physical Plant	\$ 1,895,376.00	\$ 158,108.85	\$ 246,545.95	\$ 1,490,721.20
Total Educational and General	\$ 17,130,637.27	\$ 2,142,953.46	\$ 584,340.83	\$ 14,403,342.98
II. Service Enterprises:				
Post Office	\$ 29,330.00	\$ 4,633.73	\$ 432.40	\$ 24,263.87
Medical Center	50,625.00	7,056.16	6,022.98	37,545.86
Total Service Enterprises	\$ 79,955.00	\$ 11,689.89	\$ 6,455.38	\$ 61,809.73
III. Auxiliary Enterprises:				
Men's Residence Halls	\$ 362,417.00	\$ 7,562.33	\$ 14,570.70	\$ 340,283.97
Women's Residence Halls	421,830.00	14,245.41	22,826.16	384,758.49
Total Auxiliary Enterprises	\$ 784,247.00	\$ 21,807.74	\$ 37,396.86	\$ 725,042.40
IV. Hospital Activation	\$ 118,180.00	\$ 11,648.70	\$ 14,027.27	\$ 92,504.03
V. Student Aid	\$ 7,800.00	\$	\$	\$ 7,800.90
VI. Debt Service- Bonds Retired	\$ 53,000.00	\$	\$	\$ 53,000.00
Debt Service-Reserve	6,250.00	\$	\$	6,250.00
Total Debt Service	\$ 59,250.00	\$	\$	\$ 59,250.00
VII. Working Capital	\$ 90,000.00	\$ (60,609.17)	\$ 50,682.00	\$ 99,927.17
VIII. Clearing Accounts	\$	\$ 35,719.67	\$ 500.00	\$ (36,219.67)
Total Departmental Appropriations	\$ 18,270,069.27	\$ 2,163,210.29	\$ 693,402.34	\$ 15,413,456.64

(negative figure)

University of Kentucky
Statement of Plant Fund Appropriations
For the Current Fiscal Period Which Began
July 1, 1960 and ended August 31, 1960

I. Unexpended Plant Funds:	Plant Appropriation	Expenditures	Encumbrances	Balance
Construction Experiment Station University of Kentucky Electrical Dist. System	\$ 120,426.17	\$ 2,092.68	\$ 10,885.44	\$ 107,448.05
Holmes Hall- University Approp.	1,000.00			1,000.00
Medical School- Plans & Spec.	44,781.49			44,781.49
Medical School Library Acquisitions and Supplies	6,088.94			6,088.94
Medical Science Building	75,922.91	13,383.49	10,000.00	52,539.42
Men's New Dormitory	24,110.01			24,110.01
Northern Extension Center	305,870.93			305,870.93
Western Extension Center	77,208.05	4,499.43	55,072.99	17,635.63
Medical Center Heating and Cooling Plant Project	37,120.55	29.30	32,843.24	4,248.01
Medical Center Activation of Inventories	251.99			251.99
Southeastern Ky. -Extension Center	73,386.92		5,375.13	68,011.79
Women's Dorm Architectural Serv.	43,648.91	29.30	22,312.46	21,307.15
University of Kentucky Medical Center Hosp. & Outpatient Clinic	1,706.95			1,706.95
University of Kentucky Expansion of M. King Library	111,600.94			111,600.94
Reynolds Warehouse Roof Repairs Seed Building and Offices and Service Building	54,054.60		54,054.19	.41
Medical School Clearing	7,500.00		7,500.00	
Sigma Nu Fraternity House Fund	1,000.00			1,000.00
University of Kentucky Steam and Return Line Renovation	6,804.10			6,804.10
Medical Science Building and Equip.	727,616.84	383.26	162,955.38	564,278.20
Addition of Student Union Building	2,034.00			2,034.00
Alpha Gamma Rho Frat. House	144,329.00	9.34		144,319.66
Sigma Chi Fraternity House	144,329.00	329.28		143,999.72
Medical School-Dental Wing	51,012.57			51,012.57
Dental Science Building Equipment	691,652.71	256.50	15,598.12	675,798.09
Physical Science Building	10,600.00		14,715.59	(4,115.59)
Commerce Building	14,910.00		14,171.00	739.00
Spindletop Industrial Research Center Site Development	6,000.00			6,000.00
Spindletop Industrial Research Center Administration Building	6,000.00			6,000.00
Hospital-Movable Equipment	1,205,000.00			1,205,000.00
Total Unexpended Plant Funds	\$ 4,254,776.58	\$ 21,012.58	\$ 405,483.54	\$ 3,828,280.46
II. Retirement of Indebtedness Funds-				
A. Debt Service Fund				
1st P. W. A. Issue	\$ 37,322.66	\$	\$	\$ 37,322.66
2nd P. W. A. Issue	17,572.68	8,785.00		8,787.68

University of Kentucky
Statement of Plant Fund Appropriations
For the Current Fiscal Period Which Began
July 1, 1960 and ended August 31, 1960

	Plant			
	<u>Appropriations</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Balance</u>
Dormitory Revenue Bond Issue	\$ 24,615.25	\$	\$	\$ 24,615.25
Auditorium Field House Issue	62,638.53	50,568.75		12,069.78
Library Building Issue	86,606.56	3,635.00		82,971.56
Stadium Addition Issue	19,305.20	2,118.75		17,186.45
Dormitory Revenue Issue (456 Rose)	6,773.90	3,256.50		3,517.40
Journalism Building Bond Issue	29,778.75			29,778.75
Dormitory Rev. Issue (476 Rose)	5,008.43			5,008.43
Student Dormitories (U. of Ky.)	20,846.05			20,846.05
Student Dorm (Kappa Sigma)	11,267.21			11,267.21
Student Dorm (Lambda Chi)	12,209.21			12,209.21
Student Dorm (Phi Sigma Kappa)	10,657.37			10,657.37
Student Dorm (Pi Kappa Alpha)	11,262.70			11,262.70
Dorm. Revenue Bonds of 1952	75,756.50			75,756.50
Dormitory Revenue Bonds of 1954	40,077.61			40,077.61
Dormitory Revenue Bonds of 1956 Cooperstown Apartments	226,797.90			226,797.90
Dormitory Revenue Bonds of 1956-Six Sorority Dorms	51,806.00			51,806.00
Dormitory Revenue Bonds of 1956- Student Dorms Reserve	25,000.00			25,000.00
Dormitory Revenue Bond of 1956- 336 Clifton Avenue	8,262.00			8,262.00
Dormitory Revenue Bonds of 1956- Holmes Hall	63,000.00			63,000.00
Dormitory Revenue Bonds of 1956- Shawneetown	120,000.00			120,000.00
Dormitory Revenue Bonds of 1957- 468 Rose Street	8,000.00			8,000.00
Dormitory Revenue Bonds-342 Clifton Avenue	8,434.55			8,434.55
Housing Bond of 1958- Haggin Hall	78,880.00	25,884.00		52,996.00
Total Debt Service	\$ 1,061,879.06	\$ 94,248.00	\$	\$ 967,631.06
B. Sinking Fund Reserves with Trustee-				
Dormitory Revenue Bonds of 1955- Res. Holmes Hall	\$ 32,257.62	\$	\$	\$ 32,257.62
Dormitory Revenue Bonds of 1956- Res. Shawneetown	107,972.13			107,972.13
Dormitory Rev. Bonds of 1952- Res.	106,074.82			106,074.82
Dormitory Rev. Bonds of 1954- Res.	55,113.66			55,113.66
Total Sinking Fund Reserves	\$ 301,418.23	\$	\$	\$ 301,418.23
Total Retirement of Ind. Funds	\$ 1,363,297.29	\$	\$	\$ 1,269,049.29
Total Plant Fund Appropriations	\$ 5,618,073.87	\$ 115,260.58	\$ 405,483.54	\$ 5,097,329.75

University of Kentucky
Statement of Other Fund Transactions
For the Current Fiscal Period Which Began
July 1, 1960 and ended August 31, 1960

<u>Restricted Funds:</u>	<u>Balances</u> <u>July 1, 1960</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balances</u> <u>August 31, 1960</u>
Fund Balances	\$3,075,608.25	\$ 886,489.47	\$ 974,364.60	\$2,987,733.12
 <u>Loan Fund:</u>				
Principal:				
University Student Loans	\$ 74,588.67	\$	\$	\$ 74,588.67
University Contribution- Nat'l Defense Education Act, 1958	20,411.33			20,411.33
Expendable	24,730.35	373.83	24.10	25,080.08
Subtotal	\$ 119,730.35	\$ 373.83	\$ 24.10	\$ 120,080.08
 <u>Endowment Funds:</u>				
Principal	\$ 228,767.26	\$	\$	\$ 228,767.28
Expendable	8,275.01	50.00	25.00	8,300.01
Subtotal	\$ 237,042.27	\$ 50.00	\$ 25.00	\$ 237,067.27
 <u>Agency Funds:</u>				
Balances	\$ 120,976.11	\$ 183,433.96	\$ 232,975.76	\$ 71,434.31
Combined Totals	\$3,553,356.98	\$1,070,347.26	\$1,207,389.46	\$3,416,314.78

D. Cremation of Paid Bonds and Interest Coupons of Various Issues Authorized.

Mr. Peterson presented a list of cancelled principal bonds and interest coupons returned from paying agents July 1, 1959, through June 30, 1960, and recommended that cancelled bonds and coupons be checked against the list presented, that the list be inserted in the minutes of this meeting, and that Mr. Clay Maupin, Director of the Division of Accounts and Budgetary Control, and Mr. George Kavanaugh, Associate Business Manager, be authorized and directed to so check the bonds and coupons and cause them to be destroyed by cremation in the boilers of the Central Heating Plant of the University, and make a report to this Board.

Upon motion duly made, seconded and carried, the recommendation was approved and the cancelled bonds and interest coupons were ordered cremated and a report made.

UNIVERSITY OF KENTUCKY
Revenue Bond Issues
Paid and Cancelled Principal Bonds and Interest Coupons
Returned from Paying Agents
July 1, 1959 through June 30, 1960

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>No.</u>	<u>INTEREST COUPONS ON BONDS (Inclusive)</u>
<u>University Building Revenue Bond-September 1, 1938</u>			
(Second P. W. A.) March 1, 1959		41	198-204, 235-237, 267-274
September 1, 1959	184-190	42	184-265, 267-316
March 1, 1960	191-197	43	191-197, 205-265, 275-316
<u>First P. W. A. Refunding Bond-July 1, 1945</u>			
July 1, 1958		26	429, 430
January 1, 1959		27	366-507
July 1, 1959	366-400	28	366-507
January 1, 1960		29	401-507
<u>Dormitory Revenue Bond-June 1, 1946 (Bowman Hall)</u>			
December 1, 1958		25	256-260, 263-265, 186, 363-372
June 1, 1959	130-144	26	130-430
December 1, 1959		27	145-430
<u>Auditorium-Field House Revenue Bond-August 1, 1948</u>			
February 1, 1958		19	539, 556-585, 645, 669-673, 718-720, 756-758, 761-765, 791-795

August 1, 1958	331-375	20	331-598, 600-602, 604-635, 637-825
February 1, 1959		21	376-555, 591-635, 637-668, 674-710, 716-789, 796-825
August 1, 1959	376-420	22	376-555, 591-598, 601-635, 637-642, 644, 646-668, 674-678, 684-687, 691-710, 736-762, 781-790, 796-800

Library and Service Building Revenue Bond-April 1, 1949

April 1, 1950		2	243-247
October 1, 1950		3	243-247
April 1, 1951		4	243-247
October 1, 1951		5	243-247
April 1, 1952		6	243-247
October 1, 1952		7	243-247
April 1, 1953		8	243-247
October 1, 1953		9	243-247
April 1, 1954		10	243-247
October 1, 1954		11	243-247
April 1, 1955		12	243-247
October 1, 1955		13	243-247
April 1, 1956		14	243-247
October 1, 1956		15	243-247
April 1, 1957		16	202-204, 243-247, 274-275
October 1, 1957		17	202-204, 243-247 274, 275, 281, 282
April 1, 1958	202-204	18	202-204, 217, 218, 241-248, 274, 275, 280-282, 293-295
October 1, 1958		19	248, 254, 281, 282, 293-295
April 1, 1959	205-214	20	205-214, 232-236, 239, 240, 248, 254, 257, 258, 267, 268 283-285, 288-290, 295, 306-317, 335-339, 342-353, 487-490
October 1, 1959		21	232-240, 248-263, 267-273, 276-292, 295-490
April 1, 1960	237-253 255-258	22	237-253, 255-263, 269-273, 286, 287 291, 292, 295-300, 304, 305, 308-312, 318-329, 340-361, 367-486

Stadium Addition Revenue Bond-April 1, 1949

April 1, 1958		18	161, 162, 171-175, 186-190, 201-205
October 1, 1958		19	161-162, 171-175, 186-190, 201-205
April 1, 1959	136-150	20	136-300
October 1, 1959		21	151-300
April 1, 1960	151-165	22	151, 152, 156-168, 176-182, 196-198, 278-300

Journalism Building Revenue Bond-January 1, 1950

January 1, 1959		18	173
July 1, 1959		19	100-154, 165-175, 177-225
January 1, 1960	100-110		100-154, 165-225

Dormitory Revenue Bond (456 Rose St.) October 1, 1950

April 1, 1958		15	107, 108, 110-113
October 1, 1958		16	110-113
April 1, 1959		17	50-94, 100-105 110-113, 120-149
October 1, 1959	40-44	18	40-99, 110-113

Dormitory Revenue Bond (476 Rose St.) December 1, 1950

June 1, 1951		1	47
December 1, 1951		2	47
June 1, 1952		3	47
December 1, 1952		4	47
June 1, 1953		5	43, 47
December 1, 1953		6	43, 47
June 1, 1954		7	43, 47
December 1, 1954		8	43, 47
June 1, 1955		9	43, 47
December 1, 1955		10	43, 47
June 1, 1956		11	43, 47
December 1, 1956		12	43, 47
June 1, 1957		13	43, 47
December 1, 1957		14	43, 47
June 1, 1958		15	43, 47
December 1, 1958		16	43, 47
June 1, 1959		17	17-76
December 1, 1959	17, 18	18	17-42, 45, 46, 48-76

Dormitory Revenue Bond of 1952-Donovan Hall

July 1, 1959	81-105	14	81-1255
January 1, 1960		15	106-1255

Dormitory Revenue Bond of 1953(Dormitory A, B, C, D, E, F)

May 1, 1958		10	214-220, 282-330 413, 563-565, 570, 571
November 1, 1958		11	152, 159-167, 214-220, 282-332, 344-348, 370-373,

November 1, 1958 (continued)		413, 570, 571, 587-591, 671
May 1, 1959	63-79	12 63-412, 414-562, 566-709
November 1, 1959		13 80-151, 153-158, 168-213, 221-369, 374-412, 414-470, 472-562, 566-586, 592-710

Dormitory Revenue Bond-May 1, 1954 (Keeneland Hall)

November 1, 1958		9 257, 311, 312
May 1, 1959	22-32	10 22-447
November 1, 1959		11 33-226, 228-256 258-310, 313-722
May 1, 1960	33-43	12 33-69, 75-82 93-105, 118, 119, 143-162, 194-198, 210-214, 229-233, 239-255, 258, 262-279, 290, 448-722

Dormitory Revenue Bond of 1955-Cooperstown

December 1, 1956		3 1981, 2083-2088, 2092
June 1, 1957		4 1981, 2092
December 1, 1957		5 480-484, 1981, 2083-2088, 2092
June 1, 1958		6 480-484, 1356, 1981, 2083-2088, 2092, 2796-2800
December 1, 1958		7 480-484, 702, 975-984, 1355, 1356, 1556, 1702, 1937, 1981-1985, 2042 2083-2092, 2796-2800
June 1, 1959		8 319, 330-349, 416, 427-431, 480-486, 490-494, 500-514, 530-539, 545, 549-561 574-578, 591, 620-629, 668-672, 678-687, 693-699, 702, 733-735, 738-742, 745-747, 793-802, 805-809, 820, 824-838, 847-853, 864-888, 911, 912, 926, 927, 975-994, 1008-1027, 1038-1052, 1102-1104, 1106, 1109 1114, 1119-1128, 1175 1176, 1181-1189, 1194, 1196-1199, 1214-1218, 1244-1247, 1249-1251,

June 1, 1959 (continued)

1264-1273, 1301-1310,
1325, 1330-1356,
1359, 1375-1379,
1388-1394, 1398-1425,
1437-1441, 1445-1461,
1487-1511, 1539-1543,
1556-1560, 1601,
1613-1625, 1628-1632,
1658-1662, 1678-1692,
1698-1707, 1748-1774,
1777-1802, 1841-1891,
1902-1911, 1937, 1946
1947, 1961-1995,
2006-2010, 2042,
2047, 2052-2097,
2108-2118, 2144-2155,
2180, 2181, 2203,
2204, 2208, 2214-2268,
2318, 2328-2337, 2343,
2344, 2391-2415,
2436-2486, 2557-2576,
2582-2586, 2647-2727,
2731, 2732, 2735-2737,
2754-2774, 2789-2792.
2796-2800

December 1, 1959

9 103-416, 422-677,
683-749, 752,
754-763, 769-802,
804-909, 911-984,
995-1243, 1245-1355,
1357-1425, 1430-1556,
1561-1701, 1703-1840,
1842-1844, 1846-1850,
1856-1981, 1986-2088,
2092-2207, 2214-2340,
2343-2586, 2589-2730,
2732-2753, 2756-2800

June 1, 1960

103-143

10 103-318, 320-329,
350-395, 399-415,
422-428, 432-451,
467-479, 485-489,
495-509, 520-529,
562-573, 579-590,
620-632, 668-672,
683-692, 700, 701,
703-732, 736, 737,
742-747, 754-763,
769-773, 786-799,
805-819, 821-838,
847-878, 889-909,
910, 911, 912,
913-925, 928-974,
995-1007, 1023-1031,
1033-1037, 1063-1072,
1078-1101, 1109-1114,
1118-1164, 1170-1174,
1185, 1186, 1200-1243,

June 1, 1960 (continued)

1248, 1252-1263,
 1269-1300, 1325-1329,
 1357, 1358, 1375-1378,
 1380-1384, 1416, 1417,
 1419-1422, 1448-1486,
 1512-1538, 1544, 1545,
 1561-1612, 1633-1657,
 1661, 1662, 1673-1687,
 1693-1698, 1701,
 1703-1747, 1777-1792,
 1803-1840, 1856-1860,
 1879-1886, 1888-1901,
 1906, 1907, 1912-1936,
 1938-1945, 1948-1970,
 1978-1981, 1989-2037,
 2041, 2043-2046, 2050,
 2051, 2054-2066, 2071-
 2075, 2078-2088, 2092,
 2097-2112, 2119-2143,
 2156-2170, 2178, 2179,
 2182-2200, 2203-2208,
 2214-2218, 2279-2317,
 2319-2327, 2346-2390,
 2416-2440, 2507-2556,
 2577-2581, 2589-2646,
 2733-2734, 2738-2753,
 2775-2783, 2794, 2795

Dormitory Revenue Bond of 1956

(Dormitories G, H, I, J, K, and L)

December 1, 1957

June 1, 1958

December 1, 1958

June 1, 1959

December 1, 1959

11-20

2 159-166
 3 159-166, 183, 193,
 658, 661, 815, 816
 4 159-166, 183, 193,
 595-602, 658, 661,
 815, 816, 854
 5 11-900
 6 21-140, 146-165,
 167-190, 193-829,
 835-900

Dormitory Revenue Bond of 1956

(338 Clifton Avenue)

June 1, 1957

December 1, 1957

June 1, 1958

December 1, 1958

June 1, 1959

December 1, 1959

3-4

1 139, 143
 2 139, 143
 3 139, 143
 4 26-28, 139, 143
 5 3-150
 6 5-150

Dormitory Revenue Bond of 1956

(Holmes Hall)

December 1, 1959

June 1, 1960

18-35

7 18-1087
 8 18-1087

Housing Revenue Bond of 1956 - Shawneetown

October 1, 1959	1-33	6	1-2090
April 1, 1960		7	34 2090.

