

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, Tuesday, March 1, 1994.

The Board of Trustees of the University of Kentucky met at 1:00 p.m. (Lexington time) on Tuesday, March 1, 1994 in the Board Room on the 18th floor of Patterson Office Tower.

A. Meeting Opened

Governor Edward T. Breathitt, Chairperson, called the meeting to order at 1:00 p.m., and the invocation was pronounced by Mrs. Marian Sims.

B. Roll Call

The following members of the Board of Trustees answered the call of the roll: Governor Edward T. Breathitt, (Chairperson), Mr. Paul W. Chellgren, Mr. Robert N. Clay, Mr. Lance Dowdy, Mr. James F. Hardymon, Professor Loys L. Mather, Dr. Robert P. Meriwether, Dr. Elissa Plattner, Dr. Deborah Powell, Mr. C. Frank Shoop, Mrs. Marian Moore Sims, Professor John Sistarenik, Jr., Mr. William B. Sturgill, Mr. Daniel C. Ulmer, Jr., Mrs. Lois C. Weinberg, Mr. Martin Welenken, Mr. Billy B. Wilcoxson, and Judge Henry R. Wilhoit, Jr. Absent from the meeting were Mrs. Kay Shropshire Bell and Mr. Henry L. Jackson. The University administration was represented by President Charles T. Wethington, Jr.; Chancellors Peter P. Bosomworth, Ben W. Carr, Jr. and Robert E. Hemenway; Vice Presidents Joseph T. Burch, Edward A. Carter, Donald B. Clapp, and Delwood Collins; Dr. Juanita Fleming, Special Assistant for Academic Affairs, and Mr. Paul Van Booven, Associate General Counsel.

Members of the general public and the news media were also in attendance. A quorum being present, Governor Breathitt declared the meeting officially open for the conduct of business at 1:00 p.m.

C. Approval of Minutes

Governor Breathitt said that the Minutes of the January 25, 1994 meeting had been distributed and asked for additions or corrections. Mrs. Sims moved that the Minutes be approved as distributed. Mr. Ulmer seconded the motion, and it carried.

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

President Wethington called attention to the following items in his report:

1. Three finalists have been named for the position of Chancellor of the Albert B. Chandler Medical Center: Jordan L. Cohen, Dean of the University of Kentucky College of Pharmacy; Richard Allan DeVaul, Vice President for Health Affairs, Executive Director of the Health Science Center and Dean of the College of Medicine at Texas A&M University Health Care Center in College Station, Texas; and James Wilson Holsinger, Jr., Director of the Veterans Affairs Medical Center in Lexington.

2. Modern Healthcare Magazine, a weekly business news publication, has named the University of Kentucky Hospital as one of the top 100 hospitals in the United States.
3. The senior class at the University of Kentucky has announced plans to raise funds for historical markers on campus, ensuring that future students and visitors will know about UK's rich history.
4. The UK College of Business and Economics established an Alumni Hall of Fame and inducted its first nine members January 27. Former Governor Edward T. Breathitt was among those honored.
5. Eighteen University of Kentucky physicians are featured in the second edition of "Best Doctors in America," a listing of nationally recognized physicians in the United States.
6. Herbert A. Fertig, an assistant professor of physics at UK since 1991, has won the prestigious \$30,000 Sloan Research Fellowship.

He asked the Board to read the entire report at their leisure.

President Wethington informed the Board that the UK College of Dentistry has recently initiated a dental initiative in Kuwait. The \$10 million contract has been awarded to establish school-based dental screening for Kuwaiti children. He noted that this is a sizable undertaking for the College, and the College continues to play a very useful role in the state and other parts of the world.

Mr. Robert Clay mentioned that Mrs. Marian Sims' son, Andy Sims, had been recognized in USA Today as one of the top 25 high school student athletes in the country. President Wethington expressed congratulations to Mr. and Mrs. Sims and their son for receiving this honor.

E. Personnel Actions (PR 2)

President Wethington said that PR 2 reflects personnel actions since the last Board meeting. He recommended that approval be given to the appointments, actions and/or other staff changes which require Board action; and that the report relative to appointments and/or changes already approved by the administration be accepted. On motion made by Mr. Wilcoxson, seconded by Dr. Meriwether and passed, approval was given to the personnel actions in PR 2. (See PR 2 at the end of the Minutes.)

F. Transfer of Department of Computer Science (PR 5A)

President Wethington recommended that the Board of Trustees approve the transfer of the Department of Computer Science from the College of Arts and Sciences to the College of Engineering. This action is the result of the restructuring of the University which was completed during these last two years. He reported that there is good support within the University for moving this department to the College of Engineering. Professor Mather moved approval. His motion was seconded by Mr. Chellgren and passed. (See PR 5A at the end of the Minutes.)

G. Change in Organization Structure College of Business and Economics (PR 5B)

President Wethington said that PR 5B is also a result of the restructuring efforts. He recommended that the academic departments of Decision Sciences and Information Systems, Finance, Management and Marketing within the College of Business and Economics be merged into a new School of Management. With the approval of this organizational change, the College will consist of the School of Accountancy, the School of Management, and the Department of Economics. This will reduce the College from seven to three administrative units. He reported that the recommendation comes from the Dean and the faculty of the College of Business and Economics. Mr. Chellgren moved approval. His motion, seconded by Mr. Hardymon, carried. (See PR 5B at the end of the Minutes.)

H. Approval of the Development of a Children's Hospital (PR 6A)

President Wethington reminded the Board that he had alerted them at the last meeting that the Hospital Board was going to be discussing this item at their last meeting. He asked Dr. Bosomworth, Chancellor for the Medical Center, and Dr. Meriwether, Chairperson of the Hospital Board, to comment on PR 6A.

Chancellor Bosomworth expressed pleasure in supporting the recommendation that the Board of Trustees approve the Medical Center's plan for development of a Children's Hospital. He reported that a study of the health care needs of children of Central and Eastern Kentucky had been completed, and there was strong support for the project. He explained that there is space on the fourth floor of the hospital to expand the pediatrics area. This would be a two-phase project in which the Children's Hospital would be constructed and existing pediatric space then would be retrofitted to accommodate the program. In his opinion, this is the most economical way to make a giant step forward in the care of children.

Dr. Meriwether praised the leadership at the Chandler Medical Center. He said that Chancellor Bosomworth, Frank Butler and others have done a fine job of devising an economical solution in times when construction of new buildings is not the main interest of health care planners. He said that this is a response to the needs both statewide and nationally, and this recommendation will do it as economically as possible.

President Wethington said that he was pleased to recommend approval of PR 6A. Mr. Sturgill moved approval. His motion, seconded by Mr. Wilcoxson, passed. (See PR 6A at the end of the Minutes.)

I. Acceptance of Interim Financial Report for the University of Kentucky for the Seven Months Ended January 31, 1994 (FCR 1)

Mr. Hardymon, Chairperson of the Finance Committee, reported that the Finance Committee met at 11 a.m. (Lexington time) and reviewed the eight items on the agenda. He said that FCR 1 is the monthly interim financial report for the seven months that ended January 31, 1994. He reviewed the realized income versus the expenditures and reported that the individual items are on target with the plans. He recommended approval of the report. Mr. Shoop seconded the motion, and it carried. (See FCR 1 at the end of the Minutes.)

J. Report of Leases (FCR 2)

Mr. Hardymon reminded the Board of FCR 5, dated October 5, 1985, that authorized the President or his designated representative to enter into leases and easements not exceeding \$30,000 in value and required that all leases entered into under this authority be reported to the Board. He commented on the two renewals of leases and recommended that the report be accepted and made a matter of record. His motion was seconded by Mr. Chellgren and passed. (See FCR 2 at the end of the Minutes.)