Dormitory Revenue Bond of November 1, 1957

(468 Rose Street)

May 1, 1958		1	24, 29, 30, 37, 38, 83, 84, 87
November 1, 1958		2	12, 15, 16, 29, 30, 37, 38, 83, 84, 87
May 1, 1959		3	5-32, 34-52, 54-56, 59-100
November 1, 1959	5-8	4	5-32, 34-52, 54-56, 59-82, 85, 86, 88-100
May 1, 1960		5	9-11, 13-18, 23-28, 31, 32, 34-36, 39-49, 51, 52, 55, 56, 59-82, 85, 86, 88-100

Dormitory Revenue Bond of June 1, 1958

(342 Clifton Avenue)

June 1, 1959		1	Not Printed
December 1, 1959		2	1-47, 49-150
		3	1-35, 39-47, 49-83, 89-150

Housing (Revenue) Bond of 1958

(Haggin Hall Dorm. #6)

March 1, 1960		1, 2, 3	Cremated by Trustee
		4	1-1800

E. Mr. Paul F. Parker Authorized to Request and Receive Alcohol Free of Tax for the Medical Center.

Mr. Peterson reported that currently he is the authorized true and lawful attorney for the various colleges of the University and the Experiment Station in requesting and receiving alcohol free of tax for these units. He stated that he thought it desirable to authorize a second person as a true and lawful attorney to represent the Business Office of the University and to request, receive and report on the use of alcohol free of tax at the Medical Center. He recommended that Mr. Paul F. Parker be appointed, and presented to the Board a resolution legally authorizing Mr. Parker to serve in such capacity.

Upon motion duly made, seconded and carried, the following resolution was approved:

"That this Board of Trustees, for itself and its duly constituted and elected successor(s), hereby constitutes and appoints

Paul F. Parker

jointly and severally, the true and lawful attorney(s) for and in their names to execute all applications, notices, bonds, and other instruments claims, offers in compromise, letters, writings, and papers, and to do all acts for them in dealing with the Internal Revenue Service in connection with matters relating to the laws, and regulations issued pursuant thereto, administered by the Alcohol and Tobacco Tax Division of the Internal Revenue Service; and that this Board of Trustees hereby authorizes the said attorney(s) to receive on their behalf any and all notices, papers, and letters from said Service in connection with all such matters, hereby giving and granting to said attorney(s) full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, including the sub-delegation of these powers in whole or in part, with full power of substitution and revocation, hereby ratifying and confirming all that said attorney(s) shall lawfully do or cause to be done by virtue hereof; and that in execution of any document hereinabove referred to said attorney(s).

F. Transfer of \$4,000 from Foreign Student Account Approved.

Mr. Peterson stated that Frank J. Welch, Dean and Director of the Agricultural Experiment Station and College of Agriculture and Home Economics, had requested transferred \$4,000 from receipts accorded to Foreign Student Account to the Agricultural and Home Economics Scholarship Fund, for two agricultural extension scholarships for the fiscal year 1960-61. He stated that this money should have been budgeted at the beginning of the fiscal year but Dr. Welch did not have the information, and same was not available to the Board when the budget was adopted. Mr. Peterson recommended that the request be granted.

Upon motion duly made, seconded and carried, the transfer of \$4,000 from Foreign Student Account for the Agricultural and Home Economics Scholarship Fund, was authorized, and the Director of the Division of Accounts and Budgetary Control was directed to make the necessary budget adjustment.

G. Consolidated Educational Buildings Revenue Bonds Resolution

Adopted.

Mr. Peterson presented 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, and stated that this Consolidated Educational Buildings Revenue Bonds Resolution was in preparation for specific authorization of the bonds in "Series Resolution", which will be presented from time to time and acted upon by this Board of Trustees, as each undertaking is made ready.

Mr. Peterson recalled such Resolution was presented to the Board of Trustees at its meeting on July 24, 1960, and was examined and explained in detail to the members, and upon motion duly made, seconded and carried, was approved in principle, and the document was authorized put into final form. Mr. Peterson submitted the Resolution in its entirety in its final form.

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.

WHEREAS pursuant to Section 164.160 of the Kentucky Revised Statutes, the Board of Trustees is a body corporate, with all powers generally vested in corporations, and as such is the governing body of the University of Kentucky, a public educational institution of higher learning of the Commonwealth of Kentucky, having full control of the management of said University, together with the property and funds thereof; and

WHEREAS pursuant to the provisions of Section 162.340 et seq. of the Kentucky Revised Statutes, the Board of Trustees, as governing body of the University of Kentucky, is authorized to erect buildings and appurtenances to be used in connection with the said institution for educational purposes; and

WHEREAS the Board of Trustees has determined that the said University and its students are not at this time provided with adequate buildings for educational purposes and have determined that the need will arise from time to time for additional buildings and necessary appurtenances for educational purposes; and

WHEREAS the Board of Trustees has determined that the erection of the aforesaid buildings and necessary appurtenances will require the borrowing of money and the issuance of revenue bonds payable solely from the revenues of the building or buildings so erected and the educational buildings heretofore constructed on the property of said University in Fayette County, Kentucky; and

WHEREAS under the provisions of Section 162.340 et seq. of the Kentucky Revised Statutes, the Board of Trustees is authorized to issue revenue bonds for the purpose of erecting educational buildings and the necessary appurtenances; and

WHEREAS the Board of Trustees has determined that it is in the best interests of the University to create and establish an issue of revenue bonds to be issued for the aforesaid purposes from time to time as funds are required for such purposes, all such bonds to be payable from the revenues of the educational buildings so erected together with the revenues from all other educational buildings which may have heretofore been or may hereafter be erected upon the property of said University in Fayette County, Kentucky in the manner hereinafter provided and to constitute a charge and lien on said revenues on a parity with all other bonds issued under the authority of this Resolution without preference or priority as between bonds of different dates of issue, maturities, Series or installments;

NOW, THEREFORE, the Board of Trustees of the University of Kentucky hereby resolves as follows:

ARTICLE I - Definitions

Section 1.01. In each and every place in and throughout this Resolution wherein the following terms or any of them, are used, the same, unless the context shall indicate another or different meaning or intent, shall be construed, used and intended to have meanings as follows:

(a) "University" - the University of Kentucky, situated in Lexington, Fayette County, Kentucky.

(b) "Board" - the Board of Trustees of the University of Kentucky, as created and existing under the provisions of Section 164.130 et seq. of the Kentucky Revised Statutes, or its Executive Committee created and elected pursuant to Section 164.190 of the Kentucky Revised Statutes when exercising the power delegated to it by the Board.

(c) "Trustee" - a bank or trust company or a combined bank and trust company created and existing under the laws of the Commonwealth of Kentucky, or a national banking association created and existing under the laws of the United States, having proper trust powers, and having its principal office and place of business in the City of Lexington, Fayette County, Kentucky, or in the City of Louisville, Jefferson County, Kentucky, or any successor Trustee to be designated pursuant to the provisions of this Resolution.

(d) "Paying Agents" - the Trustee, or any successor Trustee, as defined in the foregoing paragraph (c) and any other place or places of payment of principal of and interest on bonds as may be designated pursuant to the provisions of this Resolution.

(e) "Aggregate Principal, Interest and Bond Fund Charges" - as of any particular date of computation and with respect to a particular twelve month period, an amount of money equal to the aggregate of the amounts required by the provisions of the Resolution and all Series Resolutions to be paid into the Bond Fund in such twelve month period for account of the interest on all outstanding Bonds becoming due during such twelve month period and to accomplish the retirement of the principal of all outstanding Bonds at or prior to the maturity thereof.

(f) "Bonds" - all "Consolidated Educational Buildings Revenue Bonds" of the Board of the issue established and created by the Resolution which are issued pursuant to a Series Resolution authorizing the issuance of a Series of Bonds.

(g) "Consolidated Educational Buildings Project" or "Project" - all educational buildings and necessary appurtenances heretofore erected and located on the property of the University

in Fayette County, Kentucky, and all educational buildings and necessary appurtenances hereafter erected upon such property from available funds of the Board or from the proceeds of the sale of the Bonds and excluding all housing buildings and facilities of the University, and all buildings and facilities exclusively for athletics, as distinguished from those which are, or may be, wholly or principally for physical education.

(h) "Enabling Act"-Sections 162.340, et seq., of the Kentucky Revised Statutes.

(i) "Operating Costs"-all costs and expenses paid or incurred by the Board in connection with the operation and maintenance of the Consolidated Educational Buildings Project including insurance.

(j) "Resolution"-this Resolution.

(k) "Revenues"-all revenues derived from the Consolidated Educational Buildings Project and which revenues are to be derived through the imposition and collection of a student registration fee from all students attending the University at Lexington, for the services furnished by the Consolidated Educational Buildings Project.

(l) "Series of Bonds" or "Bonds of a Series"-the Series of Bonds authorized by a Series Resolution.

(m)"Series Resolution"-a resolution supplemental to the Resolution authorizing the issuance of a Series of Bonds.

(n) "Chairman"-the Chairman and each and every Vice Chairman and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Chairman of the Board.

(o) "Secretary"-the Secretary and each and every Assistant Secretary and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Secretary of the Board.

(p) "Fiscal Year"-the Fiscal Year shall be the twelve (12) month period beginning July 1 of each year and ending June 30 of the following year.

(q) "Treasurer"-the Treasurer and each and every Assistant Treasurer and each and every other officer of the Board authorized to exercise the powers and authority reposed in the Treasurer of the Board.

(r) "Engineer"-any licensed architect or engineer appointed by the Board, including any such architect or engineer in the employ of the Board or the University and so appointed.

Section 1.02. Words of the masculine gender shall be deemed and construed to include words of the feminine and neuter gender.

Section 1.03. The words "Bonds", "owner", "holder" and "person" shall include ~~the plural~~ as well as the singular number unless the context shall otherwise indicate. The term "Bondholders" unless the context otherwise indicates means and contemplates the holders of Bonds at the time issued and outstanding pursuant to the Resolution.

ARTICLE II - Authorization and Issuance of Bonds.

Section 2.01. All educational buildings and necessary appurtenances located on the property of the University in Fayette County, Kentucky as they presently exist and all educational buildings and necessary appurtenances hereafter erected upon such property from available funds of the Board or from the proceeds of sale of the Bonds authorized under the Resolution are hereby consolidated as a Consolidated Educational Buildings Project and so long as any of the Bonds are outstanding under the Resolution said Project shall be owned, operated and maintained on a consolidated basis for the security and source of payment of said Bonds.

Section 2.02. Pursuant to the authority contained in the Enabling Act there is hereby established and created an issue of Bonds of the Board of Trustees of the University of Kentucky to be known and designated as "University of Kentucky Consolidated Educational Buildings Revenue Bonds" which said Bonds may be issued as hereinafter provided without limitation as to amount except as provided in the Resolution. Said Bonds shall not constitute any indebtedness of the University of Kentucky, or its Board of Trustees, or the Commonwealth of Kentucky, within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky but shall be payable solely from the Revenues. The Bonds shall constitute a paramount charge on the Revenues in the manner and to the extent hereinafter provided over and ahead of all bonds of any issue payable from said Revenues which may be hereafter created and established and over and ahead of all claims or obligations of any nature against the Revenues hereafter arising or hereafter incurred. All Bonds shall be equally and ratably secured without priority by reason of Series designation, number, date of Bonds, date of sale, execution, maturity or delivery, by a charge on the Revenues, all in accordance with the provisions of the Enabling Act and the Resolution.

Section 2.03. The issuance of said Bonds may be authorized by Series Resolution or Series Resolutions of the Board adopted subsequent hereto in one or more series. The Bonds of each Series shall, in addition to the title "University of Kentucky Consolidated Educational Buildings Revenue Bonds", contain an appropriate Series designation. Each Series Resolution authorizing the issuance of a Series of Bonds shall declare that said Bonds are authorized and issued under the Resolution and in conformity with Section 7.10 of the Resolution and shall also specify:

- (1) the authorized principal amount of said Series of Bonds;
- (2) the purposes for which the Bonds of such Series are being issued, which shall be only for the payment of the cost of erecting and completing an educational building or buildings with necessary appurtenances and which building or buildings will become and constitute a part of the Consolidated Educational Buildings Project;

(3) the date, maturity dates and the interest payment dates of the Bonds of said Series;

(4) the interest rate or rates, or the manner of determining such rate or rates;

(5) the denominations and the manner of numbering the Bonds of such Series;

(6) the premiums, if any, to be paid upon the redemption of the Bonds of such Series and the terms and manner of such redemption, if and to the extent the Bonds are to be redeemable;

(7) the Trustee for the Bonds of such Series (which Trustee shall be appointed by the Series Resolution authorizing the initial Series of Bonds and the trusteeship confirmed in each subsequent Series Resolution);

(8) the place or places of payment of the principal of and interest on and redemption premium, if any, on the Bonds of such Series;

(9) provisions for the sale of the Bonds of such Series;

(10) the form of the Bonds of such Series and of the coupons to be attached thereto and the form of the Trustee's authentication certificate; and

(11) any other provisions deemed advisable by the Board not in conflict with the provisions of the Resolution.

Section 2.04. Bonds of a Series shall mature on May 1 of each of the years in which any principal of said Series of Bonds is scheduled to become due and not more than forty (40) years from the date thereof, all as more fully set forth in the Series Resolution authorizing the issuance of a Series of Bonds. Interest on all Bonds shall be payable semiannually on May 1 and November 1 of each year beginning not more than six (6) months from the date of such Bonds. All Bonds of like maturity of any Series of Bonds shall be identical in all respects except as to numbers.

ARTICLE III - Terms and Provisions of Bonds.

Section 3.01. Bonds of each Series shall be executed on behalf of the Board by the signature of the Chairman and attested by the Secretary of the Board and the corporate seal of said Board shall be impressed or imprinted thereon, provided that in the Series Resolution provision may be made for the execution of said Bonds with the reproduced facsimile of the official signature of either, but not both, said Chairman or Secretary. The interest coupons attached to said Bonds shall be executed with the facsimile of the official signatures of said Chairman and said Secretary in office on the date of execution of the Bonds and Bonds and coupons so executed shall be valid and binding obligations notwithstanding that before the delivery thereof and payment therefor any and all persons whose signatures appear thereon shall have ceased to be such officers. All Bonds shall be payable as to interest,

principal and premium, if any, 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.

Section 3.02. Bonds of each Series shall be issued in the form of coupon bonds registrable as to principal only. The Bonds, except while registered as to principal otherwise than to bearer, shall pass by delivery. The registration of any Bond as to principal only shall not affect negotiability of the coupons thereto appertaining, which shall remain payable to bearer and pass by delivery. The Board, the Trustee, the Paying Agents and any other person may treat the bearer (or if such Bond be registered, the registered owner) of any Bond, the bearer of any Bond registered as payable to bearer, and the bearer of any coupon whether or not the Bond to which said coupon appertains is registered as to principal, as the absolute owner of such Bond or coupon, as the case may be, for the purpose of making payment thereof and for all other purposes, and neither the Board, the Trustee nor the Paying Agents shall be bound by any notice or knowledge to the contrary, whether such Bond or coupon shall be overdue or not. All payments of or on account of interest to any bearer of any coupon and all payments of or on account of principal to any bearer (or if such Bond be registered, the registered owner, or to any bearer of any Bond registered to bearer) of any Bond, shall be valid as effectual and shall be a discharge of the Board, the Trustee and the Paying Agents, in respect of the liability upon the Bond or coupon or claim for interest, as the case may be, to the extent of the sum or sums so paid.

Section 3.03. The Board will cause to be kept at the principal office of the Trustee, as bond registrar of the Board at all times while any of the Bonds containing provisions for registration and transfer shall be outstanding and unpaid, books for the registration and transfer of such Bonds. Upon presentation at the office of the Registrar by any bearer of any Bond containing provisions for registration as to principal only, the Board will, under such reasonable regulations as (with the approval of the Registrar) it may prescribe from time to time, cause such Registrar to register in such books, in the name of the bearer or his nominee, the ownership as to principal only, of any such presented Bond, and such registration shall be noted on the Bond. After such registration and notation, no transfer of any such Bond registered otherwise than as to bearer shall be valid unless evidenced by a written instrument of transfer, in form satisfactory to the Registrar duly executed by the registered owner in person or by his duly authorized agent; but any such Bond so registered may be discharged from registration, and transferability by delivery thereof may be restored, by a like transfer to bearer similarly registered and noted, and after such transfer to bearer such Bond shall be a bearer Bond. Any such Bond containing provisions for registration may again, from time to time, in like manner, be registered as to principal only or be transferred to bearer.

Section 3.04. The Bonds and coupons may be presented for payment at the principal office of the Trustee or of any of the Paying Agents of the Board. All Bonds and interest coupons paid shall be cancelled by the Trustee or Paying Agents and such cancelled Bonds and interest coupons shall be promptly transmitted to the Treasurer by the Trustee or Paying Agents. The Treasurer will cremate said Bonds and coupons and prepare and file with the Board appropriate cremation certificates.

The interest on and principal of all Bonds shall be payable at the principal office of the Trustee and at any one of the Paying Agents of the Board.

Payment of the interest on the Bonds shall be made only upon presentation and surrender of the coupons representing such interest, as the same respectively become due and payable. The principal of all Bonds shall be payable upon the presentation and surrender thereof at the principal office of the Trustee or of any one of the Paying Agents of the Board.

Section 3.05. Only Bonds as shall bear thereon endorsed a certification of authentication executed by the Trustee, shall be secured by the Resolution or be entitled to any right or benefit hereunder. The authentication by the Trustee upon any Bond shall be conclusive evidence and the only evidence that the Bond so authenticated has been duly issued under the Resolution and that the holder thereof is entitled to the benefit of the trust hereby created.

Section 3.06. Before authenticating any Bonds the Trustee shall cut off, cancel, and cremate all matured coupons, if any, thereon and the Trustee shall deliver to the Board a certificate of cremation thereof.

Section 3.07. Upon the receipt by the Board and the Trustee of evidence satisfactory to them of the loss, theft, destruction or mutilation of any outstanding Bond, and of indemnity satisfactory to them, and upon surrender and cancellation of such Bond if mutilated, the Board may execute and the Trustee may authenticate and deliver, upon the lapse of such period of time as they may deem advisable, a new Bond of like tenor and maturity bearing the same or different serial number, to be issued in lieu of such lost, stolen, destroyed or mutilated Bond. The Board may require the payment of cost for each new Bond issued under this section, and the furnishing of indemnity satisfactory to the Board. The Trustee shall incur no liability for anything done by it under this section in the absence of negligence or fault.

ARTICLE IV - Creation of Funds and Payments Therefrom.

Section 4.01. There is hereby pledged to the payment of the principal of, interest on, and any premium upon the redemption of, the Bonds, the proceeds of the sale of the Bonds until expended for the authorized purpose, the Revenues received by the Board and all funds established by and in accordance with the provisions of the Resolution, including the investments, if any, of any of such funds, all in accordance with the terms and provisions of said Bonds and of the Resolution, and there is hereby created in favor of said Bonds, a paramount charge on all of said Revenues over and ahead of all other bonds not contemplated by the Resolution payable from said Revenues which may be hereafter issued, and over and ahead of all claims or obligations of any nature against said Revenues hereafter arising or hereafter incurred. The Board covenants and agrees that the foregoing pledge shall be valid and binding from and after the date of the issuance, sale and delivery of any Bonds issued pursuant to the Resolution, and all such money and securities hereby pledged shall then be subject to the lien of this pledge without any physical delivery thereof, or any further action by the Board.

Section 4.02. It is hereby represented, covenanted and agreed that the University of Kentucky, with the approval of the Council of Public Higher Education, has heretofore established, and so long as any of the Bonds are outstanding will continue to fix, impose, charge and collect for the services

of said Consolidated Educational Buildings Project a student registration fee from all students attending the University at Lexington. The initial schedule of such minimum student registration fees is as follows:

All Colleges of the University except the College of Dentistry and College of Medicine.

Semester Registration Fees for Resident Students	\$ 66.75
Semester Registration Fees for Non-Resident Students	166.75
Summer School Registration Fees for Resident Students	35.00
Summer School Registration Fees for Non-Resident Students	85.00

College of Dentistry and College of Medicine.

Annual Registration Fees for the Regular University Academic Year of 2 semesters--Resident Students	\$133.50
Annual Registration Fees for the Regular University Academic Year of 2 semesters--Non-Resident Students	333.50
Summer School Registration Fees for Resident Students	35.00
Summer School Registration Fees for Non-Resident Students	85.00

These fees or as the same shall be revised from time to time shall constitute the Revenues of the Consolidated Educational Buildings Project, and shall be collected as of the commencement of each regular University year or at the commencement of each semester of the regular University year, as the case may be, and at the commencement of the regular summer session and as collected shall be set apart and paid into the Revenue Fund hereinafter created.

Section 4.03. The Board covenants and agrees that, upon the issuance and delivery of any Bonds pursuant to the Resolution, all Revenues theretofore or thereafter held or collected by the Board and derived from the Consolidated Educational Buildings Project, or received by the Treasurer therefrom, shall be deposited as collected in the Revenue Fund hereinafter created to be held and administered by the Treasurer. Moneys and securities from time to time in the Revenue Fund shall be trust funds of the Board for the uses and purposes provided in the Resolution and in the Series Resolution adopted pursuant to the provisions hereof, and shall be paid out and applied for the uses and purposes for which said moneys are pledged by the provisions of the Resolution.