K. Approval of Lease (FCR 3)

Mr. Hardymon reported that FCR 3 involves an addendum to a lease between University of Kentucky (Hospital Accounting) and CHM Property Partners, for property located at 191 West Lowry Lane effective March 1, 1994 through June 30, 1994 for the installation of a communications network. He noted that the original lease was approved at an annual rental cost of \$55,398.22 and this addendum brings the total annual rental to \$60,867.56. He recommended approval of FCR 3. Mr. Chellgren seconded the motion, and it passed. (See FCR 3 at the end of the Minutes.)

L. 1993-94 Budget Revisions (FCR 4)

Mr. Hardymon said that FCR 4 is a budget revision reporting updates mainly from federal appropriations. He highlighted several items in the report and recommended approval. His motion, seconded by Mr. Sturgill, passed. (See FCR 4 at the end of the Minutes.)

M. John H. Clark Gift of Property (FCR 5)

Mr. Hardymon reported that John H. Clark of Lexington, Kentucky has designated a farm in Woodford County valued at approximately \$897,500 (160 acres) be given to the University. He said that Mr. Clark will retain the use of the property during his lifetime or until he relinquishes such interest. Eventually, the property will be sold by the University and the proceeds used by the University of Kentucky Equine Research Foundation to fund research in the Department of Veterinary Science. Mr. Hardymon recommended approval. Mr. Clay seconded the motion and it passed. (See FCR 5 at the end of the Minutes.)

President Wethington expressed appreciation to Mr. Clark for the gift. He also thanked Mr. Clay and Mr. Shoop, who serve as members of the Equine Research Foundation Board, and Mr. Albert Clay, Chairperson of that Board, for their assistance in getting this fine gift for the University.

N. Ralph G. Anderson Pledge (FCR 6)

Mr. Hardymon recommended that the Board accept the pledge of \$2,000,000 from Ralph G. Anderson, Cincinnati, Ohio, for help in constructing a new mechanical engineering building on the Lexington Campus. He asked Chancellor Hemenway to comment on the pledge.

Chancellor Hemenway said that Mr. Anderson is a 1950 mechanical engineering graduate of the University of Kentucky College of Engineering and has been one of the staunchest supporters and friends of the College for the past three decades. He said that Mr. Anderson has always remembered his alma mater and has made possible a host of things for the College, including campus planning, recruiting, video tapes and television ads. He said that Mr. Anderson's gift of \$2 million will be joined with other private gifts, and hopefully legislative approval for bonding authority, to build a new \$18 million mechanical engineering building. This new building will be the last step in a plan to create comprehensive world class engineering facilities at the University.

Mr. and Mrs. Anderson were in attendance. They were asked to stand and be recognized, following which they received a round of applause.

Governor Breathitt thanked Mr. and Mrs. Anderson for their generous gift. He said that this is a splendid demonstration of loyalty to the University and to the College of Engineering. Mr. Anderson is a witness for all of the alumni of the institution.

On motion made by Mr. Hardymon, seconded by Mrs. Weinberg and carried, FCR 6 was approved.

President Wethington expressed appreciation to Mr. and Mrs. Anderson and members of their family for the excellent contribution to the University. He said that Mr. Anderson's gift has given everyone involved in raising private money a great boost and his support has also helped in seeking approval of the General Assembly for the mechanical engineering facility.

O. Resolution of the Board of Trustees of the University of Kentucky Accepting the Successful Bid for the Purchase of University of Kentucky Housing and Dining System Refunding Revenue Bonds, Series N (FCR 7)

Mr. Hardymon recommended that the Board approve a Resolution accepting the successful bid of Morgan Keegan & Company with reference to the sale of the \$4,170,000 (plus or minus up to \$415,000) of University of Kentucky Housing and Dining System Refunding Revenue Bonds, Series N, dated February 1, 1994, at a net interest cost of 5.1192%. He reported that the cumulative savings is \$212,717, the present value savings is \$157,466, and the annual savings is \$14,881 which is a 4.152% savings. Mr. Chellgren seconded the motion, and it carried. (See FCR 7 at the end of the Minutes.)

P. Agreements with Cyprus Southern Realty Company and the Kentucky Department of Fish and Wildlife Resources Regarding Robinson Forest (FCR 8)

Mr. Hardymon stated that the Committee is recommending that the University's administration be authorized to enter into agreements with Cyprus Southern Realty Company and the Kentucky Department of Fish and Wildlife Resources regarding Robinson Forest. The Cyprus agreement would settle a boundary dispute. The Fish and Wildlife agreement would establish the Forest as a Wildlife Management area. He asked Mr. Carter to provide background information.

Mr. Carter displayed a map of Robinson Forest and reviewed the circumstances involving a boundary dispute and the entitlement to coal royalties from mining on the area. He said that everyone was in agreement that it is not in anybody's benefit to spend a lot of money in court trying to resolve the dispute. The Wildlife Management area would enhance the research uses and land management practices in the Forest.

On motion made by Mr. Hardymon, seconded by Dr. Meriwether and passed, FCR 8 was approved. (See FCR 8 at the end of the Minutes.)

President Wethington recognized Mr. Tom Bennett, Commissioner of the Department of Fish and Wildlife, and said that he was instrumental in helping work out the agreement.

Governor Breathitt said that this is an innovative, cooperative effort between three very important institutions in the state: a fine coal company, the University of Kentucky, and the Department of Fish and Wildlife. He expressed appreciation to Mr. Bennett for his leadership and good work.

Q. Dr. Plattner's Comments

Dr. Plattner said that everyone is enjoying a great deal of good will in higher education in the state but many pressing issues face the legislature. She said that it behooves all of the Board to work not only with the legislators and the executive branch but also with friends throughout the state, especially those who serve on other boards whether in formal dialogue or in other ways. She emphasized the importance of everyone working together as advocates for higher education.

R. Mr. Dowdy's Report

Mr. Dowdy gave a report on the following Student Government Association (SGA) events and accomplishments:

- The SGA was able to arrange the donation of 50,000 books from the Christian Appalachian Project and Penguin Books to thousands of students, faculty and staff. The event was planned for three days; however, all of the books were taken the first day.
- Undergraduate students will now officially receive mid-term evaluations on their classroom performance.
- A recommendation that would allow open access to teacher and course evaluations by all students has been submitted to Dan Fulks, Chairperson of the University Senate Counsel.
- SGA is setting up booths for students to call legislators on the 800 telephone number to let them know that higher education is a priority. They are also encouraging students to send handwritten letters to the legislators.

Mr. Dowdy expressed thanks and appreciation to the Board for all of their work that they do for higher education. Governor Breathitt praised Mr. Dowdy for his comprehensive report.

S. Meeting adjourned

There being no further business to come before the Board, the meeting adjourned at 1:44 p.m.

Respectfully submitted,

Lois C. Weinberg
Secretary
Board of Trustees

(PR 2, PR 5A, PR 5B and PR 6A; FCR 1, 2, 3, 4, 5, 6, 7, and 8 which follow are official parts of the Minutes of the meeting.)

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Office of the President
March 1, 1994

PR 2

Members, Board of Trustees:

PERSONNEL ACTIONS

Recommendation: that approval be given to the attached appointments, actions and/or other staff changes which require Board action; and that the report relative to appointments and/or changes already approved by the administration be accepted.

Background: The attached recommended appointments and/or other staff changes require approval by the Board of Trustees in accordance with Part VIII-B of the Governing Regulations of the University. These recommendations are transmitted to the Board by the appropriate chancellor through the President and have the President's concurrence.

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

Action taken: Approved Disapproved Other

Date: March 1, 1994

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CENTRAL ADMINISTRATION

I. BOARD ACTION

A. RETIREMENT

Employee Benefits

Mattingly, Calla A., Disabled Staff, Employee Benefits,
after 31.5 consecutive years of service, under
AR II-1.6-1 Section III.B, effective 3/31/94

B. EARLY RETIREMENTS

Publishing Services

Chapman, Henry M., Graphic Artist, Publishing Services,
after 29 consecutive years of service under
AR II-1.6-1 Section III.A.2, effective 3/31/94.

Watts, Edwin Jr., Print Specialist IV, Printing Services,
after 39 consecutive years of service under
AR II-1.6-1 Section III.A.2, effective 4/1/94.

II. ADMINISTRATIVE ACTION

A. PROMOTIONS WITHOUT TENURE

University Libraries

House, Thomas M., from Librarian IV to Librarian III,
Special Collections Department, effective 7/1/94
through 6/30/95.

B. CHANGES

University Libraries

Burgett, James E., from Librarian IV (without tenure),
Collection Development Department, to Librarian IV
(without tenure), Collection Development Department,
joint appointment as Assistant Professor, Surgery
Department, (without tenure), College of Medicine,
effective 2/1/94 through 6/30/94.

COMMUNITY COLLEGE SYSTEM

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

Transfer from Madisonville Community College
to Elizabethtown Community College

Vail, James A., Professor in the Community College System
(with tenure), effective 1/1/94.

B. ADMINISTRATIVE APPOINTMENTS

Elizabethtown Community College

Spratt, Sharon, appointed Dean of Student Affairs,
effective 2/1/94.

C. RETIREMENTS

Henderson Community College

Chapman, Donald A., Professor in the Community College
System (with tenure), (under AR II-1.6-1 Section
III.B), following 24.5 consecutive years of service,
effective 12/31/93.

Maysville Community College

Lowe, Ben M., Building and Grounds Supervisor, (under
AR II-1.6-1 Section III.B), following 26 consecutive
years of service, effective 12/31/93.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

Transfer from Madisonville Community College
to Owensboro Community College

Phillips, Kenneth J., Assistant Professor in the Community
College System, 1/1/94 through 6/30/94.

Ashland Community College

Layman, Jane, Instructor in the Community College System,
1/1/94 through 6/30/94.

Morrison, Allison S., Instructor in the Community College
System, 1/1/94 through 6/30/94.

Elizabethtown Community College

Mudd, Susan, Instructor in the Community College System,
1/1/94 through 6/30/94.

Hazard Community College

Hughes, Amy, Instructor in the Community College System,
1/1/94 through 5/31/94.

Hopkinsville Community College

Fikes-Maki, Barbara, Instructor in the Community College
System, 1/18/94 through 6/30/94.
Gharavi, Abraham, Assistant Professor in the Community
College System, 1/1/94 through 6/30/94.

Jefferson Community College

Lutz, Terry W., Instructor in the Community College System,
1/1/94 through 5/31/94.
McAllister, Rebecca L., Instructor in the Community College
System, 1/1/94 through 5/31/94.
Pruett, Stephen R., Instructor in the Community College
System, 1/1/94 through 6/30/94.
Szczipinski, Robin, Instructor in the Community College
System (voluntary), 1/3/94 through 12/31/96.

Lexington Community College

Barnett, Gary Olen, Instructor in the Community College
System (voluntary), 2/7/94 through 6/30/96.
Elrod, Mary Ann, Instructor in the Community College
System (voluntary), 1/21/94 through 6/30/96.
Fahringer, David, Instructor in the Community College
System (voluntary), 1/18/94 through 6/30/96.
Galvin, Sarah J., Instructor in the Community College
System, 1/3/94 through 6/30/94.
Jefferson, Kimberly L., Instructor in the Community College
System (voluntary), 2/4/94 through 6/30/96.
Jenkins, John, Instructor in the Community College System
(voluntary), 1/21/94 through 6/30/96.
Johnson, Lyndon B., Instructor in the Community College
System (voluntary), 1/21/94 through 6/30/96.
Mason, Rosemary, Instructor in the Community College System
(voluntary), 1/21/94 through 6/30/96.
Monzon, Gary, Instructor in the Community College System
(voluntary), 1/21/94 through 6/30/96.
Nipp, Rebecca B., Instructor in the Community College System
(voluntary), 1/21/94 through 6/30/96.
Roberts, Sandra, Instructor in the Community College System
(voluntary), 1/21/94 through 6/30/96.
Royse, Leisa L., Instructor in the Community College
System (voluntary), 1/21/94 through 6/30/96.

Tuney, Denesa, Instructor in the Community College System (voluntary), 1/21/94 through 6/30/96.
Vogt, Martin, Instructor in the Community College System (voluntary), 1/21/94 through 6/30/96.
Waddell, Phillip, Instructor in the Community College System (voluntary), 2/4/94 through 6/30/96.

Madisonville Community College

Mabrouk, Saied A., Assistant Professor in the Community College System, 1/10/94 through 6/30/94.
Simpson, Jennie K., Instructor in the Community College System, 1/3/94 through 6/30/94.
Troutman, Darrell L., Instructor in the Community College System, 1/3/94 through 6/30/94.

Owensboro Community College

Duke, Thomas L., Instructor in the Community College System, 2/1/94 through 5/31/94.

Prestonsburg Community College

Mahmoodian, Ladan, Instructor in the Community College System, 1/1/94 through 6/30/94.
Massengale, Debra M., Instructor in the Community College System, 1/1/94 through 6/30/94.

Somerset Community College

Gray, Warren F., Librarian III in the Community College System, 1/3/94 through 6/30/94.
Turpen, Kimberly, Instructor in the Community College System, 1/3/94 through 5/31/94.

Southeast Community College

Pace, Janet M., Instructor in the Community College System, 1/1/94 through 6/30/94.

B. ADMINISTRATIVE APPOINTMENTS

Lexington Community College

Newberry, Anthony, Associate Professor in the Community College System (with tenure) and Vice Chancellor for Academic Affairs, appointed Acting President, 1/1/94 through 3/31/94.

C. REAPPOINTMENTS

Hazard Community College

Morgan-Caldwell, Venetia, Instructor in the Community College System, 1/1/94 through 5/31/94.

Jefferson Community College

Leonard, Mona F., Instructor in the Community College System, 1/1/94 through 6/30/94.

Owensboro Community College

Temple, Jennie C., Instructor in the Community College System, 1/1/94 through 5/31/94.

D. LEAVES OF ABSENCE

Somerset Community College

Jeffries, Neleta, Professor in the Community College System (with tenure), sabbatical leave at one-half salary for the 1994-95 academic year.

LEXINGTON CAMPUS

1. BOARD ACTION

A. ACADEMIC APPOINTMENTS

College of Agriculture

Johnson, Mark C., Visiting Professor, Plant Pathology,
1/1/94 through 6/30/94.

College of Business and Economics

Gillette, J. Robert, Associate Professor* (without
tenure), 1/1/94 through 6/30/94.

B. ADMINISTRATIVE APPOINTMENTS

College of Business and Economics

Stober, William J., Professor (with tenure), Economics,
and Chair, Economics, reappointed Chair, Economics,
7/1/94 through 6/30/98.

C. EARLY RETIREMENTS

College of Arts and Sciences

Cunningham, Teddie, Staff Assistant V, Biological
Sciences, after 24.5 consecutive years of service,
under Section III.A.2 of AR II-1.6-1, effective
4/29/94.

Vice Chancellor for Administration

Davis, Thomas W., Jr., Maintenance Superintendent, Key
Shop, Physical Plant Division, after 36 consecutive
years of service, under Section III.A.1 of AR
II-1.6-1, effective 3/31/94.

Moore, William, Utility Worker, Custodial Services,
Physical Plant Division, after 15 consecutive years
of service, under Section III.A.2 of AR II-1.6-1,
effective 4/8/94.