Section 4.04. From and after the issuance of any Bonds pursuant to the Resolution all Revenues from the Consolidated Educational Buildings

Project shall be deposited to the credit of a special fund to be known as the "Consolidated Educational Buildings Project Revenue Fund" (hereinafter referred to as the "Revenue Fund") which Revenue Fund is hereby created. Such Revenue Fund shall be held in the custody of the Treasurer of the Board, separate and apart from other funds. Such Revenue Fund shall be maintained so long as any of the Bonds are outstanding as a trust fund in one or more banks which shall be members of the Federal Deposit Insurance Corporation and shall be expended and used by the Treasurer only in the manner and order hereinafter specified.

Section 4.05. There is hereby created a separate account called the "Consolidated Educational Buildings Project Bond And Interest Sinking Fund" (hereinafter referred to as the "Bond Fund"). The Bond Fund shall be established and maintained by and in the custody of the Trustee, and maintained by it so long as any of the Bonds are outstanding. Such Bond Fund shall be used by the Trustee to pay interest on the Bonds as it becomes due from time to time, and to pay and retire the Bonds as they mature, or as otherwise herein provided.

In connection with the establishment and maintenance of the Bond Fund, the Board covenants and agrees as follows:

(1) There will be deposited in the Bond Fund the accrued interest, if any, received at the time or times of the sale or sales of the Bonds, together with such further sum from the Bond proceeds as may be determined by the Board in the Series Resolution as necessary to provide for the payment of the interest on the Bonds for a period not in excess of three years from the date of the issuance thereof.

(2) That from and after the issuance of any of the Bonds and thereafter commencing on May 1 of each year the Treasurer shall transfer from the Revenue Fund and deposit to the credit of the Bond Fund all the Revenues as and when the same are received and deposited in the Revenue Fund until there has been so deposited and paid into the Bond Fund an amount equal to the total interest and principal becoming due on or prior to the next succeeding May 1 on all Bonds outstanding, and if by reason of a disproportionate amount of principal being scheduled to become due on May 1 of any year provision is made in the pertinent Series Resolution authorizing such Series of Bonds for payments into said Bond Fund in addition to current interest and principal requirements then the amount of such additional payments shall also be transferred from the Revenue Fund and deposited to the credit of the Bond Fund as so specified in such Series Resolution.

Provided, further, that for the purpose of creating and maintaining a reserve in said Bond Fund equal to the maximum Aggregate Principal, Interest and Bond Fund Charges the amounts to be so set aside into said Bond Fund shall be 125% of the amounts otherwise herein provided to be paid into said Bond Fund until and so long as such reserve is so accumulated, and thereafter the same shall be resumed and continued whenever and so long as required to restore and maintain such reserve.

(3) The amount by which such payments exceed the Aggregate Principal, Interest and Bond Fund Charges in any particular twelve month period shall be held in said Bond Fund as a reserve, and unless all Bonds payable from said Bond Fund at the time outstanding are to be then retired only such part of said Bond Fund may be used to purchase or redeem Bonds in advance of maturity as may be in excess of the Aggregate Principal, Interest and Bond Fund Charges and the prescribed reserve. Any such purchase of Bonds prior to maturity shall be made at the lowest prices (not exceeding their current fair market value to be determined by the Trustee nor the terms for redemption thereof) following advertisement for tenders, but if insufficient acceptable tenders are received the remaining excess may be applied to the calling and redemption of Bonds in the manner as specified in the Resolution and in accordance with the terms as specified in the Bonds. All Bonds so purchased or redeemed shall be cancelled.

Section 4.06. At least thirty days prior to each interest payment date, the Trustee shall set aside from the Bond Fund funds sufficient to pay all Bonds and interest coupons maturing on such interest payment date and the Trustee shall make such arrangements with said Paying Agents as to secure the prompt payment of maturing Bonds and coupons, if any, as are there presented. The Trustee shall make similar arrangements in the event of redemption of any Bonds. All such arrangements shall include provisions for the payment to the Paying Agents of their reasonable fees and charges for their services in paying and cancelling Bonds and coupons, if any, in order that the persons entitled to receive payment therefor may receive the full amount due and payable without deduction of any sum for the compensation of the Paying Agents.

Section 4.07. Whenever all required payments from the Revenue Fund into the Bond Fund have been made in any particular twelve month period ending May 1 and there remains a balance in the said Revenue Fund the moneys remaining in said Revenue Fund may be used by the Board to pay the Operating Costs of the Consolidated Educational Buildings Project to the extent the same are not otherwise provided or such moneys may be used for any other lawful purpose including the purchase or retirement of Bonds in advance of maturity.

Section 4.08. Whenever and so long as the assets of the Bond Fund shall be sufficient in the aggregate to provide moneys to pay all Bonds then outstanding including such interest thereon as may thereafter become due and payable and any premiums upon redemption thereof, no further payments need be made into the Bond Fund.

The Bond Fund shall be drawn upon for the sole purpose of paying the principal, interest and redemption premium on the Bonds. Money set aside from time to time by the Trustee for such principal, interest and redemption premium shall be held in trust for the holders of the Bonds and appurtenant coupons with respect of which the same shall have been so set aside. Until so set aside for the payment of principal, interest or redemption premium as aforesaid, all moneys in the Bond Fund shall be held in trust for the benefit

of the holders of all Bonds at the time outstanding equally and ratably and without preference or distinction as between Bonds of a different Series, installments, or maturities.

Section 4.09. The proceeds derived from time to time from the sale of Bonds shall be deposited by the Treasurer in the Bond Proceeds Series-Construction Account, which is hereby created, with the exception of any amounts received upon the delivery of such Bonds in payment of accrued interest thereon, which amounts shall be deposited in the Bond Fund. The proceeds of such Bonds shall be expended for the purpose of erecting and completing educational building or buildings as a part of the Consolidated Educational Buildings Project, including such engineering, accounting, legal and fiscal expenses incurred or paid in connection with the issuance of the Bonds and interest on the Bonds during the erection and completing of the educational building or buildings for account of which the Bonds were issued in such amount as may be determined necessary by the Board and not in excess of interest for three years from the date of issuance of such Bonds.

Section 4.10. The Bond Proceeds Series-Construction Account shall be maintained in the State Treasury of the Commonwealth of Kentucky and the Treasurer of the University shall transmit to the Treasurer of the Commonwealth the deposit provided to be made therein by Section 4.09; and after making such deposit the Treasurer of the University shall have no further responsibility in connection therewith. Disbursements from said account shall be made solely for defraying the costs of erecting and completing buildings and appurtenances which will become parts of the Educational Buildings Project and in accordance with inspection, audit and disbursement procedures from time to time provided by law. Moneys therein not required for immediate disbursement for the purposes of said account may be invested and reinvested solely in bonds or interest bearing notes of the United States Government maturing or being subject to redemption at the option of the holder not later than two years of the date of such investment.

Moneys in the other funds and accounts established pursuant to the Resolution and not required for immediate disbursement for the purposes for which said funds and accounts are created may be invested and reinvested by the Treasurer or the Trustee as the case may be with the approval of the Board, solely in bonds or interest bearing notes of the United States Government maturing or being subject to redemption at the option of the holder not later than two years from the date of such investment.

The interest and realized income from the investment of moneys in any fund or account shall be added to and become a part of the fund or account out of which the investment was made. The expenses of purchase, safekeeping, sale and redemption and all other expenses and losses incident to said investments shall be charged to the fund or account out of which the investment was made.

ARTICLE V - Concerning the Trustee and Paying Agents.

Section 5.01. In the Series Resolution authorizing the issuance of the initial Series of Bonds the Board shall appoint a Trustee and so long as any Bonds are outstanding under the Resolution the Trustee so appointed or a successor Trustee appointed in the manner as hereinafter provided shall be the Trustee under the Resolution.

Section 5.02. The Board shall appoint one or more Paying Agents for the Bonds of a Series in the Series Resolution authorizing the issuance of such Bonds. The Trustee shall serve as Paying Agent for Bonds in addition to performing the duties of Trustee.

Section 5.03. Except as otherwise expressly provided in the Resolution, any request, consent, demand, notice, order, appointment or other direction made or given by the Board to the Trustee or to the Paying Agents shall be deemed to have been sufficiently made or given by the proper party or parties if executed on behalf of the Board by the Chairman or Secretary of said Board, and the Trustee and any Paying Agent may conclusively rely as to the correctness of the statements, conclusions and opinions expressed therein upon any certificate, report, opinion or other document furnished to the Trustee and any Paying Agent pursuant to any provision of the Resolution.

Section 5.04. A certified copy of the Resolution shall be filed with the Trustee appointed by the Board by the Series Resolution authorizing the issuance of the initial Series of Bonds, and acceptance by the Trustee of the trusts hereby created in accordance with the terms and conditions set out will be conclusively presumed and evidenced by execution of the authentication certificate to be endorsed upon the Bonds. The Trustee shall have no responsibility with respect to the validity of said Bonds or the legal sufficiency of the proceedings for their issuance. It shall be no duty of the Trustee, except as otherwise herein provided, to see that any duties herein imposed upon the Board or covenants or agreements herein contained on behalf of the Board are performed. All compensation to the Trustee for services leading up to and including authentication of the Bonds may be paid from the proceeds of said Bonds. Compensation for any service thereafter rendered by the Trustees shall be deemed to constitute an item of Operating Costs of the Consolidated Educational Buildings Project.

The Trustee may in good faith buy, sell, own, hold, and deal in any of the Bonds with like effect as if it were not such Trustee.

Section 5.05. The Trustee may resign and thereby become discharged from the trusts hereby created by notice in writing given to the Board and published at least once in a newspaper or financial journal of general circulation in each of the Cities of Louisville, Kentucky, and New York, New York, at least thirty (30) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee, if such new Trustee be appointed and qualified before the time limited by such notice. The Trustee may be removed at any time by an instrument in writing signed by the holders of not less than the majority of the principal amount of the Bonds then outstanding.

In case at any time the Trustee shall resign, be removed, be dissolved, or otherwise become incapable of acting, or the offices of the Trustee shall be taken over by any governmental official or board, or if the position of the Trustee shall become vacant for any reason, a successor shall be appointed by the Board and unless such appointment be made within ten (10) days after the vacancy shall have occurred, the holders of a majority in principal amount of the Bonds then outstanding may make such appointment by an instrument in writing signed by any such Bondholders and filed with the Board. Any Trustee originally appointed or thereafter appointed shall be a trust company or bank having trust powers, authorized to and doing business from a principal office in Lexington or Louisville, Kentucky. The Board shall publish notice of any such appointment by it made once each week for four consecutive weeks in a newspaper or financial journal of general circulation in each of the Cities of Louisville, Kentucky and New York, New York.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Board an instrument in writing accepting such appointment hereunder and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Board, or of its successor, execute and deliver any instrument transferring to such successor Trustee, all the rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities, moneys, documents and records held by it to its successor, provided, however, that before any such delivery, is required or made, all fees and expenses of such predecessor shall be paid in full. Should any instrument in writing from the Board be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, powers, and duties hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will on request be executed, acknowledged and delivered by the Board.

ARTICLE VI - Redemption of Bonds.

Section 6.01. Any Series Resolution may provide that the Bonds authorized thereby may be subject to redemption prior to maturity in the manner and upon the terms and conditions specified in such Series Resolution at such time and upon the payment of such premiums, if any, as shall be therein provided, and upon compliance with the terms contained in the Resolution.

Section 6.02. Any Series Resolution providing for the issuance of a Series of Bonds which are redeemable prior to maturity in part shall also provide the method of determining the serial numbers of the particular Bonds within a maturity to be redeemed.

Section 6.03. Notice of any such redemption shall be given by the Board by publication of a notice, which notice shall specify the title, series, maturities and numbers, or other distinguishing marks of such Bonds to be redeemed in the event of redemption of part only of a Series of Bonds, the redemption date and the place or places where the amount due upon such redemption will be payable. Such notice shall further state that upon the date fixed for redemption there shall become due and payable upon each Bond to be redeemed the principal amount thereof plus the premium, if any, due upon the said redemption date together with the interest accrued to the redemption date, and that from and after the redemption date interest thereon shall cease to accrue and become payable. Such notice shall be published at least once not less than thirty (30) days prior to the 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. The Board shall give written notice to the Trustee of its election to redeem Bonds at least forty-five (45) days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. Whenever notice of redemption has been duly given as herein provided, the Trustee shall, not later than five (5) days prior to the date fixed for redemption in such notice make such arrangements with the Paying Agent or Paying Agents for the Bonds to be redeemed to secure the prompt redemption of all Bonds to be redeemed, if any, as are there presented.

Section 6.04. Notice having been given by publication in the manner provided in Section 6.03 the Bonds so called for redemption shall become due and payable on the redemption date designated in such notice, upon presentation and surrender thereof at the offices of the Trustee and Paying Agents specified in such notice, together with appurtenant coupons maturing subsequent to the redemption date. If moneys for the redemption of all the Bonds to be redeemed on any

redemption date, together with the interest to the redemption date shall be held by the Trustee so as to be available therefor on the date fixed for redemption thereof, and if notice of redemption of such Bonds shall have been published as provided in this Article, then from and after the redemption date, interest on the Bonds so called for redemption shall cease to accrue and become payable, and the coupons for interest pertaining thereto maturing subsequent to the redemption date shall be void, and all Bonds so called for redemption shall be payable solely from moneys set aside for the payment thereof by the Trustee and said Bonds shall no longer be secured by the charge on and pledge of the Revenues of the Consolidated Educational Buildings Project created by the Resolution. If moneys shall not be available on the redemption date specified for the payment of any Bonds for the payment of such Bonds as shall have been called for redemption, such Bonds shall continue to bear interest until paid at such rate as they would have borne had they not been called for redemption, and shall continue to be secured by the charge on and pledge of the Revenues herein created for the security and payment thereof.

ARTICLE VII - Covenants to Secure Bonds.

Section 7.01. The Board covenants and agrees that it will establish, maintain and collect, so long as any Bonds are outstanding under the Resolution, such student registration fees for the services of the Project as may be necessary (1) to pay the interest on and principal of the Bonds as they respectively mature, to provide reserves therefor and (2) to pay the Operating Costs of the Project to the extent the same are not otherwise provided.

In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in Revenues the Board hereby covenants and agrees to establish, maintain and collect such student registration fees for the services of the Project as will produce Revenues in each twelve month period ending May 1 equal to at least 110% of the current Aggregate Principal, Interest and Bond Fund Charges.

The Board further covenants and agrees that while any of the Bonds are outstanding, it will, except as provided in Section 4.07, pay the current Operating Costs of the Project from available funds other than the Revenues derived from the Project.

Section 7.02. The Board covenants and agrees that it will not suffer or permit any default to occur under the Resolution, but will faithfully observe and perform all of the conditions, covenants and requirements hereof obligatory upon it.

Section 7.03. The Board covenants and agrees that it will duly and punctually pay or cause to be paid the principal sum, and the interest accruing on said principal, on each and every one of the Bonds issued under the Resolution, at the dates and places and in the manner provided in said Bonds and in the coupons thereunto appertaining, according to the terms thereof and of the Resolution; and that so long as any of the Bonds shall remain outstanding and unpaid, it will not directly or indirectly extend or assent to the extension of the time for the payment of any interest coupon or claim for interest of or upon any Bond, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such interest coupon or claim for interest, or otherwise; that in case the payment of any such interest coupon or claim for interest shall be so extended by or with or without the consent of the Board, then, anything in the Resolution contained to the contrary notwithstanding, such interest coupon or claim for

interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from the Resolution, except after the prior payment in full of the principal of all Bonds issued under the Resolution and of such interest coupons and claims for interest as shall not have been so extended.

Section 7.04. The Board shall procure and maintain, so long as any of the Bonds are outstanding and to the extent available fire and extended coverage insurance on the Project in amounts sufficient to provide for not less than full recovery whenever the loss from causes covered by such insurance does not exceed eighty (80%) per centum of the full insurable value of the Project. Such insurance shall be in reputable insurance companies, or, at the option of the Board, may be procured and maintained through the State Fire and Tornado Insurance Fund of the Commonwealth of Kentucky in reputable insurance companies, loss, if any to be made payable to the Trustee as its interests may appear. From and after the issuance of any Bonds the Board will within four (4) months after the close of each calendar year, furnish to the Trustee a statement in writing, signed by an officer of the Board, setting forth the full insurable value of the Project and describing all insurance then in force. The Trustee may, at its option, require the Board to deposit with it any or all such insurance policies, and shall require such deposit if any event of default occurs. If the total received by the Trustee upon all policies shall in the case of one loss be less than the sum of Ten Thousand (\$10,000) Dollars, the amount shall be paid to the Board by the Trustee, to be used by the Board to pay for replacement or repairs or substitutes for the damaged or destroyed property, but the Trustee shall not be obligated to see to the application thereof. In all other cases, the proceeds of any and all insurance on the Project which may be received by the Trustee shall be applied by the Trustee as hereinafter provided.

All insurance moneys (except property insurance in amounts of less than Ten Thousand (\$10,000) Dollars above provided to be paid over to the Board) received by the Trustee under the provisions of this Section shall be held by the Trustee as substituted security, and the same shall be by the Trustee paid out from time to time upon written order of the Board, signed by the Chairman and Secretary, and accompanied by an approving certificate of an architect or engineer, for the purpose of paying the reasonable costs of repairing or replacing part or all of the property damaged or destroyed or the reasonable costs of substitute facilities; provided, however, that the Board shall have furnished, in addition to the proceeds of such insurance, such moneys as may be required to complete such repairs, replacements or substitute facilities and said insurance moneys shall be paid out by the Trustee only when the same shall be fully sufficient to complete such repairs, replacements or substitute facilities as shown by said certificate of an architect or engineer. Every such order of the Board for the payment of insurance moneys shall state that the Board is not in default under any of the terms and provisions of the Resolution. The Trustee shall be fully protected in paying any such cash to or upon the order of the Board upon receipt of the showings above specified; but the Trustee shall have the right, but shall not be obligated, to require the Board to furnish such additional evidence in the premises as the Trustee may deem necessary in order to establish the right of the Board to the withdrawal of any such moneys. In the event insurance proceeds shall remain after the completion of such repairs, replacements or substitute facilities or in the event of a failure to repair or replace the property damaged or destroyed or to construct substitute facilities then the Trustee shall deposit

such moneys in the Bond Fund provided for by Article IV hereof, and such moneys shall be applied to the retirement of Bonds.

Section 7.05. Unless provision is otherwise made by law for disposition by the Commonwealth of claims made against the University for bodily injury and/or death which may arise from the operations of the Board, including any use or occupancy of its grounds, structures and vehicles, the Board covenants and agrees that so long as any of the Bonds are outstanding, the Board will, if such insurance is not already in force, procure and maintain public liability insurance, with limits of not less than Fifty Thousand (\$50,000) Dollars for one person, and One Hundred Thousand (\$100,000) Dollars for more than one person involved in one accident, to protect the Board from claims for bodily injury and/or death which may arise from the operations of the Board, including any use or occupancy of its ground, structures and vehicles.

Section 7.06. The Board covenants and agrees that it will at all times maintain, preserve and keep the Project and every part thereof in good condition, repair and working order, and will from time to time make all needful and proper repairs, replacements, additions, betterments and improvements so that the operations and business of and pertaining to the Project and every part thereof shall at all times be conducted efficiently, properly and advantageously; and whenever any portion of the Project shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Board will procure and install substitutes of at least equal value, utility and efficiency, so that the value and efficiency of the Project shall at all times be fully maintained; and the Board will set apart, use and apply for the foregoing purposes so much of the Revenues of the Project as may be required, subject to the payments provided for in Article IV hereof.

Section 7.07. The Board covenants and agrees that it will not issue, or permit to be issued, any Bonds under the Resolution other than in accordance with the provisions of the Resolution and the agreements in that behalf herein contained, and that it will faithfully observe and perform all conditions, covenants and requirements of the Resolution and of all Series Resolutions supplemental thereto.

Section 7.08. While any of the Bonds are outstanding the principal office of the Trustee shall be conclusively deemed to be the office or agency of the Board where notices, presentations and demands to or upon the Board in respect of the Resolution or any Series Resolution, or of such Bonds or coupons may be given or made; and the Board hereby appoints the Trustee its agent on its behalf to receive all such notices, presentations and demands.