D. POST-RETIREMENT APPOINTMENTS

College of Agriculture

Allen, Steve, Consultant (part-time), Agricultural
Economics, 2/1/94 through 2/28/94.

Smith, Ed, Professor (part-time), Agricultural Programs,
1/24/94 through 6/30/94.

* Special Title Series

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Agriculture

Copeland, Marie, Instructor (part time), Horticulture and Landscape Architecture, 1/1/94 through 4/30/94.
Davis, Molly M., Instructor (part time), Horticulture and Landscape Architecture, 1/1/94 through 4/30/94.
Jacobs, Jane, Instructor (part time), Horticulture and Landscape Architecture, 1/1/94 through 5/31/94.
Samson, Scott A., Assistant Extension Professor, Rural Sociology, and Assistant Extension Professor, Horticulture and Landscape Architecture, 1/1/94 through 12/31/95.

College of Arts and Sciences

Cooper, John C., Instructor (part-time), Philosophy, 1/1/94 through 5/15/94.
Ewers, Ralph O., Instructor (part-time), Geological Sciences, 1/1/94 through 5/31/94.
Heaston, John Thomas, Instructor (part-time), Anthropology, 1/1/94 through 5/15/94.
Humphreys, Matthew, Instructor (part-time), Geological Sciences, 1/1/94 through 5/31/94.
McBride, William S., Adjunct Assistant Professor, Anthropology, 1/1/94 through 6/30/96.
Pennington, Pamela R., Instructor (part-time), German, 1/1/94 through 5/15/94.
Raney, Michael, Instructor (part-time), Mathematics, 1/1/94 through 5/15/94.
Rountree, Pamela W., Assistant Professor, Sociology, 8/1/94 through 6/30/96.
Rowles, Ruth A., Instructor (part-time), Geography, 1/1/94 through 5/15/94.
Svarlien, Diane, Instructor (part-time), Classics, 1/1/94 through 5/31/94.
Vance, Virginia K., Instructor (part-time), Chemistry, 1/1/94 through 5/31/94.
Wood, Teresa A., Instructor (part-time), Sociology, 1/1/94 through 5/31/94.

College of Business and Economics

Singh, Meenu, Instructor (part time), Decision Science and Information Systems, 1/1/94 through 4/30/94.

College of Communications and Information Studies

Harris, Thomas W., Instructor (part time), Journalism and Telecommunications, 1/1/94 through 5/31/94.
Saidullah, Jawahara K., Instructor (part time), Communication, 1/1/94 through 5/31/94.

College of Education

Anderman, Eric M., Assistant Professor*, Educational and Counseling Psychology, 8/16/94 through 5/15/97.
Fiorello, Catherine A., Instructor (part time), Educational and Counseling Psychology, 1/1/94 through 5/15/94.
Stodola, Edward M., Instructor (part time), Educational and Counseling Psychology, 1/1/94 through 5/15/94.

College of Engineering

Anderson, Arthur H., Adjunct Assistant Professor, Materials Science and Engineering, 1/1/94 through 5/15/94.
Williams, Gary R., Adjunct Assistant Professor, Materials Science and Engineering, 1/1/94 through 5/15/94.

College of Fine Arts

Henning, William, Instructor (part time), Art, 1/1/94 through 5/15/94.
Mattingly, Charlene G., Instructor (part time), Art, 1/1/94 through 5/15/94.
Rye, Reba, Instructor (part time), Art, 1/1/94 through 5/15/94.
Shannon, Susan, Instructor (part time), Art, 1/1/94 through 5/15/94.

College of Social Work

Carney, Mary B., Assistant Professor (part time), Social Work, 1/1/94 through 5/15/94.
Lankster, Florence M., Assistant Professor (part time), Social Work, 1/1/94 through 5/15/94.

Office of Undergraduate Studies

Holmes, Charles M., Instructor (part time), Honors, 1/1/94 through 5/15/94.

B. REAPPOINTMENTS

College of Agriculture

Boyer, Mark, Instructor (part-time), Horticulture and Landscape Architecture, 1/1/94 through 5/31/94.

* Special Title Series

College of Arts and Sciences

Ades, Harriet F., Instructor (part-time), Chemistry,
1/1/94 through 5/31/94.

Barr, Leila B., Instructor (part-time), English, 1/1/94
through 5/15/94.

Buck, Patrick L., Instructor (part-time), Spanish and
Italian, 1/1/94 through 5/31/94.

Campbell, F. Diane, Instructor (part-time), English,
1/1/94 through 5/15/94.

Carter, Michael, Instructor (part-time), English, 1/1/94
through 5/15/94.

Contreras, Lisa M., Instructor (part-time), Spanish and
Italian, 1/1/94 through 5/31/94.

Cooper, John B., Instructor (part-time), English, 1/1/94
through 5/15/94.

Crooks, Deborah, Instructor (part-time), Anthropology,
1/1/94 through 5/31/94.

Cunningham, Mark E., Instructor (part-time), English,
1/1/94 through 5/15/94.

Duncan, Charles E., Instructor (part-time), Physics and
Astronomy, 1/1/94 through 5/15/94.

Dunn, Timothy J., Instructor (part-time), English,
1/1/94 through 5/15/94.

Ellis, Normandi, Instructor (part-time), English, 1/1/94
through 5/15/94.

Fazey, Mark, Instructor (part-time), Statistics, 1/1/94
through 5/31/94.

Foreman, Nancy, Instructor (part-time), English, 1/1/94
through 5/15/94.

Guindon, Lynn D., Instructor (part-time), Classics,
1/1/94 through 5/31/94, and Instructor (part-time),
English, 1/1/94 through 5/15/94.

Hill, Paula, Instructor (part-time), English, 1/1/94
through 5/15/94.

Holbrook, Paul E. Jr., Instructor (part-time),
Philosophy, 1/1/94 through 5/15/94.

Janecek, Susan, Instructor (part-time), Russian and
Eastern Studies, 1/1/94 through 5/15/94.

Jordan, Sue, Instructor (part-time), Mathematics, 1/1/94
through 5/15/94.

Kaiser, David A., Instructor (part-time), English,
1/1/94 through 5/15/94.

Kirkman, Deborah L., Instructor (part-time), English,
1/1/94 through 5/15/94.

Koegler, Karen, Instructor (part-time), Geography,
1/1/94 through 5/15/94.

Krause, Margaret H., Instructor (part-time), Chemistry,
1/1/94 through 5/31/94.

Meegan, William J., Adjunct Assistant Professor,
Psychology, 1/1/94 through 12/31/96.

Mizell, Chris, Instructor (part-time), Mathematics,
1/1/94 through 5/15/94.

Mooney, Jennifer L., Instructor (part-time), English,
1/1/94 through 5/15/94.
Mooney, Stephen D., Instructor (part-time), English,
1/1/94 through 5/15/94.
Moss, Tom, Instructor (part-time), Mathematics, 1/1/94
through 5/15/94.
Nickell, Joe, Instructor (part-time), English, 1/1/94
through 5/15/94.
Oaks, Janice H., Instructor (part-time), English, 1/1/94
through 5/15/94.
Patwardhan, Manjiri A., Instructor (part-time),
Chemistry, 1/1/94 through 5/31/94.
Presnell, Barbara, Instructor (part-time), English,
1/1/94 through 5/15/94.
Richeson, William M., Instructor (part-time), English,
1/1/94 through 5/15/94.
Seiler, Mike, Instructor (part-time), Mathematics,
1/1/94 through 5/15/94.
Sheard, Robert F., Instructor (part-time), English,
1/1/94 through 5/15/94.
Takahashi, Maki, Instructor (part-time), Russian and
Eastern Studies, 1/1/94 through 5/15/94.
Vanderpool, Betty, Instructor (part-time), Mathematics,
1/1/94 through 5/15/94.
White, Patrick, Instructor (part-time), English, 1/1/94
through 5/15/94.
Wilkinson, James H., Instructor (part-time), Philosophy,
1/1/94 through 5/15/94.
Willard, Norman Jr., Instructor (part-time), Psychology,
1/1/94 through 5/31/94.
Williams, Anne Marie, Instructor (part-time), Spanish
and Italian, 1/1/94 through 5/31/94.

College of Business and Economics

Shaffer, Brian C., Assistant Professor, Management,
7/1/94 through 6/30/95.

College of Communications and Information Studies

Armendarez, Jennifer L., Instructor (part time),
Communication, 1/1/94 through 5/31/94.
Crawley, Bruce A., Instructor (part time),
Communication, 1/1/94 through 5/31/94.
Howerton, Jeffrey S., Instructor (part time),
Communication, 1/1/94 through 5/31/94.
Parlanti, Jean M., Instructor (part time),
Communication, 1/1/94 through 5/31/94.
Rickert, Gregory W., Instructor (part time),
Communication, 1/1/94 through 5/31/94.
Saunders, Dudley F., Instructor (part time), Journalism
and Telecommunications, 1/1/94 through 5/31/94.

College of Education

Gaskins, Robert W., Assistant Professor, Curriculum and Instruction, 7/1/94 through 6/30/96.
Haas, Joan, Instructor (part time), Curriculum and Instruction, 1/1/94 through 5/15/94.
Henderson, Steve, Instructor (part time), Curriculum and Instruction, 1/1/94 through 5/15/94.
Jones, Douglas L., Assistant Professor, Curriculum and Instruction, 8/16/94 through 6/30/96.
Meyer, Mary Louise, Instructor (part time), Curriculum and Instruction, 1/1/94 through 5/15/94.
Monroe, Bettie Ann, Instructor (part time), Curriculum and Instruction, 1/1/94 through 5/15/94.
Nuckols, Leslie, Instructor (part time), Curriculum and Instruction, 1/1/94 through 5/15/94.
Pearson, Cheryll A., Instructor (part time), Educational and Counseling Psychology, 1/1/94 through 5/15/94.
Pickett, Joan, Instructor (part time), Curriculum and Instruction, 1/1/94 through 5/15/94.
Stilwell, Doris, Instructor (part time), Educational and Counseling Psychology, 1/1/94 through 5/15/94.
Thomas, Melinda, Instructor (part time), Curriculum and Instruction, 1/1/94 through 5/15/94.

College of Fine Arts

Felty, William H., Instructor (part time), Theatre, 1/1/94 through 5/15/94.
Gentry, Theodore, Instructor (part time), Music, 1/1/94 through 5/15/94.
Lowry, Aril, Instructor (part time), Art, 1/1/94 through 5/15/94.
McLaughlin, John, Instructor (part time), Arts Administration, 1/1/94 through 5/31/94.
Osland, Lisa, Instructor (part time), Music, 1/1/94 through 5/15/94.
Pickett, Irwin L., Instructor (part time), Art, 1/1/94 through 5/15/94.
Slade, Susan, Instructor (part time), Art, 1/1/94 through 5/15/94.

College of Social Work

Collins, Lucky J., Assistant Professor (part time), Social Work, 1/1/94 through 5/15/94.

Office of Undergraduate Studies

Campbell, F. Diane, Instructor (part time), Honors, 1/1/94 through 5/15/94.

C. PROMOTIONS

College of Business and Economics

Furze, Sally, from Instructor (without tenure),
Accountancy, to Assistant Professor (without
tenure), Accountancy, 2/1/94 through 6/30/94.

Office of the Chancellor

Scheurich, Larry, from Administrative Staff Officer I,
Chemistry, College of Arts and Sciences, to
Administrative Staff Officer IV, Office of the
Assistant Chancellor, effective 12/20/93.

D. LEAVES OF ABSENCE

College of Engineering

Funk, James, Professor (with tenure), Mechanical
Engineering, Sabbatical leave with half salary,
Fall Semester 1994.

Wood, Don J., Professor (with tenure), Civil
Engineering, Sabbatical leave with half salary,
Fall Semester 1994.

MEDICAL CENTER

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

College of Medicine

Ibbott, Geoffrey S., Assistant Professor (without tenure), Radiation Medicine, 3/21/94 through 6/30/94.

Leahy-Auer, Joanne M., Clinical Assistant Professor (without tenure), Pediatrics, 4/1/94 through 6/30/94.

B. ADMINISTRATIVE APPOINTMENTS

Chancellor's Office

Combs, Karen T., Vice Chancellor for Administration, effective 9/1/93.

C. JOINT APPOINTMENTS

College of Medicine

Avison, Malcolm J., Associate Professor (with tenure), Diagnostic Radiology, joint appointment as Associate Professor (without tenure), Biochemistry, effective 3/2/94.

Bruce, Margaret C., Associate Research Professor (without tenure), Pediatrics, joint appointment as Associate Research Professor (without tenure), Physiology and Biophysics, 3/2/94 through 6/30/94.

Collins, Delwood C., Professor (with tenure), Obstetrics and Gynecology, joint appointment as Professor (without tenure), Physiology and Biophysics, effective 3/2/94.

Gross, David R., Professor (with tenure), Surgery, joint appointment as Professor (without tenure), Physiology and Biophysics, effective 3/2/94.

Meeker, Timothy C., Associate Professor (with tenure), Internal Medicine, joint appointment as Associate Professor (without tenure), Biochemistry, effective 3/2/94.

Turco, Salvatore J., Professor (with tenure), Biochemistry, joint appointment as Professor (without tenure), Internal Medicine, effective 3/2/94.

D. REAPPOINTMENTS

College of Medicine

Bergen, Robert L., Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Collis, William J., Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Kinker, Robert G., Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Koffler, Bruce H., Associate Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Offutt, William N., IV, Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Prater, Bryan N., Associate Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Reddy, Syamala H.K., Associate Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Rose, Stephen W., Associate Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Smith, Thomas J., Associate Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Vanmeter, Woodford S., Associate Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Wallace, Gary R., Associate Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Wood, William, Professor (voluntary), Ophthalmology,
7/1/94 through 6/30/97.

E. TENURE

College of Medicine

Kelly, Thomas H., Associate Professor (without tenure),
Behavioral Science, to Associate Professor (with
tenure), Behavioral Science, effective 7/1/94.

F. PROMOTIONS

College of Medicine

Eckerline, Charles A., Assistant Professor*, Emergency
Medicine, to Associate Professor* (with tenure),
Emergency Medicine, effective 7/1/94.
Freeman, James F., Assistant Professor, Surgery, joint
appointment as Assistant Professor, Microbiology
and Immunology, to Associate Professor (with
tenure), Surgery, joint appointment as Associate
Professor (without tenure), Microbiology and
Immunology, effective 2/1/94.

*Special Title Series

Johnson, Mitzi M.S., Assistant Professor, Behavioral Science, joint appointment as Assistant Professor, College of Arts and Sciences, Department of Psychology, to Associate Professor (with tenure), Behavioral Science, joint appointment as Associate Professor (without tenure), College of Arts and Sciences, Department of Psychology, effective 7/1/94.

Kearney, Paul A., Jr., Assistant Professor, Surgery, to Associate Professor (with tenure), Surgery, effective 7/1/94.

McGrath, Patrick C., Assistant Professor, Surgery, to Associate Professor (with tenure), Surgery, effective 7/1/94.

Prasad, M. Renuka, Assistant Research Professor, Surgery, to Associate Research Professor (without tenure), Surgery, 7/1/94 through 6/30/95.

College of Pharmacy

Cassis, Lisa A., Assistant Professor, to Associate Professor (with tenure), effective 2/20/94.