Section 7.09. The Board covenants that it will keep accurate financial records and proper books relating to the Project, and such records and books shall be open to inspection by the Bondholders and their agents and representatives. It further covenants that not later than ninety (90) days after the close of each Fiscal Year it will furnish to the Trustee, and to any Bondholders who shall request the same in writing, copies of audit reports prepared by an independent certified public accountant, or a firm of independent certified public accountants, who shall be satisfactory to the Trustee, or by an appropriate State auditing official, reflecting in reasonable detail the financial condition and record of operation of the University, the Project, and the pledged Revenues during the preceding Fiscal Year.

Section 7.10. The Board will not hereafter create or permit the creation of or issue any bonds or other obligations which will rank on a parity with or have a priority over the charge on the Revenues or the payments to be made into

the Bond Fund herein created, except that additional Series of Bonds may be issued from time to time pursuant to a Series Resolution subsequent to the issuance of the initial Series of Bonds and secured by an equal charge on such Revenues in such principal amount as may be required to defray the cost of erecting and completing other educational building or buildings and necessary appurtenances as a part of the Project. Additional Bonds ranking on a parity with the Series of Bonds initially issued may be issued hereunder only for the purpose of erecting and completing additional educational building or buildings and necessary appurtenances, provided:

(1) That there is at the time of the issuance of such additional Bonds no deficiency in amounts required by the Resolution or any Series Resolution to be paid into the Bond Fund; and

(2) That the average of the annual Revenues from the Project for the two Fiscal Years immediately preceding the issuance of said additional Bonds as indicated in a statement by the Treasurer to be filed with the Trustee was equal to not less than 1.25 times the maximum Aggregate Principal, Interest and Bond Fund Charges in any succeeding twelve month period ending May 1 on the Bonds then outstanding and the additional Bonds proposed to be issued. For the purposes of such computation the Treasurer shall make an adjustment in the amount of the annual Revenues to reflect any increase or decrease in the student registration fees being imposed at the time for the services of said Project. In the event any additional Series of Bonds is to be issued hereunder at a time prior to the elapse of two Fiscal Years immediately following the issuance of the initial Series of Bonds the Treasurer for the purpose of the foregoing computation may use the income derived by the University during the two Fiscal Years immediately preceding the issuance of such additional Series of Bonds from the source herein established for the Revenues of the Project and the amount so determined by the Treasurer as indicated in his statement to be filed with the Trustee shall be deemed to be the average of the annual Revenues from the Project for the two Fiscal Years immediately preceding the issuance of such additional Series of Bonds.

Anything in this Section 7.10 to the contrary notwithstanding the Board may issue Bonds on a parity with Bonds previously issued for the purpose of refunding all or any part of the Bonds of one or more Series as may be outstanding as of the maturity thereof or at any time prior thereto either through the exercise of an option for redemption or by an agreement with the holders of the Bonds to be refunded, provided, however, such refunding Bonds issued prior to maturity of the refunded Bonds shall not result in an increase in the interest rate nor in an acceleration of the maturity date or dates of the refunded Bonds.

ARTICLE VIII - Series Resolutions and Supplemental Resolutions.

Section 8.01. The Board may adopt at any time and from time to time Series Resolutions or resolutions supplemental hereto for any one or more of the following purposes, and any such Series Resolutions or resolutions supplemental hereto shall become effective in accordance with its terms upon the filing of a certified copy thereof with the Trustee, to wit:

(1) To provide for the issuance of a Series of Bonds and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed;

(2) To add additional covenants and agreements of the Board for the purpose of further securing the payment of the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Board contained in the Resolution;

(3) To prescribe further limitations and restrictions upon the issuance of Bonds by the Board payable from the Revenues of the Project and which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(4) To surrender any right, power, or privilege reserved to or conferred upon the Board by the terms of the Resolution;

(5) To confirm as further assurance any pledge under the provisions of the Resolution of the Revenues or of any moneys, securities or funds; or

(6) Upon recommendation of or approval by the Trustee to cure any ambiguity or defect or inconsistent provision in the Resolution or to insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable in the event any such modifications are not contrary to or inconsistent with the Resolution as theretofore in effect.

Section 8.02. The provisions of the Resolution shall constitute a contract between the Board and the Trustee and the holders of the Bonds as may be outstanding from time to time under the Resolution; provided that modifications, alterations and amendments of the Resolution and of the rights and obligations of the Board and of the holders of said Bonds as may be outstanding may be made as in this Section provided.

In the event that it shall appear desirable and to the advantage to both the Board and the holders of said Bonds, the Board may adopt a resolution modifying, altering, or amending the Resolution, but providing therein that the same shall not become effective unless and until it has had the approval of the holders of the Bonds as hereinafter set out. Immediately upon the adoption of such resolution the Board shall set a time and place for and call a meeting of the holders of the Bonds to be held at a designated place in the City of Lexington, Kentucky, or in the City of Louisville, Kentucky. Written notice of any such meeting stating the place and time thereof and in general

terms the matter to be submitted, shall be mailed not less than thirty (30) days before such meeting;

- (a) to each owner of Bonds registered as to principal then outstanding, addressed to him at his address appearing on the registration books;
- (b) to each known holder of all other Bonds then outstanding, addressed to him as his name and address appear from the most recent information; and
- (c) to the Trustee;

and shall be published at least once in each of two successive calendar weeks immediately preceding the week which includes the date fixed for such meeting in a newspaper or financial journal of general circulation in each of the Cities of Louisville, Kentucky, and New York, New York. All holders of Bonds outstanding at the time of such meeting shall be entitled to vote thereat, and such attendance may be in person or by proxy. Each person seeking to attend or vote at any such meeting must, if required, produce such proof of ownership of Bonds or of personal identity as shall be satisfactory to the inspectors of votes. Every proxy shall be signed by the holder of the Bonds or by his duly authorized attorney and shall be witnessed, and its genuineness if questioned shall be established to the satisfaction of the inspectors of votes. The holders of the Bonds and the holders of proxies present, shall by a majority vote, irrespective of the amount of their holdings, select two persons from those present to act as chairman and secretary, respectively, of the meeting, and also select two other persons from those present to act as inspectors of votes, who shall count all votes cast at such meeting and who shall make and file with the secretary of the meeting their verified written report in duplicate of all such votes so cast at said meeting.

The holders (or persons entitled to vote the same) of not less than seventy-five per cent (75%) in principal amount of Bonds entitled to be voted at such meeting must be present at such meeting in person or by proxy in order to constitute a quorum for the transaction of business, less than a quorum, however, having the power to adjourn.

At such meeting there shall be submitted to the holders of the Bonds for their approval the resolution theretofore adopted proposing the modification, alteration or amendment.

Any such modification or alteration or amendment of the Resolution or of any rights and obligations of the Board, or of the holders of the Bonds in any particular may be approved at a meeting duly convened and held in accordance with the provisions of this Section, but only by a resolution duly adopted by the affirmative vote, in person or by proxy, of the holders (or persons entitled to vote the same) of seventy-five per cent (75%) or more in aggregate principal amount of the Bonds outstanding when such meeting is held; provided, however, that no such modification, alteration, or amendment shall be made which will permit (a) an extension of time of payment at maturity of the principal of or payment of the interest on any Bond, or a reduction in the rate of interest thereon without written consent of the holder of such Bond, or (b) reduce the percentage of holders of Bonds required by the provisions of this Section for the taking of any action under this Section, and provided further that no such modification, alteration, or amendment herein authorized which in the opinion of the Trustee, affects the rights, duties or immunities of the Trustee under

the Resolution may be made without the consent of the Trustee.

A record of the proceedings of each such meeting shall be prepared by the secretary of the meeting and shall have attached thereto the original counterparts of the reports of the inspectors of votes and affidavits by one or more persons having knowledge of the facts, setting forth a copy of the notice of the meeting and a copy of the record of any adjournment thereof, and showing that said notices were duly given as herein provided. Such records shall be signed and verified and one duplicate thereof shall be filed with the secretary of the Board and the other shall be filed with the Trustee for preservation by the Trustee, and thereupon the proposed modifications, alterations and amendments, aforesaid, shall become effective, but otherwise shall be null and void.

ARTICLE IX - Defaults; Remedies.

Section 9.01. That for the protection of the holders of the Bonds secured by the Resolution and the interest coupons thereto attached a statutory mortgage lien upon said Project and all properties connected therewith and belonging thereto is granted and created by Sections 162.350 and 162.200 of the Kentucky Revised Statutes, which said statutory mortgage lien is hereby recognized and declared to be valid and binding as provided by law, and shall take effect immediately upon the delivery of any of said Bonds. The Trustee may, and upon the written request of the holders of not less than twenty-five per cent (25%) of the principal amount of the Bonds then outstanding, shall, either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties required by law, including the charge, collection and accounting of sufficient student registration fees and the segregation and application of the Revenues as provided by the Resolution.

Section 9.02. Each of the following events is hereby declared an "event of default", that is to say: If

(a) payment of the principal of any of the Bonds shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise;
or

(b) payment of any installment of interest shall not be made when the same shall become due and payable or within thirty (30) days thereafter; or

(c) the Board shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(d) any buildings representing a part of the Project shall be destroyed or damaged and shall not be promptly repaired, replaced or reconstructed or substitute facilities afforded (whether such failure promptly to repair, replace or reconstruct such buildings or to afford substitute facilities be due to the impracticability of such repair, replacement or reconstruction or the construction of such substitute facilities or to lack of funds therefor or for any other reason) and the insurance proceeds shall not be deposited in the Bond Fund; or

(e) an order or decree shall be entered, with the consent or acquiescence of the Board, appointing a receiver or receivers of all or any part of the Project or of the Revenues therefrom, or if such order or decree, having been entered without the acquiescence or consent of the Board, shall not be vacated or discharged or stayed on appeal within sixty (60) days after entry; or

(f) the Board shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Resolution or any Series Resolution on the part of the Board to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Board by the Trustee, which may give such notice in its discretion and shall give such notice upon the written request of the holders of not less than fifteen per cent (15%) in principal amount of the Bonds then outstanding.

Section 9.03. Upon the happening and continuance of any event of default specified in Section 9.02 of this Article, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five per cent (25%) in principal amount of the Bonds then outstanding shall, by a notice in writing to the Board, declare the principal, of all the Bonds then outstanding to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained in the Bonds or in the Resolution or any Series Resolution to the contrary notwithstanding; provided, however, that if at any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Resolution, moneys shall have accumulated in the Bond Fund sufficient to pay all arrears of interest, if any, upon all the Bonds then outstanding (except the interest accrued on such Bonds since the last interest payment date), and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the Board hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agreement contained in the Bonds or in the Resolution or any Series Resolution (other than a default in the payment of the principal of such Bonds then due only because of a declaration under this Section) shall have been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the holders of not less than twenty-five per cent (25%) in principal amount of the Bonds then outstanding shall, by written notice to the Board, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 9.04. Upon the happening and continuance of any event of default specified in Section 9.02 of this Article, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than fifteen per cent (15%) in principal amount of the Bonds then outstanding hereunder shall proceed to protect and enforce its rights and the rights of the Bondholders under the laws of the Commonwealth of Kentucky or under

the Resolution or any Series Resolution by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant or agreement contained in the Resolution or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Resolution the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Board for principal, interest or otherwise under any of the provisions of the Resolution or any Series Resolution or of the Bonds and unpaid together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce judgment or decree against the Board, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (solely from moneys in the Bond Fund and the Revenues of the Project pledged to the payment of the Bonds by the Resolution) in any manner provided by law, the moneys adjudged or decreed to be payable.

Section 9.05. Anything in the Resolution to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds at the time outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of the Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Section 9.06. All rights of action under the Resolution or under any of the Bonds secured hereby enforceable by the Trustee, may be enforced by the Trustee without the possession of any of the Bonds or the coupons appertaining thereto or the production thereof on the trial or other proceeding relative thereto. Any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds and coupons, subject to the provisions of the Resolution. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Article to the Trustee and the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 9.07. No holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for any remedy afforded by the Resolution unless such holder shall have previously given to the Trustee written notice of an event of default as hereinbefore provided, nor unless also the holders of twenty-five per cent (25%) in principal amount of

the Bonds then outstanding shall have made written request of the Trustee and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceedings in its or their name, nor unless also there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, it being understood and intended that no one or more holders of Bonds shall have any right in any manner whatever by his or their action to enforce any right hereunder except in the manner herein provided.

ARTICLE X - Miscellaneous Provisions

Section 10.01. Whenever in the Resolution reference is made to the Board or any officers, agents or employees thereof such reference shall also be deemed to include the successors and assigns of the Board and its officers, agents and employees and all the covenants and agreements in the Resolution contained by or on behalf of the Board shall bind and inure to the benefit of such successors and assigns whether so expressed or not.

Section 10.02. If the Board shall have paid or cause to have been paid to the holders of the Bonds and coupons pertaining thereto issued pursuant to the provisions of the Resolution the principal, premium, if any, and interest to become due thereon at the time and in the manner stipulated in said Bonds and in the Resolution, all moneys or securities of the Board which are not required for the payment or redemption of the Bonds or coupons as aforesaid may be transferred to the Revenue Fund. All Bonds shall be considered to have been paid if and when there shall be on deposit in trust with the Trustee and Paying Agents for said Bonds and irrevocably appropriated exclusively to that purpose an amount of cash which shall be sufficient to retire at maturity or by redemption prior to maturity on the next succeeding date on which the said Bonds may be redeemed all of the Bonds outstanding at the time, together with interest thereon and premiums thereon that may be payable upon the redemption of the same; provided that proper notice of the redemption of all such Bonds to be redeemed shall have been previously published or provision shall have been irrevocably made for such publication, and provided further that the moneys for the payment of the principal of the Bonds so called and premium, if any, and interest thereon shall be available for immediate payment to the holders entitled thereto and notice of such immediate availability shall have been published or satisfactory provision shall have been made for such publication and further provided that all the necessary and proper fees, compensation and expenses of the Trustee and Paying Agents shall have been paid.

Section 10.03. Moneys held by the Trustee in trust for the payment and discharge of any of the Bonds or coupons which remain unclaimed for five (5) years after the date when such Bonds shall have become due and payable either at their stated maturity dates or by call for earlier redemption, if such moneys were held by said Trustee at such date or for five (5) years after the date of deposit of such moneys if deposited with the Trustee after the said date when such Bonds become due and payable, shall, at the written request of the Board, be repaid by the Trustee to the Board as the Board's property free from the trust created by the Resolution, and the Trustee shall thereupon be released and discharged with respect thereto, and the holders of the Bonds payable from such money shall look only to the Board for the payment of such Bonds and coupons.

Section 10.04. If any one or more of the covenants or agreements provided in the Resolution on the part of the Board or of the Trustee or any Paying Agent to be performed shall be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements shall be deemed severable from the remaining covenants and agreements herein contained, and the invalidity thereof shall in no way affect the validity of the other provisions of the Resolution.

Section 10.05. All resolutions or parts of resolutions in conflict herewith be and the same are hereby repealed insofar as such conflict exists.

Section 10.06. This resolution shall take effect immediately upon its adoption.

Adopted _____, 1960.

Chairman

Attest:

Secretary

The Resolution having been read in its entirety, and members of the Board of Trustees being advised, Member Clifford Smith moved that all rules be suspended. Member Robert Hillenmeyer seconded the motion, and upon roll call, the following members voted Aye: Harper Gatton, Dr. Ralph J. Angelucci, Mrs. Paul G. Blazer, Robert Hillenmeyer, R. W. Bushart, H. B. Murray, Floyd H. Wright, William F. Foster, Clifford E. Smith. Nay: None.

H. Issuance of \$8,000,000.00 Consolidated Educational Buildings Revenue Bonds Authorized.

Mr. Peterson stated that, pursuant to the adoption by this Board of Trustees of 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, he desired to present a Resolution authorizing the issuance of \$8,000,000 Consolidated Educational Buildings Project Bonds, Series A, to the Board of Trustees of the University of Kentucky. He explained that the University now desired to secure funds for the construction and completion of a new science building to house the departments of chemistry and physics, which building would cost approximately \$5,600,000, and to secure funds for the construction and completion of an addition to the University of Kentucky

Library, which would cost a little more than \$2,000,000. He stated that it was the plan to take bids for the construction of the new science building on or about November 2. He thereupon submitted the following:

A RESOLUTION AUTHORIZING THE ISSUANCE OF
\$8,000,000.00 CONSOLIDATED EDUCATIONAL BUILDINGS
REVENUE BONDS, SERIES A, 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, the Board has determined that it is in the best interests of the Board to issue at this time the initial series of Bonds to be designated "Consolidated Educational Buildings Revenue Bonds, Series A";

NOW, THEREFORE, 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 A 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 A Resolution as such terms are given in said Article of the Resolution.

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

Section 1. 03. This Series A 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 A 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, an initial series of Bonds in the aggregate principal amount of Eight Million Dollars (\$8,000,000.00). Such Bonds shall be designated as "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series A." Said Series A 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 A Bonds are being issued for the purpose of paying the costs (to the extent not otherwise provided) of erecting two educational buildings with necessary appurtenances upon the property of the University in Fayette County, Kentucky, consisting of a new Chemistry and Physics building and a new Library building, which, when erected, will become and constitute parts of the Consolidated Educational Buildings Project of said University.

Section 2. 03. The Series A Bonds shall be dated November 1, 1960, and bear interest payable semiannually on May 1 and November 1 of each year at a coupon rate or coupon rates not exceeding the statutory maximum of six per cent (6%) per annum, the exact rate or rates of interest for said Series A Bonds to be fixed as a result of advertised sale and competitive bidding for said Series A Bonds, as hereinafter provided. Said Series A 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>
1-190	\$190,000.00	May 1, 1962
191-390	\$200,000.00	May 1, 1963
391-600	\$210,000.00	May 1, 1964
601-815	\$215,000.00	May 1, 1965
816-1040	\$225,000.00	May 1, 1966
1041-1275	\$235,000.00	May 1, 1967
1276-1520	\$245,000.00	May 1, 1968
1521-1775	\$255,000.00	May 1, 1969
1776-2040	\$265,000.00	May 1, 1970
2041-2315	\$275,000.00	May 1, 1971
2316-2600	\$285,000.00	May 1, 1972
2601-2895	\$295,000.00	May 1, 1973
2896-3200	\$305,000.00	May 1, 1974
3201-3520	\$320,000.00	May 1, 1975
3521-3850	\$330,000.00	May 1, 1976
3851-4195	\$345,000.00	May 1, 1977
4196-4555	\$360,000.00	May 1, 1978
4556-4930	\$375,000.00	May 1, 1979
4931-5320	\$390,000.00	May 1, 1980
5321-5725	\$405,000.00	May 1, 1981
5726-6145	\$420,000.00	May 1, 1982
6146-6580	\$435,000.00	May 1, 1983
6581-7035	\$455,000.00	May 1, 1984
7036-7510	\$475,000.00	May 1, 1985
7511-8000	\$490,000.00	May 1, 1986

Section 2.04. Said Series A Bonds shall be issued in coupon form, in the denomination of \$1,000.00, and shall be registrable as to principal only.

Section 2.05. The principal of and interest on said Series A Bonds shall be 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 First National Bank and 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 A Bonds and coupons at the principal offices of Continental Illinois National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, or of Chemical Bank New York Trust Company, in the City of New York, New York, which are hereby appointed Paying Agents for the Series A Bonds.

Section 2.06. The Series A Bonds maturing May 1, 1971, and thereafter (being the Bonds numbered 2041 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, 1970, 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:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1970 and prior to May 1, 1975	103%
On and after May 1, 1975 and prior to May 1, 1980	102%
On and after May 1, 1980 but prior to final maturity	101%.

Section 2.07. Said Series A Bonds shall be executed on behalf of said Board with the reproduced facsimile signature of the 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 A Bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached to each of said Series A Bonds, which coupons shall be executed with the facsimile of the official signatures of said 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 A Bonds and to secure for the benefit of all the holders of said Series A Bonds the faithful performance of the covenants and provisions contained in the Resolution in the manner and to the extent as permitted and provided in the Resolution and in Sections 162.340, et seq., of the Kentucky Revised Statutes, First National Bank and 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 A 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 A Bonds shall conclusively establish the acceptance as to such Series A Bonds by the Trustee of the trusts and provisions with respect thereto as set forth in the Resolution.

Section 2.09. The Series A Bonds and coupons and provisions for registration appertaining thereto and the certificate of the Trustee to be endorsed on said Series A 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 EDUCATIONAL BUILDINGS REVENUE BOND
SERIES A

No. _____

\$1,000.00

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 One Thousand Dollars (\$1,000.00) 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 May and November 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 National Bank and 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 offices of Continental Illinois National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, or of Chemical Bank New York Trust Company, 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 A Resolution adopted by the Board of Trustees on September 20, 1960.