Soltis, Edward E., Assistant Professor, to Associate Professor (with tenure), effective 2/20/94.

G. LEAVES OF ABSENCE

College of Medicine

Sutherland, Ellen, Clinical Assistant Professor, Pediatrics, sick leave with pay, 2/21/94 through 4/4/94.

Medical Center Library

Theirl, Edwina, Librarian II (with tenure), sick leave with pay, 1/6/94 through 2/17/94.

H. EARLY RETIREMENTS

University Hospital

Lucas, Daniel M., Linen Room Manager, Materials Management, after 17.5 consecutive years of service, under AR II-1.6-1 Section III.A.2, effective 2/4/94.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Dentistry

Williams, Barbara J., Instructor (voluntary), Oral Health Science, 1/21/94 through 6/30/94.

College of Medicine

Cass, Wayne A., Assistant Professor, Anatomy and Neurobiology, 4/1/94 through 6/30/94.
Croy, Cynthia D., Assistant Professor (voluntary), Family Practice, 3/2/94 through 6/30/94.
Graulich, Kenneth B., Assistant Professor (voluntary), Neurology, 3/2/94 through 6/30/94.
Lobach, Augustinus J., Assistant Professor (voluntary), Family Practice, 3/2/94 through 6/30/94.
Meek, Robin R., Assistant Professor (part-time), Internal Medicine, 3/15/94 through 6/30/94.
Smith, R. Alan, Assistant Professor (voluntary), Pediatrics, 3/2/94 through 6/30/94.
Warren, Walter R., Assistant Professor (voluntary), Neurology, 3/2/94 through 6/30/94.
Wolens, Daniel, Assistant Professor (voluntary), Preventive Medicine and Environmental Health, 3/2/94 through 6/30/94.

B. ADMINISTRATIVE APPOINTMENTS

Chancellor's Office

Turner, Terence J., Director, Medical Center Planning, Assessment and Effectiveness, Academic Affairs, effective 1/1/94.

C. JOINT APPOINTMENTS

College of Medicine

Arden, Warwick A., Assistant Professor, Surgery, joint appointment as Assistant Professor, Physiology and Biophysics, 3/2/94 through 6/30/94.
Kindy, Mark S., Assistant Professor, Biochemistry, joint appointment as Assistant Professor, Surgery, 3/2/94 through 6/30/94.

D. REAPPOINTMENTS

College of Medicine

Evans, Johannes C., Instructor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Garrett, David T., Assistant Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Hollins, Jack L., Assistant Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Isernhagen, Rick D., Assistant Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Litteral, Gilbert L., Instructor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Matthews, James W., Assistant Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Millett, Adrienne J., Assistant Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Patterson, James H., Jr., Assistant Professor
(voluntary), Ophthalmology, 7/1/94 through 6/30/97.
Sparrow, John C., Assistant Professor (voluntary),
Ophthalmology, 7/1/94 through 6/30/97.
Weaver, Kenneth R., Assistant Professor (voluntary),
Ophthalmology, joint appointment as Assistant
Professor (voluntary), Emergency Medicine, 7/1/94
through 6/30/97.

E. CHANGES

College of Pharmacy

Fleming, William K., from Instructor (voluntary), to
Assistant Professor (part-time), 2/1/94 through
6/30/94.

F. TERMINAL REAPPOINTMENTS

College of Medicine

McDonnell, Francis J., Assistant Professor*,
Anesthesiology, 1/25/94 through 1/24/95.

G. LEAVES OF ABSENCE

College of Medicine

Humphries, Laurie L., Professor (with tenure).
Psychiatry, sabbatical leave at half salary, 9/1/94
through 8/31/95.
O'Connor, William N., Associate Professor (with
tenure), Pathology and Laboratory Medicine,
sabbatical leave at full salary, 4/27/94 through
6/27/94 and 8/5/94 through 11/30/94.

*Special Title Series

Office of the President
March 1, 1994

PR 5A

Members, Board of Trustees:

TRANSFER OF DEPARTMENT OF COMPUTER SCIENCE

Recommendation: that the Board of Trustees approve the transfer of the Department of Computer Science from the College of Arts and Sciences to the College of Engineering.

Background: A possible move of Computer Science to Engineering has been discussed for several years and was included in the recommendations of the recent report of the Lexington Campus Realignment and Restructuring Task Force. Discussions and negotiations have intensified during the past year with involvement of the deans and faculties of both Colleges. The result is a comprehensive agreement between the two Colleges, delineating the financial, academic, and logistics aspects of the move. The move should result in more effective, efficient, and financially sound research, instructional, and service efforts of the unit. The department's budget, faculty, and staff will be moved without change, as will specific equipment currently being utilized by Computer Science faculty and staff. Degree and admission requirements will remain unchanged.

This proposal was approved by the Senate Committee on Academic Organization and Structure and the University Senate.

Action taken: Approved Disapproved Other

Date: March 1, 1994

Office of the President
March 1, 1994

PR5B

Members, Board of Trustees:

CHANGE IN ORGANIZATION STRUCTURE
COLLEGE OF BUSINESS AND ECONOMICS

Recommendation: that the academic departments of Decision Sciences and Information Systems, Finance, Management and Marketing within the College of Business and Economics be merged into a new School of Management. With the approval of this organizational change, the College will consist of the School of Accountancy, the School of Management and the Department of Economics.

Background: This proposal is the result of continuing self-study and review by the faculty of the College. The formal proposal which is the basis for this recommendation was the result of the 1992-1993 Business and Economics 2000 Planning Committee study. A subsequent faculty retreat and the efforts of an ad hoc College Reorganization Committee further refined the proposal. It is the belief of the College faculty and administration that the recommended changes will result in enhanced quality of the academic programs, as well as cost savings.

The proposal was approved by the Senate Committee on Academic Organization and Structure and by the University Senate.

Action taken: Approved Disapproved Other

Date: March 1, 1994

Office of the President
March 1, 1994

PR 6A

Members, Board of Trustees:

APPROVAL OF THE DEVELOPMENT OF A CHILDREN'S HOSPITAL

Recommendation: that the Board of Trustees approve the Medical Center's plan for development of a Children's Hospital.

Background: The staff of the Medical Center has been exploring ways to improve care to children of the Commonwealth. Evaluation of a number of models, such as the Children's Hospital within a hospital at Vanderbilt University, has been done. The preliminary evaluation process has been completed, and approval to proceed with a project plan is requested. It is anticipated that the vacant fourth floor of the Critical Care Center (approximately 30,000 square feet) will be completed for support of the program. The estimated cost is \$6,800,000 which is the amount provided for in the 1992-94 University Strategic Plan previously approved by the Board. A second phase of the plan would be for the retrofit of pediatric space and for certain functions to be relocated at a budgeted amount of \$3,800,000. This authority has been provided for in the University Strategic Plan for the 1994-96 biennium and previously approved by the Board.

The source of the funds for this project will be the University Hospital Replacement and Renewal Fund.

Action taken: Approved Disapproved Other

Date: March 1, 1994

Office of the President
March 1, 1994

FCR 1

Members, Board of Trustees:

ACCEPTANCE OF INTERIM FINANCIAL REPORT FOR THE
UNIVERSITY OF KENTUCKY FOR THE SEVEN MONTHS ENDED
JANUARY 31, 1994

Recommendation: that the Board of Trustees accept the University of Kentucky consolidated financial report for the seven months ended January 31, 1994.

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

As of January 31, 1994, the University had realized income of \$650,520,000 representing 72% of the 1993-94 estimate of \$899,422,000. Expenditures and commitments total \$530,520,000 or 59% of the approved budget of \$899,422,000.

Action taken: Approved Disapproved Other

Date: March 1, 1994

CONSOLIDATED BALANCE SHEET
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
JANUARY 31, 1994
with comparative totals for January 31, 1993
(in thousands)

	1993-94					1992-93	
	Current Unrestricted Funds	Current Restricted Funds	Loan Funds	Endowment Funds	Plant Funds	Totals	Totals
ASSETS							
Cash and cash equivalents	\$ 139,002	\$ 9,937	\$ 1,508		\$ 140,297	\$ 290,744	\$ 292,371
Notes, loans, and A/R (less bad debt allowances of \$7,590)	80,151	16,584	19,285	\$ 813	1,569	118,402	103,755
Investments	8,846	51,165		107,151	57,821	224,983	207,274
Property, plant, and equipment					1,052,713	1,052,713	1,020,139
Inventories and other	12,958	86				13,044	13,428
Total Assets	\$ 240,957	\$ 77,772	\$ 20,793	\$ 107,964	\$1,252,400	\$1,699,886	\$1,636,967
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 24,458	\$ 1,254	\$ 160		\$ 573	\$ 26,445	18,925
Employee withholdings and deposits		9,718				9,718	8,218
Other liabilities	2,831	228			5,668	8,727	13,199
Liability for self insurance	22,998					22,998	21,432
Deferred income	8,334	11,354				19,688	17,268
Bonds payable					323,709	323,709	317,889
Capitalized lease obligation					40,447	40,447	45,356
Net deferred revenues and appropriated fund balances	125,218	133				125,351	105,484
Total Liabilities	183,839	22,687	160		370,397	577,083	547,771
Interfund Balances	(22,054)	27,009			(4,955)		
Fund Balances							
Current unrestricted							
Working capital	66,939					66,939	67,414
Future operating purposes	6,562					6,562	9,415
Other	5,671					5,671	2,434
Current restricted							
Loan		28,076	20,633			28,076	26,824
True endowments				\$ 64,044		64,044	58,791
Term endowments				5,086		5,086	3,675
Quasi endowments				38,834		38,834	31,136
Plant							
Retirement of indebtedness					37,322	37,322	36,702
Renewal and replacement					64,066	64,066	45,821
Allocated for designated projects					32,193	32,193	31,656
Net investment in plant					753,377	753,377	755,438
Total Fund Balances	79,172	28,076	20,633	107,964	886,958	1,122,803	1,089,196
Total Liabilities and Fund Balances	\$ 240,957	\$ 77,772	\$ 20,793	\$ 107,964	\$1,252,400	\$1,699,886	\$1,636,967

CONSOLIDATED STATEMENT OF CURRENT FUNDS REVENUES AND APPROPRIATED FUND BALANCES
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 1994
with comparative totals for January 31, 1993
(in thousands)

	(A)	(B)	(C)	(D)	(E)	(F)
	1993-94				1992-93	
	Original Budget	Revised Budget	Realized To Date	%	Realized To Date	%
General Fund						
(1) State appropriations	\$ 313,694	\$ 313,694	\$ 235,053	75	\$ 229,237	74
(2) Student fees	109,511	110,238	101,226	92	89,934	95
(3) Federal appropriations	15,040	15,040	9,310	62	8,312	55
(4) County appropriations	5,347	5,613	2,716	48	2,703	51
(5) Endowment income	601	801	335	42	348	43
(6) Investment income	6,039	6,039	4,310	71	4,828	58
Gifts and grants						
(7) Affiliated corporations	7,961	9,407	4,302	46	3,758	47
(8) Other	3,867	4,372	1,993	46	1,531	36
(9) Sales and services	24,868	24,909	13,306	53	12,985	55
(10) Fund balance	7,763	11,946	11,946	100	7,220	100
(11) Total General Fund	494,891	502,059	384,497	77	360,856	76
(12) Auxiliary Enterprises	37,056	37,317	24,103	65	23,422	65
(13) Restricted Funds	68,263	69,301	46,443	67	44,254	71
(14) Affiliated Corporations	104,412	106,174	68,833	65	57,327	64
Hospital						
(15) Revenues	184,571	184,571	126,644	69	120,652	64
(16) Fund balance						
(17) Total Revenues and Appropriated Fund Balances	<u>\$ 889,193</u>	<u>\$ 899,422</u>	<u>\$ 650,520</u>	72	<u>\$ 606,511</u>	71

**CONSOLIDATED STATEMENT OF CURRENT FUNDS EXPENDITURE SUMMARY BY PROGRAM - ALL FUNDS
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 1994**

with comparative totals for January 31, 1993
(in thousands)

	(A)	(B)	(C)	(D)	(E)	(F)
	1993-94			1992-93		
	Original Budget	Revised Budget	Expended/ Encumbered To Date	%	Expended/ Encumbered To Date	%
(1) Instruction	\$ 225,352	\$ 225,985	\$ 118,635	52	\$ 118,429	56
(2) Research	103,723	104,577	62,139	59	55,418	61
(3) Public service	76,414	77,202	43,904	57	40,129	52
(4) Academic support	55,835	59,448	31,493	53	30,324	56
(5) Student services	21,021	21,491	12,615	59	11,502	58
(6) Institutional support	38,317	40,838	20,110	49	19,601	54
(7) Student financial aid	52,179	52,618	46,584	89	43,008	94
(8) Operation and maintenance	40,400	41,050	23,129	56	21,597	57
(9) Mandatory transfers (debt service)	36,112	36,112	35,666	99	36,264	100
(10) Hospital	184,308	184,308	99,579	54	95,404	51
(11) Auxiliary enterprises	55,532	55,793	36,666	66	33,970	64
(12) Total Expenditure by Program	<u>\$ 889,193</u>	<u>\$ 899,422</u>	<u>\$ 530,520</u>	59	<u>\$ 505,646</u>	59

**EXPENDITURE SUMMARY BY CATEGORY OF EXPENDITURE
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 1994**

with comparative totals for January 31, 1993
(in thousands)

	(A)	(B)	(C)	(D)	(E)	(F)
	1993-94			1992-93		
	Original Budget	Revised Budget	Expended/ Encumbered To Date	%	Expended/ Encumbered To Date	%
(13) Personnel costs	\$ 511,415	\$ 511,821	\$ 293,477	57	\$ 280,032	58
(14) Operating expenses	302,653	313,223	180,133	58	172,352	57
(15) Mandatory transfers (debt service)	41,200	41,200	38,860	94	39,117	95
(16) Capital outlay	33,925	33,178	18,050	54	14,145	48
(17) Total Expenditure by Category	<u>\$ 889,193</u>	<u>\$ 899,422</u>	<u>\$ 530,520</u>	59	<u>\$ 505,646</u>	59

CONSOLIDATED SUMMARY OF NET DEFERRED REVENUES AND APPROPRIATED FUND BALANCES
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 1994
with comparative totals for January 31, 1993
(In thousands)

	(A)	(B)	(C)
	<u>1993-94</u>		<u>1992-93</u>
(1) Realized Revenues		\$ 638,574	\$ 599,291
Appropriated Fund Balances			
(2) Current unrestricted fund	\$ 11,946		7,220
(3) University Hospital			
(4) Total Appropriated Fund Balances		<u>11,946</u>	<u>7,220</u>
(5) Total Revenues and Appropriated Fund Balances		650,520	606,511
(6) Expenditures/Encumbrances	530,520		505,646
(7) Less: Reserve for Encumbrances	<u>(5,351)</u>		<u>(4,619)</u>
(8) Total Expenditures		<u>525,169</u>	<u>501,027</u>
(9) Net Deferred Revenues and Appropriated Fund Balances		<u><u>\$ 125,351</u></u>	<u><u>\$ 105,484</u></u>

Office of the President
March 1, 1994

FCR 2

Members, Board of Trustees:

REPORT OF LEASES

Recommendation: that the Vice President for Administration be authorized to negotiate and execute the following:

The renewal of a lease between University of Kentucky (Agronomy Department) and Homer Mitchell, Route 2, Box 16-A, Princeton, Kentucky, for property located on Route 2 in Princeton, Kentucky, effective April 1, 1994 through March 31, 1995, for the use of two acres of land for soil research, rental rate of \$200.00, be accepted and made a matter of record.