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 A," (herein called the "Series A Bonds") issued in the aggregate amount of \$8,000,000.00 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 Educational Buildings Project of said University (hereinafter referred to as the "Project"). Copies of the Resolution and the Series A Resolution are on file at the office of the Trustee. Reference is hereby made to the Resolution pursuant to which First National Bank and 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 Resolution. 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 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 A 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 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 A Bonds maturing May 1, 1971, and thereafter (being the Bonds numbered 2041 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, 1970, 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:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1970 and prior to May 1, 1975	103%
On and after May 1, 1975 and prior to May 1, 1980	102%
On and after May 1, 1980 but prior to final maturity	101%

In the event the Board of Trustees shall exercise its option to redeem any of the Series A 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 or 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 thereto, 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 or 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, 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 and Secretary, all being done as of the first day of November, 1960.

(SEAL)

ATTEST:

Chairman
Board of Trustees
University of Kentucky

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 National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof, at the principal offices of Continental Illinois National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, or of Chemical Bank New York Trust Company, in the City of New York, New York, as provided in and for interest then due on its Consolidated Educational Buildings Revenue Bond, Series A, dated November 1, 1960, Number _____.

Chairman
Board of Trustees
University of Kentucky

Secretary, Board of Trustees

(* The phrase in parenthesis should appear only in coupons maturing on and after November 1, 1970, attached to Bonds numbered 2041 to 8000, inclusive.)

(FORM OF AUTHENTICATION CERTIFICATE)

This Bond is one of the Bonds described or provided for in the within-mentioned Resolution.

FIRST NATIONAL BANK AND TRUST
COMPANY OF LEXINGTON,
LEXINGTON, KENTUCKY, TRUSTEE

By _____
(Authorized Officer)

(FORM OF REGISTRATION TO BE PRINTED ON THE
BACK OF EACH SERIES A BOND)

Date of Registration	Name of Registered Holder	Signature of Authorized Officer of Trustee
:	:	:
:	:	:
:	:	:
:	:	:
:	:	:
:	:	:

Section 2.10. The Secretary of the Board is hereby authorized and directed to cause an appropriate form or forms of a notice of sale of the Series A Bonds to be published in The Louisville Courier-Journal, a legal newspaper published in the City of Louisville, Kentucky, which will afford state-wide notice of the sale and in The Daily Bond Buyer, a financial journal published in the City of New York, New York, which is a publication having general circulation among bond buyers and said newspaper and financial journal are hereby declared to be qualified to publish such notice for the Board of Trustees within the meaning and provisions of KRS Chapter 424. Such notices shall be published in said newspaper and financial journal at least once and shall appear not less than seven days nor more than twenty-one days prior to the scheduled date of sale of said Series A Bonds. Such notices shall be in the customary form and shall specify that sealed competitive proposals for the purchase of such Series A Bonds shall be received at a designated place and until some day and hour when the Board, or its Executive Committee, (which is hereby expressly authorized to act in receiving, opening, considering and accepting or rejecting purchase bids), will be in session. A minimum bid of 98% of par plus accrued interest shall be required. The right to reject any or all bids shall be expressly reserved. On the occasion set forth in such notice the Board, or its Executive Committee, as the case may be, shall consider all proposals made pursuant to such notice, award the Series A Bonds in the manner and for the purposes herein provided, establish the interest coupon rate or rates which the Series A Bonds shall bear, and take all other necessary and proper steps in the sale and issuance of the said Series A Bonds.

The Secretary may cause to be prepared multiple copies of a statement giving a more complete and particular description of the Series A Bonds, provisions for the security and payment thereof, disposition of bond proceeds and other information that is not possible to give within the limits of the published notices, and furnish copies of such statement to all interested bidders upon request. Such statement may contain a particular description of the terms and conditions upon which the Series A Bonds are offered for sale, in order to bring about uniformity in the proposals which may be submitted for the purchase of said Series A Bonds.

Section 2. 11. There is hereby established in the State Treasury of the Commonwealth a Construction Account to be designated "University of Kentucky Consolidated Educational Buildings Project - Bond Proceeds Series A Construction Account." Immediately upon the issuance, sale and delivery of the Series A Bonds all sums received as accrued interest together with a sufficient portion of proceeds from the sale of the Series A Bonds equal in the aggregate to all interest to accrue on said Series A Bonds to and including May 1, 1961, shall be deposited by the Treasurer in the Bond Fund and which amount is hereby determined by the Board as necessary to pay the interest on the Series A Bonds during the erection of the educational buildings for account of which said Series A Bonds are herein authorized. The balance of the bond proceeds shall be transmitted by the Treasurer to the Treasurer of the Commonwealth with advice that the same is tendered for deposit in said Construction Account and shall be disbursed by the Treasurer of the Commonwealth 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 educational buildings and necessary appurtenances as identified in Section 2. 02 of this Series A Resolution in accordance with the approved plans and specifications therefor, and only upon 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 educational buildings 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 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 Project, any such unexpended balance may be taken into account in determining the amount of Bonds to be authorized therefor, or may otherwise be applied to the proper costs thereof, in which event such unexpended balance may, upon authority of the Board be transferred to the Series Construction Account thereof.

Section 2. 12. A certified copy of the Resolution and a certified copy of this Series A Resolution shall be filed with the Trustee and this Series A Resolution shall take effect immediately upon its adoption and the filing of the certified copy thereof with the Trustee.

ADOPTED September 20, 1960.

Chairman
Board of Trustees
University of Kentucky

ATTEST:

Secretary

Approved: John B. Breckinridge, Attorney General
By Ray C
Asst. Atty. General

The Resolution having been read in its entirety, Member Clifford Smith moved that all rules be suspended and that said proposed Resolution be adopted, which motion was seconded by Robert Hillenmeyer, a member of the Board; and said motion having been duly considered, the Acting Vice Chairman of the Board of Trustees put the question, and upon roll being called, the following voted Aye: Harper Gatton, Dr. Ralph J. Angelucci, Mrs. Paul G. Blazer, Robert Hillenmeyer, R. W. Bushart, H. B. Murray, Floyd H. Wright, William F. Foster, Clifford E. Smith. Nay, None.

Whereupon, the Acting Vice Chairman of the Board declared the said motion carried and said Resolution duly adopted.

I. 721 Avalon Park Property Purchased.

Mr. Peterson presented a plat of property at 721 Avalon Park, owned by Boyd E. and Mrs. Doris K. Wheeler. Mr. Peterson submitted a map of the campus to indicate the location of this property and its importance to the future development of the University. He stated that the property had a 40' front and a depth of 144'. There is a garage on the rear of the property and a 1½ story stone residence in good condition on the front of the lot. He explained that the property had a full basement, with a gas furnace, five rooms downstairs, including a bedroom, and two bedrooms, including a full bath, on the second floor. He and President Dickey recommended that the property be acquired for a price of \$17,000.

Members of the Board being advised, upon motion duly made, seconded and carried, the Vice President, Business Administration, was authorized to consummate purchase of this property.

J. Purchase of 258 College View Property Approved.

Mr. Peterson reported house and lot at 258 College View available for sale. He stated that this lot size is 22' x 90'. He explained that the University now owns all houses on the south side of College View, except three pieces of property. The area is being used as a parking lot for students and public attending the University or University events. He stated that this piece of property is very valuable to the University in its parking program and recommended that the property be acquired at \$6,250.00.

Members of the Board being advised, upon motion duly made, seconded and carried, authorized the purchase of 258 College View for the sum of \$6,250.00.

K. Agreement No. KY. 1131-36 Amendment Approved.

Mr. Peterson presented Agreement No. Ky. 1131-36 to Contract No. TV-13411A as amended by the University of Kentucky and the Tennessee Valley Authority. He stated that this contract was entitled "Effects of Fertilizers on Solubility and Availability to Plants of Other Soil Nutrients", and that this was a renewal and, if approved, would expire June 30, 1963. The schedule of payments by the Tennessee Valley Authority to the University for work concerned with the project gives a total of \$11,000 during the three-years period. He recommended that the contract be amended and extended for the period indicated.

Upon motion duly made, seconded and carried, the contract was authorized executed and approved.

L. Rental of Microscopes Approved.

Mr. Peterson reported that the University desired to make available to students of the College of Medicine microscopes on a rental basis. He stated that a rental charge of \$50.00 had been agreed upon, same to be used for repairs to microscopes and replacement. He stated that some of the students would undoubtedly purchase outright their microscopes, but others would find it necessary to rent them. He recommended that the request be approved.

Upon motion duly made, seconded and carried, the members authorized a rental charge of \$50.00 per school year for students desiring to rent microscopes instead of purchasing them for their personal use.

M. Property Assessment Payment Authorized.

Mr. Peterson stated that the City of Erlanger had made an assessment for water improvements on property in Erlanger, Ky., owned by the University. The assessment is \$286.60. He recommended that the amount be authorized paid from the proceeds of the sale of the Hallam property.

Upon motion duly made, seconded and carried, the recommendation was concurred in and the payment authorized.

N. Contract with the Board of Agriculture, Commonwealth of Kentucky, and the University of Kentucky Approved.

Mr. Peterson stated that he wished to recommend the approval of a contract between the Board of Agriculture, Commonwealth of Kentucky, Emerson Beauchamp, Chairman, and the University of Kentucky Agricultural Experiment Station, whereby the station will furnish personnel and facilities to operate and maintain a diagnostic laboratory for animal diseases that threaten the livestock industry within the confines of the Commonwealth. He stated that the Agricultural Experiment Station will operate the laboratory cooperatively, will work closely with the twelve District Veterinarians appointed by the

Board of Agriculture and the Agricultural Research Service, Animal Disease Eradication Branch, United States Department of Agriculture, and that the staff will make certain reports to the Board of Agriculture, Commonwealth of Kentucky, as stipulated in the contract.

The Board of Agriculture, Commonwealth of Kentucky, will set aside the sum of \$25,000 of allotted funds from its Division of Livestock Sanitation for reimbursing the University for expenses incurred. The payment of \$25,000 is to be made in four equal installments at the end of each quarter of the current fiscal year.

Members of the Board being advised, upon motion duly made, seconded and carried, authorized the contract approved and executed.

O. Coal Lease, Robinson Substation, Deferred.

Mr. Peterson submitted lease between the University of Kentucky and Vires Coal Company of Jackson, Ky. He explained that this contract contained most of the provisions normally found in coal lease agreements. It does not contain a plan of mining or provision for the company to hire engineers to make surveys, maps, etc. It was explained that the contract had been presented too late to be put on the agenda that went to members of the Board. At the suggestion of Mr. Smith, it was the unanimous action of the Board that the contract be deferred for further study.

P. President Dickey Reports to the Board.

Chairman and Members of the Board, before discussing Item No. 1, I would like to make a brief report on the beginning of this fall semester. I think we are all interested in how the University is faring and progressing. I would say that we are off to a very excellent start. It is yet too early to know the exact number of students that we will have. That will not be known until a week or ten days from now until registration is over.

I can report on something that we feel is of significance and that is the efforts to raise the standards at the University of Kentucky. From the self-study of the University which was completed last spring, we know that, for example, there is a rather marked increase in the number who are in the top half of their college qualification tests now entering the University. In 1956, in the College of Agriculture, we had only 29 per cent who scored in the top half of this test who entered the University and now that is up this year to approximately 50 per cent. In the College of Arts and Sciences in 1956 only 52 per cent were in the top half and now that is up to about 70 per cent. In the College of Commerce we have an increase and in the College of Education we also have an increase. In 1956 there were 60 per cent who

entered the College of Engineering who were in the top half and now there are almost 80 per cent in the upper half. We think this is indicative of the makeup of the student body. We believe that it is an indication that our emphasis on higher standards is paying dividends. Again I say I don't know what the enrollment will be but we think it will be higher than last year.

I think we can see that progress is being made in the terms of physical facilities. We dedicated this past week a new men's residence hall that houses 575 men. We are holding the dedication program this week for the Medical Center. We hope that all of you will be present for that and I would like to add at this time that some of you may find it impossible to be present for the dedication on Friday and Saturday, and if some of you have not had the opportunity to visit the Medical Center and would like to do so, Dr. Willard will be glad for any of you to go immediately after lunch for a visit in the Center in order that you can see what facilities will be dedicated on Friday of this week.

Another factor I should mention is that the Faculty Conference met at Spindletop for two days and this was a most fruitful meeting. Certainly the action taken this morning opened the way for the sale of the bonds and taking of the bids on the Chemical Building and Library Building indicates the University of Kentucky is truly moving forward and we are quite proud of the record that is being made.

Members of the Board asked a few questions and seemed delighted to receive the report of the President. Without objection the report was ordered put in these Minutes.

Q. Assignment of Lease, Feltner 4-H Camp Approved.

President Dickey read the following letter from Dean Welch:

August 29, 1960

Dr. Frank G. Dickey
President
University of Kentucky

Dear President Dickey:

In view of your suggestion that the attached material be submitted to you prior to the September meeting of the Board of Trustees, I am forwarding the material for your review.

Following is a brief history of the movement to build a 4-H camp near London, Kentucky, and a few reasons why the lease to the property should be made to the University of Kentucky.

In 1955 the Cooperative Extension Service joined with a group of lay leaders in Southeast Kentucky for the purpose of building a 4-H camp to serve the members of a nineteen county area.

The group of lay leaders formed a non-profit corporation known as Feltner 4-H Camp, Inc., and secured from the Department of Kentucky State Parks a ninety-nine year lease (attached) on 182 acres of land that is a part of the Levi Jackson State Park at London, Kentucky.

Since 1955 the Cooperative Extension Service has worked with Feltner 4-H Camp, Inc., and together have raised locally \$50,000 which was used to build a kitchen and dining room and to provide a water supply on the camp site. This year four weeks of camping were held on the new camp grounds using temporary facilities and the permanent building.

On May 19, 1960, the Board of Directors of Feltner 4-H Camp, Inc., requested that the University of Kentucky assume the lease on the camp property.

On August 11, 1960, the Board of Directors, Feltner 4-H Camp, Inc., accepted the attached agreement between the Kentucky Cooperative Extension Service and Feltner 4-H Camp, Inc.

A few of the reasons for the Board of Directors taking the above action are as follows:

1. That the interests of the University and its educational program in 4-H camping be safeguarded at all times.
2. To make it possible for public money to be contributed toward building of the camp.
3. That private contributors who give money or materials for establishing the camp will be supporting a permanent educational institution.
4. That University of Kentucky personnel can lend full support to the movement and still be in keeping with their legal responsibilities to the institution and their duties in carrying out the educational programs developed by the divisions of the institution.
5. That the Cooperative Extension Service will have complete freedom to carry out whatever type of camping program is developed for 4-H members.

The transfer of the lease from Feltner 4-H Camp, Inc., to the University of Kentucky has been approved by the Department of Kentucky State Parks and four copies of the proposed transfer lease are attached.

Dean W. L. Matthews, College of Law, has studied all the documents attached and reports that the interests of the University are safeguarded in all of them.

After the proper signatures by representatives of the University are affixed the Assignment of Lease should be transmitted to the Finance Commissioner and the Governor requesting their signatures to complete this transaction. When all signatures are affixed I would like to have a copy returned for our files.

Sincerely yours,

(Signed) Frank J. Welch
Dean and Director

The President stated that this property consisted of 182 acres of land and that for many years the University has been using the property. He recommended that the assignment of lease be accepted and approved and that the Governor and Commissioner of Finance be asked to approve the Agreement and sign the assignment of lease.

Upon motion duly made, seconded and carried, the assignment of lease was accepted and authorized approved on behalf of the University.

R. Directors of College of Education Training School Approved.

President Dickey reported that the Director of the College of Education Training School, Dr. Sasman, had given his resignation at a rather late date and that, possibly, the University could have held him to his contract, but it was thought best not to do so. He submitted a recommendation from Dr. Lyman V. Ginger, in which he concurred, that Dr. Leon Porter be named Acting Principal of the University High School and that Professor James Powell be appointed Acting Director of the University School for the current school year, with adjustments in salary. He further stated that these two persons are now working for the University and it seemed to be a very satisfactory solution at this time.

On motion duly made, seconded and carried, Dr. Leon Porter was approved as Acting Principal of the University High School and Professor James Powell as Acting Director of the University School for this school year.

S. Dr. G. W. Schneider Appointed Associate Director, Agricultural Extension Service.

President Dickey stated:

The recommendation of the appointment of Dr. G. W. Schneider was made by Dr. Frank J. Welch, Dean of the University of Kentucky College of Agriculture and Home Economics

and Director of the Extension Service. The person must have earned a doctorate, must have had success in teaching and field experience in agriculture, a broad background of agriculture, must be one that understands and works with a variety of people. A number of persons were interviewed for this position and I will say that several weeks ago when there was some speculation in the press relative to the appointment of Dr. Schneider, a question was raised about him and, as a consequence, Dr. Welch and his staff and I reviewed not only his credentials again but the credentials of a number of persons in order that we might be sure that we were recommending a person who could be recommended with every confidence as the best person. I have read several letters from people in the State in concurrence with this recommendation. The Director of Extension must work with County Agents, Field Agents, boys and girls and almost every citizen of the State. In Dr. Schneider, Dr. Welch and I feel that we have such a person. He was born in Ohio in 1916, was raised on a farm, received his degree from Ohio State, Master's Degree from Ohio State and Ph. D. from Rutgers. He served in the Navy two years. He is married and has two sons. Before coming to the University, he served at the North Carolina State College as Professor in charge of Extension, teaching and research work. Before that, he was on the faculty of Rutgers University and before that on the faculty of New Mexico State University. It is my privilege to recommend the appointment of Dr. G. W. Schneider as Associate Director of the Agricultural Extension Service.

Board Member Clifford Smith stated that he had made his own check and would vote "no" on the recommendation. He stated that he wished that a Kentuckian or a graduate of the University could be found for the position; that Dr. Schneider did not know Kentucky farmers and Kentucky soils, and was primarily a horticulturist.

Mr. Gatton stated that the agricultural agent in Jefferson County had spoken very highly of Dr. Schneider and seemed to hope that Dr. Schneider would be appointed to the position.

Mr. Hillenmeyer stated that he was favorably impressed with Dr. Schneider and that he would be glad to vote for the recommendation.

Dr. Thomas D. Clark, non-voting member of the Board, stated that he was very much impressed with Dr. Schneider, and that Dr. Schneider gave a very fine account of himself at a recent conference he had attended.

Mr. Foster wondered if the appointment might be deferred.

President Dickey explained that he and Dean Welch had reconvened the field of possible personnel for the job during the last five or six weeks and that they had come up with the same conclusion, that Dr. Schneider was the best man they could find to fill the position, and that he did not feel that Dr. Schneider would accept an appointment on a one-year basis.

Members of the Board being advised, on motion duly made, seconded and carried, the recommendation of the President was concurred in and Dr. G. W. Schneider was appointed Associate Director, Agricultural Extension Service, effective today. Those voting were: Aye, Harper Gatton, Dr. Ralph J. Angelucci, Mrs. Paul G. Blazer, Robert Hillenmeyer, R. W. Bushart, H. B. Murray, Floyd H. Wright, William F. Foster; Nay, Clifford Smith.

T. Budget, Appalachian Resource Project Approved.

President Dickey submitted a budget of the College of Agriculture and Home Economics for expending allotment from the Governor's Emergency Fund for Appalachian Resource Project, 1960-61. He explained that \$10,000 would be used for administrative salaries; \$2,250 for secretarial salaries; \$3,150 for current operating expenses, and \$12,000 for capital outlay, such as office and laboratory equipment.

Upon motion duly made, seconded and carried, the project was approved and the funds accepted.

U. Fees for Foreign Students Waived.

President Dickey recommended that Mr. Saidi Pandjaitan be awarded a free-fee scholarship for the first semester of the 1960-61 academic year. He also recommended that Miss Marie-Francoise Pomerai be granted a free-fee scholarship for the academic year 1960-61.

Upon motion duly made, seconded and carried, the recommendations of the President were concurred in and the granting of free-fee scholarships approved.

V. National Defense Fellowship Recipients Granted Free-Fee Scholarships.

President Dickey stated that the National Defense Fellowships were granted through the Department of Health, Education and Welfare. The University is the recipient of \$55,000 for National Defense Fellowships and the federal department has requested that the University not charge recipients University fees. President Dickey recommended that the 22 holders of National Defense Fellowships enrolled in our graduate program be granted exemption from the payment of the incidental fee charged by the University.

Upon motion duly made, seconded and carried, the recommendation was concurred in and the exemption granted.

W. Physicians' Services Plan in Medical Center Approved.

President Dickey submitted request from Dr. William R. Willard, College of Medicine, for approval of the Physicians' Services Plan. He asked Dr. Willard to explain more fully the service plan. Dr. Willard, having mailed to each member of the Board of Trustees a copy of the proposed Physicians' Services Plan, explained the plan in detail. He also read a proposed letter to The Fund for Advancement of Education and Research.

Dr. Willard also submitted a Statement of Principles Governing Appointments of Voluntary or Part-time Members of the Faculty of the College of Medicine and Appointments to the Medical Staff of the University Hospital. He stated that copies had been mailed to members of the Board and other copies were available if members wanted them for review at this time. The Physicians' Services Plan and the Statement of Principles Governing Appointments of Voluntary or Part-time Members to the Faculty of the College of Medicine and Appointments to the Medical Staff of the University Hospital were briefly discussed, and members of the Board being advised, upon motion duly made, seconded and carried, the Physicians' Services Plan was approved and authorized implemented, and the Statement of Principles Governing Appointments of Voluntary or Part-time Members of the Faculty of the College of Medicine and of the University Hospital was approved. President Dickey and the committee referred to in the Service Plan were authorized to fill in the blanks of both Plan and Statement, the effective date to be when the Plan is executed by the University and the committee involved.

EXHIBIT A

College of Medicine
September 14, 1960

UNIVERSITY OF KENTUCKY MEDICAL CENTER

PHYSICIANS SERVICES PLAN

ARTICLE I. NAME OF THE PLAN:

The plan shall be known as the PHYSICIANS' SERVICES PLAN of the University of Kentucky Medical Center.

ARTICLE II. SCOPE OF THE PLAN:

The Plan establishes policies and general procedures relating to compensation for services rendered by all physicians, regardless of specialty, with full-time faculty appointments in the College of Medicine. This Plan is applicable to compensation derived from salary and from the Medical Services Account both of which are established by the University Board of Trustees. The Plan is applicable to all services of such faculty members incident to the care of patients and to all other activities which are a part of the Medical Center program. Income from publications and honoraria for lectures or other activities which are not a part of the Medical Center program are excluded from the Plan, but would remain subject to policies and regulations of the Board of Trustees.

ARTICLE III. PURPOSE OF THE PLAN:

The purpose of the Plan is to facilitate proper functioning of the teaching, research and service programs of the Medical Center, consistent with the integrity and responsibilities of the University. With this purpose paramount in consideration, the operation of the Plan will be evaluated periodically with the underlying principles hereinafter set forth as guides.

ARTICLE IV. DEFINITIONS:

(a) The "FUND" as used herein means The Fund for Advancement of Education and Research in The University of Kentucky Medical Center, a non-profit corporation organized in 1959 under the laws of Kentucky to promote, advance and support the educational, research and other purposes of the University of Kentucky Medical Center. The "BOARD OF DIRECTORS OF THE FUND" means the Board of Directors of The Fund for Advancement of Education and Research in the University of Kentucky Medical Center, which Board consists of five members, including the President of the University of Kentucky, the Vice-President for the Medical Center of the University, the Chairman of the Executive Committee of the Board of Trustees of the University and two members appointed by the Board of Trustees of the University.

(b) The "FACULTY ADVISORY COMMITTEE OF THE FUND" as herein used means that Committee of The Fund for Advancement of Education and Research in the University of Kentucky Medical Center appointed by the Board of Directors of The Fund pursuant to Article X of this Plan.

(c) The "FACULTY ADVISORY COMMITTEE OF THE COLLEGE OF MEDICINE" as herein used means that Committee of the College of Medicine appointed by the Dean of the College of Medicine as provided in Article IX of this Plan.

(d) The "CLINICAL DEPARTMENTS" as herein used mean the following departments of the College of Medicine: Pathology, Medicine, Surgery, Pediatrics, Psychiatry, Obstetrics and Gynecology, Radiology, Community Medicine, and any other departments that in the future may be established and designated as clinical by the Board of Trustees of the University. "BASIC SCIENCE DEPARTMENT" as herein used means any of the other academic departments of the College of Medicine not specifically included in this definition of Clinical Departments.

(e) The "MEDICAL SERVICES ACCOUNT" as herein used means that separate depository account to be established as provided in Article VII of this Plan.

(f) The "BOARD OF TRUSTEES" as herein used means the Board of Trustees of the University which by law is the governing board of the institution.

ARTICLE V. UNDERLYING PRINCIPLES:

(a) Medical care will be provided in the Medical Center because it is essential to the teaching and research programs and to the proper use of the facilities and skills in the Center to reinforce health care resources in local communities throughout the Commonwealth.

(b) The kinds and volume of medical care provided by the Medical Center will be determined by the needs of the teaching, research and service programs of the Center.

(c) Medical Center patient care facilities will be used exclusively for activities which are part of the Center's teaching, research and service programs and separated areas will not be provided for private clinics or pavilions. All patients admitted to the Medical Center will receive care on an equal basis as part of the teaching and research program, irrespective of ability to pay or source of payment.

(d) An optimal teaching environment will imbue students with understanding, sympathy and respect for the patient as a person and will cultivate attitudes which are consistent with the highest ideals of the medical profession. To develop in students the ability to relate to patients differing widely in personality and environmental factors requires that teaching patients not be drawn from a single segment of society but rather that they represent a cross-section of the population. Moreover, optimal use of the Center's facilities in serving the needs of research activities requires absence of arbitrary restriction by social classification of patients. Such restrictions also would impair the value and usefulness to the people and physicians of the Commonwealth of the medical care resources available in the Center to reinforce resources available in local communities. In drawing teaching patients from all segments of the population, it will be the intent of the Medical Center to follow to the fullest extent possible the principle of strengthening the relationships between patients and their physicians by accepting patients upon referral of and returning patients with appropriate reports to physicians having responsibility for ongoing care, not precluding appropriate acceptance of patients requiring emergency care or upon referral of health and welfare agencies or the University Health Service.

(e) For a significant proportion of the patients admitted, it should be possible to obtain, either from the patient or some third-party agency on behalf of the patient, payment of all or part of the cost of hospital services. Where payment for such services is obtainable, the Medical Center will make appropriate charges to cover the cost of providing these services.

(f) Where payment is obtainable for hospital services, frequently payment will be obtainable for medical services rendered by physicians who are full-time members of the College of Medicine faculty and, with few exceptions, payment by or on behalf of patients for the medical services they receive is deemed proper and appropriate. Income derived from such services is incidental to the purposes for which patients are admitted to the Medical Center and in this sense is properly considered a "by-product" from the operation of the programs for which the Center exists.

(g) The professional interests of full-time members of the clinical faculty of the College of Medicine should be concentrated in academic medicine. Arrangements creating financial incentives for full-time faculty members which would tend to divert or dilute their concentration on teaching, research, and program responsibilities are not consistent with the mission of the Medical Center. Moreover, arrangements providing incentives for full-time members of the clinical faculty to compete with practicing physicians for private patients would place the Medical Center in a competitive rather than a supportive role.

(h) Each full-time member of the clinical faculty can rightfully expect:

1. The facilities, material and support needed for his teaching and research,
2. Ample opportunity to maintain and develop his clinical skills,
3. Compensation for his work on a basis which recognizes his responsibilities, competence, and productive effort and which is reasonably in line with compensation which he could obtain elsewhere in academic medicine.

Success in attracting and holding an outstanding clinical faculty will depend on meeting these expectations.

(i) Assurance that the level of compensation for full-time members of the clinical faculty is competitive with other good medical teaching centers and adequate to attract and maintain a strong, competent faculty is basically the responsibility of the University. Responsibility should rest with the University not only for ensuring that initial and subsequent levels of remuneration are adequate, but also for ensuring that such levels are not excessive. Through budgetary and related actions, the University should, to the extent possible and permissible, assure the faculty member that his total remuneration from all sources will be in accord with a predetermined level which is fixed consistent with adequacy and which is periodically reviewed.

(j) Payments received for physicians' services rendered by members of the full-time faculty of the College of Medicine should be used only for remuneration of such faculty, in such manner and in such amounts as determined by the Board of Trustees, and for such other purposes in the Medical Center as may be recommended by representatives of the full-time faculty of the College of Medicine.

(k) With respect to each member of the full-time clinical faculty of the College of Medicine, the amount of total compensation will be established by the Board of Trustees in the operating budgets of the Medical Center. The manner and extent to which compensation from the Medical Services Account is combined with other compensation will be reviewed annually by the Board of Trustees with the objective of providing stability of total compensation without impinging on the freedom of faculty members to apportion their time and efforts among teaching, research, and patient care activities as determined by their interests and program responsibilities.

ARTICLE VI. SETTING OF CHARGES FOR PHYSICIANS' SERVICES:

Standard schedules of charges for physicians' services, as developed from time to time by the various clinical departments of the College of Medicine, subject to review by the Faculty Advisory Committee and approval by the Dean of the College of Medicine, will be the general basis for assessing such charges to patients. However, the amount of charges to any individual patient may be adjusted as determined by the physician rendering the services, if variation from standard charges is deemed by him to be warranted by the circumstances.

ARTICLE VII. BILLING AND COLLECTION OF CHARGES FOR PHYSICIANS' SERVICES:

Charges for services rendered by the full-time members of the faculty of the College of Medicine will be billed by the Medical Center in a manner naming the physician rendering the service. Billing of charges from the Medical Center for physicians' services will be coordinated with billing for hospital services. Collection of all amounts so billed will be handled by the Medical Center, with undesignated receipts from or on behalf of individual patients being applied on a prorated basis to payment of hospital charges and to payment of charges for physicians' services. Major problems relating to collection from patients of charges for physicians' services will be handled in a manner that is subject to the concurrence of the physician rendering the services to the patient. Any payments, other than compensation as established by the Board of Trustees, which are received by full-time faculty members for professional services within the scope of the Plan shall be transmitted on a current basis to the Medical Center for inclusion with other funds collected for physicians' services.

All funds collected or received by the Medical Center for services rendered by full-time members of the faculty of the College of Medicine shall be so collected and received by the Medical Center as Trustee for the Fund for the Advancement of Education and Research in the University of Kentucky Medical Center. Such funds shall be segregated upon receipt and shall be paid over by the Medical Center to the Fund by depositing the same in a separate account of the Fund in such depository as may be designated. Such separate account shall be designated and known as the Medical Services Account of the Fund.

ARTICLE VIII. USE OF FUNDS DEPOSITED IN THE MEDICAL SERVICES ACCOUNT:

As a standing policy, The Fund for the Advancement of Education and Research in the University of Kentucky Medical Center will use and expend all monies and funds deposited in the Medical Services Account to the extent available for the following purposes:

(a) Compensation to members of the full-time clinical faculty of the College of Medicine in such amounts as may be necessary to provide the difference between other University compensation and the total compensation as established by the Board of Trustees in the operating budget of the Medical Center. The operating budget will show the amounts to be paid from the Medical Services Account, which amounts are dependent upon the availability of funds.

(b) Such other purposes in the Medical Center as from time to time may be recommended to the Board of Directors of the Fund by the Faculty Advisory Committee of the Fund provided, however, that such funds may not at any time be used for payment to members of the full-time faculty of the College of Medicine of income in excess of the total compensation established for the individual members thereof by the Board of Trustees in the operating budget of the Medical Center.

ARTICLE IX. THE FACULTY ADVISORY COMMITTEE OF THE COLLEGE OF MEDICINE:

The Dean of the College of Medicine shall appoint a Faculty Advisory Committee of the College of Medicine, which Committee shall consist of the chairmen of all clinical departments of the College, the chairman of one of the basic science departments of the College and such other faculty members as the Dean deems desirable. The Dean will serve ex-officio as Chairman of the Committee. The Committee will meet at least quarterly and shall review the operation of this Plan, including matters relating to the applicability of the Plan to sources of income, standard schedules of charges for physicians' services as developed by the clinical departments and any other aspects of the operation of the Plan. This Committee shall make such recommendations as it may deem appropriate to the Dean of the College of Medicine with respect to the modification of the policies and procedures provided by this Plan or utilized in its operation.

ARTICLE X. THE FACULTY ADVISORY COMMITTEE OF THE FUND:

The Board of Directors of the Fund will establish within the organizational structure of the Fund a Faculty Advisory Committee, which shall consist of all the members of the Faculty Advisory Committee of the College of Medicine. The Chairmen of the clinical departments and the chairman of the basic science department shall be the only voting members of this Committee of the Fund except that the Dean of the College of Medicine shall vote upon motions on which the other voting members of the Committee are equally divided. It shall be the duty of the Faculty Advisory Committee of the Fund to make recommendations from time to time to the Board of Directors of the Fund on the use of monies in the Medical Services Account of the Fund, specifically with respect to use of such monies pursuant to subparagraph (b) of Article VIII of this Plan and within the purposes authorized by the Articles of Incorporation of the Fund. In the performance of its duty the Committee shall review the status of the Medical Services Account, for which review the Fund shall provide summary statements of deposits, expenditures and commitments by major categories.

ARTICLE XI. LIMITATIONS ON MEDICAL PRACTICE BY FACULTY MEMBERS:

As a condition of employment, physicians who are full-time faculty members in the College of Medicine will not maintain offices or engage in the practice of medicine outside of the approved programs of the Medical Center except in infrequent and special circumstances as in emergencies and in other situations where provision of service is required by professional ethics.

ARTICLE XII. EFFECTIVE DATE:

Upon approval by the Board of Trustees of the University of Kentucky, the Physicians' Services Plan will be effective as of _____, 196____. Subsequent modifications or amendments of the Plan will be effective upon approval of the Board of Trustees or as of such date as may be specified by the Board of Trustees.

EXHIBIT B

College of Medicine
September 14, 1960

UNIVERSITY OF KENTUCKY MEDICAL CENTER

Principles Governing Appointments of Voluntary or Part-Time Members to the Faculty of the College of Medicine and Appointments to the Medical Staff of the University Hospital.

Definitions

Voluntary faculty members in the College of Medicine are those who have an official faculty appointment in the College for which no stipend or salary is received and who devote only a part of their time to the program of the medical school. Usually such faculty members are engaged in the private practice of medicine, but they may hold full-time positions with other institutions and agencies.

Occasionally the situation of a person who otherwise would be a voluntary faculty member is such that he can give a substantial fraction of his time to the College of Medicine and the College may need and desire his extensive participation in the program. In this case, he may be paid a stipend and be classified as a part-time faculty member.

The principles in this memorandum cover appointments of both voluntary and part-time faculty members.

General Considerations

The University believes that academic and patient care programs of the University of Kentucky Medical Center will be enhanced by the participation of voluntary and part-time faculty, and that advantages will accrue to patients, students, the medical profession, the University, and the Community. Some pertinent reasons for this are as follows:

1. Students and full-time faculty will obtain a better perspective of community problems and the role of the medical profession; conversely, the medical profession in this area will understand better the programs and role of the Medical Center in the local community and the State. Participation of practicing physicians in the teaching program will give medical students fuller understanding of the problems of the community and the practice of medicine. The voluntary and full-time faculty members will complement and supplement each other and will serve as leaven to each other for the advancement of medical teaching and the stimulation of student interest.

2. The voluntary and part-time faculty members often have special competence in certain types of clinical experience such as the subspecialties and the illnesses most commonly dealt with in family practice. Hence, they are prepared to make an important contribution to teaching and patient care.

3. It is difficult even in the most completely staffed medical schools to have sufficient full-time faculty members to engage in all the necessary teaching activities, particularly when the emphasis is on small group teaching and prolonged contact with, and supervision of, the student. Thus, the voluntary and part-time faculty members can provide significant assistance to the total teaching program.

4. Participation in teaching is the most effective type of continuing education for practicing physicians. By facilitating this participation, the medical school can contribute to further education of a number of the physicians in its community. In this way it can help to lessen the gap in time which frequently exists between the discovery of new medical knowledge and its application in the community.

Principles

To insure participation of voluntary faculty that is fruitful from the point of view of the student, useful in the program responsibilities of the Medical Center, and productive for the participating physician himself, it is necessary and important that certain general principles be delineated. With this in view, the following principles have been formulated to govern official appointments of voluntary and part-time faculty members:

1. The essence of a fruitful and satisfactory relationship between full-time and voluntary faculty lies in active participation of the voluntary faculty members in the affairs of the departments to which they are attached. This relationship can be achieved through participation in committee activities, meetings, seminars, regular teaching assignments with medical students and house staff, or in other related Medical Center activities. Such participation may be in any official and continuing program of the Medical Center, whether based in the Medical Center, an affiliated hospital, or elsewhere.

2. Appointments to the voluntary or part-time faculty should not be based solely upon the success of an individual in practice of medicine, or the attainment of clinical, investigative, service, or administrative distinction in the community. To qualify for faculty appointment, the individual should have competent training, demonstrated interest in teaching, research, or other aspects of the Medical Center's program, and the desire to fulfill that interest by appropriate participation.

3. All appointments to the voluntary and part-time faculty should be on an annual basis with decision on re-appointment based upon annual evaluation.

4. Designation of rank is often difficult. It is desirable to make such designation on the basis of established criteria which recognize professional accomplishments, length of time in practice, extent of postgraduate education, and which minimize the need for arbitrary determination of rank by the chairman of the department.

5. Appointments to the voluntary or part-time faculty shall carry defined responsibilities. The time requirements of teaching and other responsibilities shall be outlined in detail and shall be understood in advance of appointment. It must be clearly and firmly understood that all commitments to program activities must be kept, that those accepting appointments shall be prepared to make the necessary sacrifices, economic and temporal,

which this entails. In view of the time requirements involved, some individuals may wish automatically to exclude themselves from consideration for appointment.

6. Appointments of voluntary faculty will be made by the Board of Trustees on recommendation of the chairman of the respective department and the Dean of the College of Medicine. Renewal of appointment and advancement in rank will be made in similar manner. As the basis for his recommendations, the chairman of the department will be charged with ascertaining and evaluating the training, experience, competence, interest, and professional and personal conduct of each person, and changes in these factors as they might influence promotion or discontinuance of appointment. The chairman of the department will give the basis for his recommendation in writing to the Dean of the College of Medicine whenever requested.

7. The duties of each voluntary faculty member will be assigned by the chairman of his department. All matters relating to the conduct and performance of the voluntary faculty member in the University Hospital and in the College of Medicine shall be under the surveillance and supervision of the chairman of his department.

8. The basic clinical training of any physician or other person appointed to the voluntary or part-time faculty should be such as to qualify him as a specialist in the area in which he will be teaching. Although it is not necessary that a physician be certified by the appropriate specialty board, generally speaking his qualifications, achievements, or recognition should be of an equivalent degree. In recommending a person for an appointment, the chairman of the department assumes the responsibility of evaluating qualifications in this regard and certifying the clinical and teaching competence of the person involved.

Clinical Academic Titles and Ranks

The academic titles for physicians on the voluntary and part-time faculty will be those generally used by schools of medicine and are as follows: (1) Clinical Assistant, (2) Instructor of Clinical _____, (3) Assistant Professor of Clinical _____, (4) Associate Professor of Clinical _____, (5) Professor of Clinical _____, (6) Lecturer. Initial and subsequent appointments should be made in accordance with the criteria set forth in the following paragraphs, although it is understood that some exceptions may be necessary since the age and experience qualifications for certain ranks may vary from department to department. Moreover, some deviations from this pattern may be necessary to accommodate the needs of the departments concerned and this will be permitted, provided justification can be presented when required. Such exceptions should be infrequent and subject to review by the appropriate faculty committee or council of the College of Medicine.

(1) Clinical Assistant. This teaching appointment will usually be given to a voluntary or part-time faculty member who has just completed residency or fellowship training. Individuals possessing up to three to five years of clinical experience after internship should be appointed to this rank. Experience in related subject areas may qualify in part, in lieu of clinical experience. Such cases will occur only when the individual's qualifications are important in the teaching program. Usually the individual will serve for at least two years in this capacity before promotion to the next higher grade.

(2) Instructor of Clinical _____. This should apply to physicians with five to ten years of clinical experience after the internship. A minimum of three years usually should elapse before promotion to the next higher grade.

(3) Assistant Professor of Clinical _____. This appointment should be for individuals who have ten to fifteen years of clinical experience after the internship. This applies to either the initial appointment or to advancement from one of the other ranks. A minimum of five years service in this rank will normally be required before advancement to the next rank.

(4) Associate Professor of Clinical _____. This rank will be reserved for persons who have demonstrated interest and superior teaching experience and who have had fifteen or more years of clinical experience following internship. Advancement to full professor will be limited to a small number of individuals who have made outstanding contributions to medicine in the community or in the College of Medicine.

(5) Professor of Clinical _____. This rank will usually be limited to persons having rendered distinguished performance and who possess twenty or more years of clinical experience beyond the internship.

(6) Lecturer. Special titles, like Lecturer, may be given under appropriate circumstances and will not be restricted to physicians.

Appointments to the University Hospital Attending Staff

Physicians in the Lexington community who are members of the voluntary or full-time faculty will be permitted to admit and treat patients in the University Hospital in accordance with Medical Center policies and procedures. These policies and procedures have not been defined in detail; however, all patients in the Medical Center will be teaching patients. Admission policies will be established primarily to meet the needs of the academic program and will be designed to avoid an undesirable economic impact upon community hospitals in the Lexington area.

The organization of the Medical staff for the University Hospital has not yet been determined. However, following general principles are set forth subject to such modification and expansion as the ultimate professional structure may dictate.

1. Attending staff privileges will be accorded only to those who hold faculty appointments in the College of Medicine and who fulfill their teaching commitments.

2. Appointment to the attending staff will be upon recommendation by the chief or director of the hospital service involved to the Medical Board acting as the credentials committee.

3. Recommendations for appointments approved by the Medical Board will be transmitted to the administrator of the University Hospital for further processing by the usual procedure for other University appointments.

4. The rank of the appointee on the attending staff will relate to his faculty rank in the following manner:

College of Medicine Rank

University Hospital Rank

Full Time

Professor and Chairman

Chief Director of the Service

Professor

Senior Physician or Surgeon,
Psychiatrist, etc.

Associate Professor

Associate Physician, etc.

Assistant Professor

Assistant Physician, etc.

Instructor)
Assistant)
Fellow)

Clinical Assistant Physician, etc.

Voluntary or Part Time

Professor of Clinical _____

Visiting Physician, etc.

Associate Professor of Clinical _____

Associate Visiting Physician, etc.

Assistant Professor of Clinical _____

Assistant Visiting Physician, etc.

Instructor of Clinical _____)

Clinical Assistant Visiting
Physician, etc.

or _____)
Clinical Assistant of _____)

Academic Titles and Rank other than Clinical

Among persons on the professional staffs of agencies or organizations in the health and related fields there will be some individuals who can contribute significantly to the program of the Medical Center through participation in academic activities of a Medical Center department and who will desire to do so. In some instances the contribution of services by individuals who are full-time employees of such an organization or agency will reciprocate for services contributed to that organization by Medical Center full-time personnel.

In these and other instances persons may be appointed to the faculty on a voluntary or part-time basis who will be engaged in other than clinical activities. With respect to such persons the use of the term "clinical" in their title may be misleading or inappropriate. In such instances the term "adjunct" will be used in lieu of "clinical" in academic titles as follows: (1) Adjunct Instructor of _____, (2) Adjunct Assistant Professor of _____, (3) Adjunct Associate Professor of _____, (4) Adjunct Professor of _____.

Criteria for assignment of rank to individuals who have been engaged primarily in academic or administrative capacities may vary from the criteria established for the assignment of ranks to those who have been primarily engaged in the practice of medicine. Department chairmen will be responsible for ascertaining the qualifications of appointees to affiliated faculty positions and for recommending academic rank appropriate to the individual's qualifications and consistent with the prevailing relationship of rank to experience and productivity for other faculty of the Medical Center, and with due consideration to any special factors pertaining to rank assignment within the individual's field of specialty.

General considerations underlying the establishment of categories for affiliated faculty appointments are similar to those pertaining to other voluntary or part-time members of the faculty of the College of Medicine.

EXHIBIT C

Proposed Draft of Letter from the Fund to the University

As requested in your letter of _____, we have examined the Physicians' Services Plan as submitted to us and have given careful consideration to your proposal that the Fund receive and use monies and perform certain other functions in accordance with the provisions of the Plan.

It is our conclusion that the functions and responsibilities which you propose the Fund undertake are within the purposes of the Fund as set forth in our Articles of Incorporation, and subject to conditions set forth in the following paragraph of this letter, we accept your proposal. In so agreeing, we assure that any monies transmitted to the Fund under the Plan will be used exclusively for purposes pursuant to Article VIII of the Plan and in accordance with determinations made in the manner specified in Articles VIII and X of the Plan. With respect to the establishment of the Faculty Advisory Committee of the Fund pursuant to Article X of the Plan, we further agree to provide in the By-laws of the Fund for establishment and duties of such Committee in a manner consistent with the Plan.

Our acceptance of your proposal and our assurances relative thereto are predicated on the following conditions:

- a) That in the relationship created, between the Fund and the University, the Fund does not assume directly or indirectly any responsibility or powers with respect to the Plan, its operation and enforcement, other than expressly provided in the Plan;
- b) That it is clearly understood that the Plan does not confer directly or indirectly upon the Fund any authority or responsibility with respect to either the professional activities of physicians in the Medical Center or the patient care programs of the Medical Center; and

- c) That any amendment or modification of the Plan which alters the duties and powers of the Fund under the Plan be submitted to and accepted by the Fund prior to being made effective.

With respect to implementing the Plan, the Fund will authorize the Medical Center to receive as Trustee for the Fund all monies collected under the Plan and will direct that these be paid over to the Fund by deposit to a restricted account, designated as the Medical Services Account of the Fund, to be established and maintained by the Treasurer of the University of Kentucky, provided that the University Board of Trustees by resolution grants prior approval of such receipt of such monies by the Medical Center, and by the Fund, and of the establishment of such account.

It is proposed that the University at appropriate intervals thereafter notify the Fund in writing of projected needs for expenditures from the Medical Services Account in accordance with Article VIII subsection (a) of the Plan. From time to time upon receiving such notification with appropriate documentation, the Fund will by letter authorize the University to make withdrawals of funds from the Medical Services Account in a manner consistent with projected requirements and availability of funds in the Account. Similarly, it is proposed that from time to time at appropriate intervals the Fund will authorize withdraws from the Account for expenditures pursuant to Article VIII subsection (b) of the Plan.

For its information and records, under the proposed arrangements, the Fund would require from the Treasurer of the University monthly statements of the Medical Services Account, showing deposits, and withdrawals and balances carried forward and remaining in the Account.

EXHIBIT D

Proposed Draft of Letter from the University to the Fund

In connection with the carrying out of program activities in the University of Kentucky Medical Center, professional services will be rendered by physicians who are full-time members of the faculty of the College of Medicine and under prescribed conditions charges will be made and payments received for such services. The Physicians' Services Plan of the University of Kentucky Medical Center, a copy of which is attached hereto and made a part hereof, has been developed to prescribe policies and general procedures with respect to such charges and payments.

We have examined your Articles of Incorporation and believe it to be desirable that monies received pursuant to the Plan be handled, administered and expended by the Fund for certain uses within the purposes of the Fund. We have formulated the provisions of the Plan accordingly. As provided in the Plan, the Medical Center would receive all such monies as Trustee for the Fund and would transmit these to the Fund by deposit to a special account of the Fund, to be known and designated as the Medical Services Account. Monies so transmitted would be used by the Fund in

accordance with the provisions of Article VIII of the Plan

In Article X, the Plan provides for the establishment by the Fund of a Faculty Advisory Committee to make recommendations to the Fund with respect to the use of monies in the Medical Services Account pursuant to Article VIII, subsection (b). In this connection, we further propose that provision for such Committee and its functions be made in the By-laws of the Fund.

We will appreciate your examination of the Physicians' Services Plan. If you find that the functions and related responsibilities to be assumed thereunder by the Fund are acceptable, please let us have in writing your acceptance together with your assurance that monies transmitted to the Fund in accordance with the Plan will be used by the Fund as provided in the Plan and that the Committee will be established as proposed.

X. Bandung, Indonesian Contract Approved.

President Dickey submitted amendment No. 5 to the contract between the United States of America and the University of Kentucky ICA-W-688 (Bandung). He stated that this was an extension of an existing contract and merely extended the time of completion from July 2, 1961, to June 30, 1963. He stated that the University authorities involved had studied the amendment and extension and he recommended its approval.

Upon motion duly made, seconded and carried, the Bandung, Indonesian Contract extension was authorized approved and executed.

Y. Gifts.

From: IBM Corporation, Lexington,
Ky. --\$170.00.

President Dickey presented to the Board check from IBM Corporation, in the amount of \$170.00, and stated that this donation is the result of IBM's matching gift educational program. He recommended that it be accepted, and upon motion duly made, seconded and carried, the check was authorized accepted, and the President was requested to write a letter to officials of IBM.

From: International Telephone and Telegraph Corporation, N. Y. --\$1,500.00.

President Dickey reported that International Telephone and Telegraph Corporation had given to the University their check for \$1,500.00, \$1,000 of which is in support of two \$500.00 scholarships for the school year 1960-61, and \$500.00 for use and benefit of the Department of Electrical Engineering. He stated that the continuing interest of this Corporation in the work of the College of Engineering has been of great benefit to the University, and recommended that the check be accepted.

Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President and requested him to thank the donors.

From: The Union Light, Heat and Power Company, Covington, Ky. --\$500.00.

President Dickey reported receipt of check for \$500.00 by the Kentucky Research Foundation from the Union Light, Heat and Power Company, in support of the Company's scholarship in the College of Engineering. He recommended that the check be accepted, and upon motion duly made, seconded and carried, the Board recommended acceptance of the gift and requested the President to write a letter of appreciation to officials of the Company.

From: Central Supply and Equipment Company, Danville, Ky. --\$1,000.00.

President Dickey reported that Central Supply and Equipment Company had given their check, in amount of \$1,000.00, to the Kentucky Research Foundation, in support of their two scholarships for the school year 1960-61. The President recommended that this gift be accepted, and upon motion duly made, seconded and carried, the gift was authorized accepted, and the President was requested to write a letter of appreciation to Central Supply and Equipment Company.

From: Kentucky Concrete Pipe Company, Frankfort, Ky. --\$500.00.

President Dickey presented check for \$500.00 from Kentucky Concrete Pipe Company, given in support of their scholarship program. The President recommended acceptance of this gift and, on motion duly made, seconded and carried, the Board concurred in the recommendation and requested him to write a letter thanking the Company for their help.

From: Foundry Educational Foundation, Cleveland, Ohio--Two Checks, for \$500.00 and \$1,000.00 Respectively.

President Dickey presented check for \$500.00 from The Foundry

Educational Foundation, to be placed in a discretionary fund and used for benefit of the College of Engineering. He also presented a second check from the Foundation to be used in support of its scholarships for the first semester of 1960-61. The President recommended that these two checks be accepted, and upon motion duly made, seconded and carried, the Board authorized the checks accepted, and asked President Dickey to thank the donors.

From: United States Steel Foundation, Inc.,
N. Y. --\$6,000. 00.

President Dickey reported that the United States Steel Foundation, Inc., had given to the University the sum of \$6,000. 00 to cover its recently established two-year graduate fellowship in history. He stated that the University is proud to have a part in the United States Steel Foundation Fellowship Plan and will bend every effort to choose a recipient who will measure up to the high standards of scholarship maintained by the Foundation Fellows throughout the Nation. He recommended that this grant be accepted, and upon motion duly made, seconded and carried, the Board authorized acceptance of the grant and requested the President to express to the donors the appreciation of the Board of Trustees and the University.

From: Kengas-Western Kentucky Gas
Company--Two Checks of \$250. 00
Each.

President Dickey presented two checks, \$250. 00 each, made to the Kentucky Research Foundation by the Kengas-Western Kentucky Gas Company, and stated that these checks cover the renewal of the Kengas Agricultural Engineering Scholarship for the 1960-61 school year. He recommended that the gift be accepted, and upon motion duly made, seconded and carried, the checks were authorized accepted and the President was requested to thank the Company.

From: Anonymous Donor--\$500. 00.

President Dickey reported that \$500. 00 had been presented to the Kentucky Research Foundation by a donor who wished it used for a scholarship but who did not want his name mentioned in connection with the gift. He recommended that the gift be accepted, and upon motion duly made, seconded and carried, the gift was ordered accepted.

From: The Allen Company, Winchester,
Ky. --\$500. 00.

President Dickey presented check for \$500. 00, made to the Kentucky Research Foundation from The Allen Company, in support of their scholarship for the year 1960-61. He recommended that the grant be accepted, and upon motion duly made, seconded and carried, the check was ordered accepted, and the President was requested to thank the donors.

From: Sears Roebuck Foundation, Chicago,
Illinois--Two Checks, for
\$3,300.00 and \$1,200.00.

President Dickey reported that Sears Roebuck Foundation had given to the University two checks, for \$3,300.00 and \$1,200.00 respectively, to provide scholarships in the College of Agriculture and Home Economics for the fiscal year 1960-61. He recommended that the gifts be accepted, and upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President and requested him to thank the Sears Roebuck Foundation.

From: Kentucky Utilities Company, Lexington, Ky. --\$375.00.

President Dickey reported that the Kentucky Utilities Company had given to the Kentucky Research Foundation their check for \$375.00 to be used in support of their scholarships in the College of Engineering for the first semester of 1960-61. He recommended that these checks be accepted, and upon motion duly made, seconded and carried, the Board ordered the checks received, and requested the President to write a letter of appreciation to the donors.

From: The General Electric Foundation,
Ossining, N. Y. --\$443.00.

President Dickey reported that the University had received from the General Electric Foundation their check for \$443.00, which comes to the University as a result of the Foundation's Corporate Alumnus Program. He expressed his appreciation of the Foundation's continued interest in the University's scholarship program and recommended that this check be accepted. Upon motion duly made, seconded and carried, the Board ordered the check received and requested the President to thank officials of the General Electric Foundation for their generosity.

From: The Kanner Foundation--\$75.00.

President Dickey presented check for \$75.00 from the Kanner Foundation to cover an award for a junior pre-medical student for next year. He recommended that this be accepted, and upon motion duly made, seconded and carried, the gift was ordered accepted, and the President was requested to thank the Kanner Foundation.

From: The Schlumberger Foundation,
Houston, Texas--\$1,000.00.

President Dickey reported that the University had received from the Schlumberger Foundation its check for \$1,000.00 in payment of the grant to this institution of a Schlumberger Collegiate Award for 1960-61. He recommended that the grant be accepted, and upon motion duly made, seconded and carried, the check was ordered accepted, and the President was requested to make acknowledgment of the same.

From: American Air Filter Foundation,
Louisville, Ky. --\$1,000.00.

President Dickey stated that The Kentucky Research Foundation was in receipt of \$1,000.00 from the American Air Filter Foundation, to be used in support of their scholarships for the year 1960-61. He expressed his appreciation of the continuing interest of this Foundation in the scholarship program of the Kentucky Research Foundation, and recommended that the check be accepted. Upon motion duly made, seconded and carried, the gift was ordered accepted, and the President was requested to thank the donors.

From: Armco Foundation, Middletown,
Ohio--Three Checks Amounting
to \$1,950.00.

President Dickey presented to the Board three checks, amounting to \$1,950.00, which the Armco Foundation had given to the University in support of three Armco Community Scholarships. He recommended that these checks be accepted, and upon motion duly made, seconded and carried, the President was authorized to accept the checks and was requested to thank the donors for their gift.

From: Smith Kline & French Laboratories,
Philadelphia, Pa. --Check for
\$4,000.00.

President Dickey stated that Smith Kline & French Laboratories had given to the University their check in the amount of \$4,000.00 to be used in support of the Experiment Station's project on an evaluation of virginiamycin as an additive to beef cattle. He recommended that the check be accepted, and upon motion duly made, seconded and carried, the check was ordered accepted, and the President was requested to thank officials of the Smith Kline & French Laboratories.

From: Ralph E. Mills Foundation--\$500.00.

President Dickey presented a check for \$500.00 which the Ralph E. Mills Foundation made to the Kentucky Research Foundation, and stated that the Foundation wished the fund used for a scholarship. He recommended that the check be accepted, and upon motion duly made, seconded and carried, the Board authorized acceptance of the check and requested the President to write a letter thanking the Ralph E. Mills Foundation.

From: Western Kentucky Mining Institute,
Madisonville, Ky. --\$250.00.

President Dickey stated that he held a check for \$250.00, made to the Kentucky Research Foundation by the Western Kentucky Mining Institute, in support of the Henry A. Petter Scholarship for the first semester of the 1960-61 school year. He recommended that this gift be accepted, and upon motion duly made, seconded and carried, the check was ordered accepted, and the President was requested to write a letter of appreciation to officials of the Institute.

From: Hinkle Contracting Corporation,
Paris, Ky. --\$200.00.

President Dickey stated that the Hinkle Contracting Corporation had given to the University their check for \$200.00, in support of their scholarship for the year 1960-61. He recommended that the check be accepted, and upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President and requested him to thank the donors.

From: Western Electric Company,
Burlington, N. C. --\$500.00.

The President stated that Western Electric Company had given to the University \$500.00, in support of their scholarship for an upperclassman in Electrical Engineering. He recommended acceptance of the gift, and upon motion duly made, seconded and carried, the Board authorized the President to accept the check, and requested him to write a letter thanking Western Electric Company.

From: Blue Diamond Coal Company,
Knoxville, Tenn. --\$970.00.

President Dickey stated that the Kentucky Research Foundation was in receipt of check for \$970.00 from the Blue Diamond Coal Company, to support the Alexander Bonnyman Memorial Scholarships for the first semester. He recommended that the gift be accepted, and upon motion duly made, seconded and carried, the Board authorized acceptance and requested the President to express their appreciation to the Blue Diamond Coal Company.

From: Fannie and John Hertz Engineering Scholarship Foundation, Los Angeles, Calif. -- Three Checks, for \$300.00, \$275.00 and \$262.50.

President Dickey reported that the Fannie and John Hertz Engineering Scholarship Foundation had given to the University three checks, for \$300.00, \$275.00 and \$262.50, respectively, to cover scholarships in the College of Engineering for the first semester of the current year. He recommended that these checks be accepted, and upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President and asked him to thank the Foundation.

From: Sealtest Foods, Louisville, Ky. -- \$100.00.

President Dickey presented check for \$100.00, given to the University by Sealtest Foods, to be used as a Scholarship Fund for a Dairy Science student. He stated that he greatly appreciated the fine support of this Company in the program of the University, and recommended that the check be accepted. Upon motion duly made, seconded and carried, the check was authorized accepted, and the President was requested to thank Sealtest Foods.

From: Smith Kline & French Laboratories, Philadelphia, Pa. -- \$5,000.00.

President Dickey presented check for \$5,000.00 from Smith Kline & French Laboratories, to be used in support of a project of the Experiment Station entitled "Growth Stimulants for Swine". He recommended that the grant be accepted, and upon motion duly made, seconded and carried, the Board concurred in the recommendation and requested the President to thank the donors.

From: Union Light, Heat and Power Company, Covington, Ky. -- \$500.00.

President Dickey reported check for \$500.00 presented to the University by Union Light, Heat and Power Company, to be placed in the scholarship fund of the Northern Center. He recommended that this check be accepted, and upon motion duly made, seconded and carried, the Board approved acceptance of the gift and asked the President to write a letter of appreciation to the Company.

From: Graham Friends -- \$5.00.

President Dickey reported that the Kentucky Research Foundation had received \$5.00 from Mr. and Mrs. B. G. Sherman, Morristown, N. Y., to be placed in the Graham Memorial Fund, in memory of the late Dean Graham. He recommended that the gift be accepted, and upon motion duly made, seconded the check was authorized accepted, and the President was requested to thank Mr. and Mrs. Sherman.

From: Lexington Council of Jewish Women
--\$250.00.

President Dickey read a communication from Dean M. M. White, College of Arts and Sciences, reporting that the Lexington Council of Jewish Women had given to the University \$250.00 for scholarship uses in the Audiology Clinic. He explained that this gift is one of a series of similar gifts from this organization, and recommended that it be accepted. Upon motion duly made, seconded and carried, the gift was ordered accepted, and the President was asked to convey to the Lexington Council of Jewish Women the appreciation of the Board of Trustees and the University.

From: Tube Turns Division of Chemetron
Corporation, Louisville, Ky. --
One Back-reflection X-ray
Diffraction Camera.

President Dickey reported that Tube Turns Division of Chemetron Corporation had given to the University one back-reflection x-ray diffraction camera which will be of great and immediate benefit to graduate work in the College of Engineering. He recommended that this gift be accepted, and upon motion duly made, seconded and carried, the Board concurred in the recommendation and asked the President to write a letter of appreciation in their behalf.

From: Columbia Gas Company of Kentucky,
Lexington, Ky. --Thermostatically
Controlled Burners for Experimental
Laboratory.

President Dickey stated that the Columbia Gas Company of Kentucky had given to the School of Home Economics thermostatically controlled burners for the experimental laboratory, that will be of tremendous benefit to the University, and recommended that they be accepted. Upon motion duly made, seconded and carried, the burners were ordered accepted, and the President was requested to thank the donors.

From: Dr. Emmet Field Horine, Brooks,
Ky. --Collection of Harvey and
Servetus.

President Dickey stated that Dr. Emmet Field Horine, Brooks, Ky., had given to the University for the Medical Center Library, a collection of works on William Harvey, discoverer of the circulation of blood, and of Michael Servetus, who first described the pulmonary circulation of blood, and who was burned at the stake for heresy on October 27, 1553. He stated that this gift is of inestimable value to the Medical Center Library and recommended its acceptance. Upon motion duly made, seconded and carried, the Board concurred in the recommendation of the President and requested him to express their appreciation to Dr. Emmet Field Horine.

Z. Appointments and Other Staff Changes.

President Dickey submitted staff appointments, reappointments, salary adjustments, leaves of absence, resignations, promotions and other staff changes requested by deans and heads of departments.

COLLEGE OF ARTS AND SCIENCES

Appointments

Robert W. Rieke, Visiting Lecturer, Department of History, for ten months, beginning September 1, 1960, ending June 30, 1961.

John P. Hall, Visiting Lecturer, Department of History, for ten months, beginning September 1, 1960, ending June 30, 1961.

Stanislaw Balcerzyk, Part-time Instructor, Department of Mathematics and Astronomy, for ten months, beginning September 1, 1960, ending June 30, 1961.

Anita Johnson Garnett, Instructor, Department of English, for ten months, beginning September 1, 1960, ending June 30, 1961.

Elsie Cross, Part-time Instructor, School of Journalism, for ten months, beginning September 1, 1960, ending June 30, 1961.

Mona June Hagyard, Half-time Instructor, Department of Physics, for ten months, beginning September 1, 1960, ending June 30, 1961.

Thomas Everett Johnson, Jr., Half-time Instructor, Department of Physics, beginning September 1, 1960, ending January 31, 1961.

Nicholas M. Rice, Instructor-Producer, Department of Radio, Television and Films, beginning September 1, 1960, ending May 31, 1961.

Ursula D. Lawson, Instructor, Department of Modern Foreign Languages, for ten months, beginning September 1, 1960, ending June 30, 1961.

Barbara Ann Bryant, Record Librarian, Department of Music, beginning September 16, 1960, ending June 30, 1961.

Corinne M. Ryland, Instructor, Department of Modern Foreign Languages, for ten months, beginning September 1, 1960, ending June 30, 1961.

Reappointments

Paul Ross, Half-time Instructor, Department of Physics, for ten months, beginning September 1, 1960, ending June 30, 1961.

Harry E. Roadman, Visiting Lecturer, Department of Psychology, for ten months, beginning September 1, 1960, ending June 30, 1961.

Resignation

Ebba Jo Sexton, Record Librarian, Department of Music, effective August 18, 1960.

Change in Status

Ellen N. Minihan, Interviewer, Personnel, transferring to the Patterson School of Diplomacy as Secretary, beginning August 14, 1960, ending June 30, 1961.

Leaves of Absence

O. Leonard Press, Department Head, Radio, Television & Films, sabbatical leave beginning September 15, 1960, ending May 31, 1961.

Lee W. Gildart, Associate Professor, Department of Physics, leave of absence to participate in ICA Contract, beginning July 1, 1960.

COLLEGE OF AGRICULTURE AND HOME ECONOMICS

Appointments

Joseph J. Mangalam, Assistant Professor, Experiment Station, beginning September 1, 1960, ending June 30, 1961.

John G. Stovall, Assistant in Agricultural Economics, beginning August 1, 1960.

Don Shadoan, Assistant in Agricultural Economics, beginning August 1, 1960.

Stanley L. Detring, Assistant County Agent, Union County, Morganfield, beginning September 1, 1960.

Paul D. Morris, Assistant County Agent in Training, Letcher County, Whitesburg, beginning September 1, 1960.

Jennie Bell Arvin, Assistant Home Demonstration Agent in Training, Lincoln County, Stanford, beginning September 1, 1960.

Alberta C. Barnett, Clerk, Butler County, Morgantown, beginning September 1, 1960.

Joyce I. Slaughter, Cataloger, Experiment Station Library, beginning September 12, 1960.

Rohini A. Doshi, Instructor, School of Home Economics, beginning September 1, 1960, ending June 30, 1961.

Charles Oran Little, Assistant Professor, Animal Husbandry, beginning September 19, 1960.

A. Catherine Kidd, Assistant Professor, School of Home Economics, for ten months, beginning September 1, 1960.

James Rowell Rooney, Professor, Animal Pathology, beginning November 1, 1960.

Jo Ann H. Wilson, Clerk, Experiment Station, beginning September 6, 1960.

Lloyd Robinson, Technical Aid, Experiment Station, beginning September 1, 1960.

Resignations

Josephine C. Gardone, Home Demonstration Agent, Hart County, Mufordville, effective September 19, 1960.

Joe O. Owens, Assistant County Agent, Ohio County, Hartford, effective September 30, 1960.

Albert N. Halter, Associate Professor, Experiment Station, effective September 19, 1960.

Robert Keep Ridley, Assistant in Animal Pathology, effective August 31, 1960.

Mary Louise Holt, Clerk, Agricultural Engineering, effective August 31, 1960.

Wallace Coffey, County Agent, Menifee County, Frenchburg, effective September 20, 1960.

Gray H. Williams, County Agent, Knox County, Barbourville, effective October 1, 1960.

Jane Austin Cottrell, Secretary, Rural Development, effective August 27, 1960.

Janice Graning Walton, Assistant Professor, School of Home Economics, effective July 1, 1960.

Harris William Terrell, Jr., Assistant Chemist, effective August 22, 1960.

Janice Willis, Clerk, Butler County, Morgantown, effective August 31, 1960.

Helen R. Marshall, Associate Professor, School of Home Economics, effective September 19, 1960.

Charline Coons, Home Demonstration Agent, Wolfe County, Campton, effective September 20, 1960.

Donetta J. Spicer, Clerk-Stenographer, Extension, effective September 14, 1960.

Eva B. McCubbin, Secretary, Experiment Station, effective July 1, 1960.

Eugene Thomas Lyons, Assistant Professor, Animal Pathology,

Donald Gordon Paris, Assistant in Agricultural Economics, effective September 3, 1960.

Dixie T. Higgins, Home Demonstration Agent, Rowan County, Morehead, effective September 21, 1960.

Paul E. Quiggins, Technical Assistant, Horticulture, effective August 16, 1960.

Ethelle B. Hill, Technical Assistant, Extension (Louisville), effective August 5, 1960.

Hannah Sue Hicks, Typist, School of Home Economics, effective August 13, 1960.

E. Burwell Wingfield, Technical Aid, Horticulture, effective August 27, 1960.

Changes in Status

George M. Nelson, Jr., Associate County Agent, Butler County, Morgantown, transferring to Warren, Simpson, Allen Counties, Bowling Green as Area Agent, with adjustment in salary, beginning September 1, 1960.

Ella Mae Prunty, Clerk, Edmonson County, Brownsville, adjustment in salary, beginning July 1, 1960.

Verline Ezell, Clerk, Calloway County, Murray, adjustment in salary, beginning July 1, 1960.

Ora W. Neely, Home Demonstration Agent, Adair County, Columbia, transferring to Robertson County, Mt. Olivet, effective September 15, 1960.

James K. Kendrick, Assistant County Agent, Greenup County, Greenup, transferring to Martin County, Inez, as Acting County Agent, with adjustment in salary, beginning September 1, 1960.

Douglas Howard, Associate County Agent in Rural Development, Metcalfe County, Edmonton, transferring to Morgan County, West Liberty, as County Agent, with adjustment in salary, beginning September 1, 1960.

Carl Sinclair, County Agent, Morgan County, Liberty, transferring to Adair County, Columbia, as Area Agent in Rural Development, effective September 1, 1960.

Evelyn Sinclair, Home Demonstration Agent, Morgan County, West Liberty, transferring to Adair County, Columbia, effective September 15, 1960.

Jean W. Cloar, Assistant Home Demonstration Agent in Training, Hart County, Munfordville, title changed to Home Demonstration Agent, same county, effective September 1, 1960.

Lilliam Hixson, Home Demonstration Agent, Bracken County, Brooksville, transferring to Mason County, Maysville, effective September 15, 1960.

Wilbert H. Earley, Associate County Agent, Washington County, Springfield, transferring to Knox County, Barbourville, as County Agent, with adjustment in salary, beginning September 1, 1960

Minerva O. Murphy, Extension Specialist in Foods and Nutrition, adjustment in salary, effective September 1, 1960.

Shirley L. Nall, Assistant Home Demonstration Agent, Jefferson County, Louisville, title changed to Associate Home Demonstration Agent, same county, with adjustment in salary, beginning September 1, 1960.

Dorothy F. Roberts, Clerk-Stenographer, Farm Maintenance, transferring to Feed and Fertilizer, effective August 31, 1960.

Reta Beth Pickett, Secretary, Carlisle County, Bardwell, adjustment in salary, beginning September 1, 1960.

Leaves of Absence

Harry White, Assistant County Agent, Perry County, Hazard, leave beginning October 11, 1960, ending August 31, 1961.

Leroy K. Travis, Assistant County Agent, Breckinridge County, Hardinsburg, leave beginning October 16, 1960, ending August 14, 1961.

James I. Stephens, County Agent, Scott County, Georgetown, sabbatical leave, beginning October 19, 1960, ending June 13, 1961.

Harold C. Rice, Assistant Agricultural Agent, Greenup County, Greenup, return from $2\frac{1}{2}$ year military leave, beginning September 1, 1960.

Vandilla Price, District Leader of Home Demonstration Agents, sabbatical leave for the periods beginning October 1, 1960, ending October 31, 1960, and beginning April 1, 1961, ending May 31, 1961.

Z. L. Newsome, Associate County Agent, Mason County, Maysville, sabbatical leave beginning October 12, 1960, ending February 24, 1961. Also leave beginning February 25, 1961, ending June 4, 1961.

Helen Fay Horton, Associate Home Demonstration Agent, Fayette County, Lexington, sabbatical leave, beginning October 16, 1960, ending February 28, 1961; also leave beginning March 1, 1961, ending August 31, 1961.

David Y. Gillespie, Assistant County Agent, Pike County, Pikeville, returning from two-year military leave, beginning August 15, 1960.

Hubert E. Ball, County Agent, Martin County, Inez, sabbatical leave beginning September 26, 1960, ending May 31, 1961.

Death

J. S. McHargue, Special Assignment, Experiment Station, died August 18, 1960.

COLLEGE OF ENGINEERING

Appointments

James Phillip Noffsinger, Associate Professor, Department of Architecture, for eleven months, beginning August 1, 1960, ending June 30, 1961.

John R. Parker, Assistant Professor (part-time), Hydraulics, beginning September 15, 1960, ending May 30, 1961.

James Allan Clark, Visiting Lecturer, Department of Architecture, for ten months, beginning September 1, 1960, ending June 30, 1961.

John P. Hobart, Special Lecturer in Engineering Graphics, for ten months, beginning September 1, 1960, ending June 30, 1961.

Robert Curba Deen, Lecturer, Civil Engineering, beginning September 1, 1960.

William Lee Dollenmayer, Part-time Lecturer, Mechanical Engineering, for five months, beginning September 1, 1960, ending January 31, 1961.

J. A. Proudlove, Visiting Professor, for ten months, beginning September 1, 1960, ending June 30, 1961.

Frank F. Carden, Jr., Assistant Professor, Electrical Engineering, for ten months, beginning September 1, 1960, ending June 30, 1961.

Betty Lou Corman, Clerk-Stenographer, Engineering Experiment Station, beginning August 19, 1960, ending June 30, 1961.

Changes in Status

Gordon Ray Hopkins, Research Assistant, Aeronautical Research Lab, continuation of appointment beginning August 1, 1960, ending September 30, 1960.

George Hawley White, Jr., Graduate Assistant, Aeronautical Research Lab, continuation of appointment for the month of August, 1960.

Larry D. Luttrell, Instructor, changed from full-time to part-time, beginning September 15, 1960.

Lawrence Allan Boston, Instructor, changed from full-time to part-time, beginning September 15, 1960.

Resignation

Yvonne Davis, Clerk-Stenographer, Engineering Experiment Station, effective August 18, 1960.

COLLEGE OF EDUCATION

Appointment

John Wilson Gregory, Instructor, beginning August 1, 1960, ending June 30, 1961.

Resignation

Laura B. Edmondson, Secretary, effective August 20, 1960.

COLLEGE OF LAW

Appointment

William P. Murphy, Visiting Professor of Law, beginning September 1, 1960, ending June 30, 1961.

Leave of Absence

Paul Oberst, Professor, continue leave, beginning September 1, 1960, ending June 30, 1961. (To continue as Visiting Professor and Director of Civil Liberties Research at NYU).

GRADUATE SCHOOL

Resignation

Bethania Smith, Editorial Assistant, University Research, effective August 31, 1960.

EXTENDED PROGRAMS

Appointments

Nancy Lou Gaines, Secretary, beginning September 1, 1960, ending June 30, 1961.

Carolyn Ward, Secretary, Northern Center, beginning August 15, 1960, ending June 30, 1961.

Carl Gunter, Instructor in Engineering Drawing, Ashland Center, beginning September 1, 1960, ending May 22, 1961.

Davie Lee Hughes, Instructor in Chemistry, Southeast Center, for ten months, beginning September 1, 1960, ending June 30, 1961.

Ronald Wallace Butler, Instructor in English, Northwest Center, for ten months, beginning September 1, 1960, ending June 30, 1961.

E. M. Billings, Instructor in Home Economics, Ashland Center, beginning September 1, 1960, ending February 1, 1961.

Slade L. Carr, Administrative Assistant, Northern Center, beginning September 1, 1960, ending November 30, 1960.

Changes in Status

Carolyn Combs, Secretary, changed from full-time to part-time, beginning September 1, 1960, ending May 31, 1960.

Earl Kauffman, Jr., Director, Camp Robinson, to resume duties as Director, beginning July 1, 1960, ending June 30, 1961 (Professor of Physical Education).

A. D. Albright, Executive Dean and Provost, adjustment of salary as Provost, beginning July 1, 1960, ending June 30, 1961.

MEDICAL CENTER

Appointments

William H. Waugh, Associate Professor, Department of Medicine, beginning December 1, 1960.

Marion Pool, Associate Professor of Nursing, beginning September 19, 1960.

Lena Wiedmer, Administrative Assistant, Office of the Vice President, beginning September 12, 1960.

Grace Virginia Quinto, Research Technician, Department of Medicine, beginning September 15, 1960.

Judith M. Morris, Secretary, College of Nursing, beginning September 7, 1960.

Mary Carol Glunt, Secretary, College of Nursing, beginning August 23, 1960.

Mary L. Dunnebacke, Stenographer, Department of Anatomy, beginning August 29, 1960.

Margaret R. Hoskins, Stenographer, College of Nursing, beginning September 19, 1960.

Audrey V. Fox, General Duty Worker, Department of Medicine, beginning September 1, 1960.

Leaves of Absence

Mary Jo Gumbert, Histological Technician, Department of Anatomy, indefinite leave, beginning August 22, 1960.

Resignations

Jane Lowry, Stenographer, College of Nursing, effective August 31, 1960.

Eve E. Thompson, Secretary, Department of Anatomy, effective October 3, 1960.

Sarah Lou Morrison, Receptionist, Department of Biochemistry, effective July 31, 1960.

Michael Sanford Nall, Assistant in Research, Department of Behavioral Science, effective August 31, 1960.

Nancy Hendricks Starns, Infirmary Nurse, Health Service, effective August 31, 1960.

Carrie Lee Hitt, Receptionist, Health Service, effective August 1, 1960.

Maureen Tuttle Rule, Secretary, Medical Center Admissions, effective August 27, 1960.

Changes in Status

Judith Dunlap Pratt, Assistant Professor and Co-ordinator of Physical and Biological Science, to have additional appointment as Assistant Professor of Physiology, College of Nursing.

Harold D. Rosenbaum, Professor and Chairman of Department of Radiology, Department of Radiology and Health Service, adjustment in salary, effective October 1, 1960.

Donald L. Armstrong, Staff Writer, Community Services, title changed to Staff Assistant, effective October 1, 1960.

Frances Lynn Smith, Secretary, Business Administration, transferring to Office of the Vice President, Medical Center as Administrative Assistant, beginning September 9, 1960.

Mary Carol Glunt, Secretary, College of Nursing, transferring to the Office of the Vice President, as Stenographer, effective September 1, 1960.

OFFICE OF THE PRESIDENT

Resignation

Carolyn Christine Gott, Clerk-Typist, University and Educational Archives, effective September 13, 1960.

OFFICE OF THE VICE PRESIDENT

Appointments

Russell Edward Hundley, Test Scoring Supervisor, Counseling and Testing, beginning September 9, 1960, ending June 30, 1961.

Mary Ruth Brown, Cataloger, Library, beginning September 1, 1960.

Mercy Park Yeager, Assistant in Acquisitions, Library, beginning September 1, 1960.

Sally Ann Johnson, Half-time Assistant in Acquisitions, beginning September 1, 1960.

Resignations

Carolyn Sue Mitchell, Testing Clerk, University Testing Service, effective August 15, 1960.

B. F. Wells, III, Programmer, Computing Center, effective September 3, 1960.

Changes in Status

James Kinne Smith, Assistant in Circulation, Library, changed from full-time to part-time, beginning October 1, 1960.

Bess Stapleton, Mender, Library, adjustment in salary, beginning August 1, 1960.

VICE PRESIDENT FOR BUSINESS ADMINISTRATION OFFICE

Appointments

Burdett Gerald Taylor, Interviewer, Personnel, beginning September 1, 1960, ending June 30, 1961.

Jane L. Beasey, Senior Payroll Clerk, Division of Accounting, beginning September 3, 1960, ending June 30, 1961.

Charlotte A. Maggard, Junior Payroll Clerk, Division of Accounting, beginning September 1, 1960, ending June 30, 1961.

Katherine L. Nicholson, Machine Operator, Stenographic Bureau, beginning September 1, 1960.

Ruby S. McCaw, Secretary, Business Administration, beginning September 9, 1960.

Barbara Mitchell Young, Assistant Secretary, Business Administration and President Emeritus, beginning September 6, 1960.

Frazier King, Storekeeper, Purchasing, beginning September 1, 1960.

Linda Lee Booth, Junior Bookkeeping Machine Operator, Division of Accounting, beginning August 16, 1960.

Antoinette Miller, Telephone Operator, Maintenance and Operations, beginning December 1, 1960.

Barbara Thompson Coleman, Record Clerk, Personnel, beginning August 15, 1960, ending June 30, 1961.

Lillian C. Lipps, Telephone Operator, Maintenance and Operations, beginning December 1, 1960.

Katherine G. Davis, Telephone Operator, Maintenance and Operations, beginning December 1, 1960.

Resignations

Charlene Turner Glazier, Junior Account Clerk, Division of Accounting, effective August 6, 1960.

Clara Lou Fields, Invoice Clerk, Purchasing, effective August 15, 1960.

Changes in Status

Mayme Powers, Manager, Women's Residence Hall, adjustment in salary, for ten months, beginning September 1, 1960.

Sarah Rankin Sutton, Assistant Manager, Women's Residence Hall, beginning September 1, 1960.

C. C. Todd, Storekeeper, Purchasing, transferring to Maintenance and Operations, Reynolds Building, as Supervisor--Car Pool & Reynolds Building, beginning September 1, 1960, ending June 30, 1961.

OFFICE OF THE DEAN OF WOMEN

Appointments

Mary Koppius Williams, Assistant to the Dean of Women, beginning September 1, 1960, ending December 31, 1960.

Sondra Sue Search, YWCA Secretary, for ten months, beginning September 1, 1960.

Change in Status

Deanna Rae Blackburn, Secretary, Northern Center, transferring to the Office of the Dean of Women as Secretary, beginning September 6, 1960.

On motion duly made, seconded and carried, on President Dickey's recommendation, the Executive Committee concurred in the above appointments, reappointments, salary adjustments, leaves of absence, resignations, promotions and other staff changes, and record was ordered made in the minutes.

A-1. Adjournment.

The Board of Trustees adjourned the meeting at 12:15 p. m. EST and went to the Student Union Building where members of the Board of Trustees, joined by Mrs. Dickey, had a delightful luncheon.

Frank D. Peterson, Secretary
Board of Trustees and Executive
Committee