The renewal of a lease between University of Kentucky (Lexington Community College) and Lexington Public Library, 140 East Main Street, Lexington, Kentucky, for property located at 140 East Main Street, Lexington, Kentucky, effective February 11, 1994 through June 30, 1994, for the use of classroom space, rental rate of \$9,612.00, be accepted and made a matter of record.

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

Action taken: Approved Disapproved Other

Date: March 1, 1994

Office of the President
March 1, 1994

FCR 3

Members, Board of Trustees:

APPROVAL OF LEASE

Recommendation: that the Vice President for Administration be authorized to negotiate and execute the following:

An addendum to a lease between University of Kentucky (Hospital Accounting) and CHM Property Partners, %Haymaker Company, 191 West Lowry Lane, Suite A, Lexington, Kentucky, for property located at 191 West Lowry Lane, Suite B, Lexington, Kentucky, effective March 1, 1994 through June 30, 1994, for the installation of communications network, at an annual rate of \$5,469.34.

Background: The original lease was approved by the Board of Trustees on December 14, 1993 to be effective February 1, 1994 at an annual rental cost of \$55,398.22. This addendum brings the total annual rental to \$60,867.56. FCR 5, dated October 5, 1985 authorized the President or his designated representative to enter into leases and easements not exceeding \$30,000 in value and required that all leases entered into under this authority be reported to the Board.

Action taken: Approved Disapproved Other

Date: March 1, 1994

FCR 4

Members, Board of Trustees:

1993-94 Budget Revisions
Central Administration

Recommendation: that the following revisions in the 1993-94 budget be authorized and approved.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. GENERAL FUND			
1. Income Estimates			
Student Fees			
Self-Supporting			
Noncredit Fees	\$ 8,694,700	\$ 8,744,900	\$ 50,200
Other Fees	1,503,600	1,521,600	18,000
Federal Appropriations			
Agricultural Experiment Station	4,952,900	5,040,100	87,200
Agricultural Cooperative Extension	9,616,900	9,840,100	223,200
Gifts and Grants			
The Fund for Advancement of Education and Research in the UK Medical Center	3,150,100	3,439,600	289,500
Other Gifts and Grants	2,545,100	2,634,500	89,400
Sales and Services			
Agricultural Public and Regulatory Services	2,970,700	2,938,600	(32,100)
Departmental Sales and Services	16,406,000	16,470,600	<u>64,600</u>
			790,000
2. Expenditures			
Central Administration			
Information Systems			
Libraries	11,035,000	11,058,000	23,000
Research and Graduate Studies			
Academic Affairs			
Center for Applied Energy Research	3,528,900	3,534,900	6,000

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. GENERAL FUND (continued)			
2. Expenditures (continued)			
Community College System			
Henderson	\$ 3,896,000	\$ 3,901,500	\$ 5,500
Owensboro	5,022,700	5,062,900	40,200
Lexington Campus			
Agricultural Experiment Station			
Director	816,200	880,600	64,400
Forestry	919,800	939,800	20,000
Veterinary Science	1,678,900	1,681,700	2,800
Agricultural Public Service			
Agronomy: Foundation Seed	451,500	419,400	(32,100)
Agricultural Cooperative Extension Service			
Field Programs	20,701,500	20,907,500	206,000
Home Economics Programs	2,172,600	2,189,800	17,200
Vice Chancellor for Administration/ Business Affairs			
Personnel Division	1,009,300	1,016,100	6,800
Student Affairs			
Student Financial Aid - Administration	796,900	886,300	89,400
Medical Center			
College of Allied Health Professions			
Department of Clinical Sciences	1,882,300	1,900,300	18,000
College of Dentistry			
Office of the Dean	655,300	910,000	254,700
College of Medicine			
Obstetrics and Gynecology	597,500	602,500	5,000
Surgery and Divisions	2,353,500	2,362,800	9,300
College of Pharmacy			
Medicinal Chemistry and Pharmaceutics	1,410,700	1,429,700	19,000
Administration and Support			
Student Services			
University Health Service	3,015,100	3,049,900	<u>34,800</u>
			<u>790,000</u>

3. Comments - The increase in noncredit fees supports program activities in the College of Medicine and at Henderson and Owensboro Community Colleges. The increase in other fees supports the College of Allied Health Professions microscope service.

A. GENERAL FUND (continued)

3. Comments (continued)

The increase in Federal Appropriations will support programs in the Agricultural Experiment Station and the Cooperative Extension Service. The increase in gifts and grants from the Fund will support the Medical Center's University Health Service and the College of Dentistry salary supplementations. The increase in Other Gifts and Grants will support the student financial aid administration.

The decrease in the Agricultural Public Service is due to a reduction in this season's foundation seed yield and demand. Programs supported by increased departmental sales and services include programs in the College of Pharmacy and surgery programs in the College of Medicine; library activities at the Henderson Community College; the libraries and journal costs in Information Systems and the Center for Applied Energy Research; and a skills based training program in the Personnel Division.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
B. <u>RESTRICTED FUNDS</u>			
1. Income Estimates	\$ 69,301,300	\$ 71,417,800	\$ 2,116,500
2. Expenditures			
Central Administration			
Information Systems			
Libraries	1,951,800	1,964,100	12,300
Community College System			
Jefferson	152,200	172,300	20,100
Southeast	58,200	68,200	10,000
Lexington Campus			
Agricultural Experiment Station			
Veterinary Science	1,399,000	1,404,000	5,000
Student Affairs			
Pell Grants	28,000,000	30,000,000	2,000,000
Medical Center			
College of Dentistry			
Department of Oral Health			
Practice	88,200	104,800	16,600
College of Medicine			
Pharmacology	171,200	173,000	1,800
Rehabilitation Medicine	3,100	3,800	700
Continuing Education	50,000	100,000	<u>50,000</u>
			2,116,500

Comments - Income restricted for the purposes indicated above will fund the proposed additional program activities.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
C. <u>AUXILIARY SERVICES</u>			
1. Income Estimates	\$ 37,317,200	\$ 37,319,700	\$ 2,500
2. Expenditures			
Lexington Campus			
Vice Chancellor for Administration/ Business Affairs			
Conferences & Institutes	-0-	20,500	20,500
Medical Center			
College of Allied Health Professions	18,000	-0-	<u>(18,000)</u> 2,500
3. <u>Comments</u> - The proposed expenditure increase will be supported by additional income generated by the respective auxiliary operation; the decrease is a result of a transfer of operations to a general fund activity.			

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
D. <u>AFFILIATED CORPORATIONS</u>			
1. Income Estimates	\$106,179,700	\$106,202,300	\$ 22,600
2. Expenditures			
The Medical Center Fund	4,094,000	4,116,600	22,600
3. <u>Comments</u> - The additional income will supplement the College of Dentistry activities.			

Action taken: Approved Disapproved Other

Date: March 1, 1994

Office of the President
March 1, 1994

FCR 5

Members, Board of Trustees:

JOHN H. CLARK GIFT OF PROPERTY

Recommendation: that the Board of Trustees accept the gift of 160 acres of farm property in Woodford County from John H. Clark of Lexington, Kentucky. The property eventually will be sold by the University and the proceeds used by the University of Kentucky Equine Research Foundation to fund research in the Department of Veterinary Science.

Background: The farm is on Huntertown Road in Woodford County and is valued at approximately \$897,500. Under terms of the agreement with the University, Mr. Clark retains use of the property during his lifetime or until he relinquishes such interest. Mr. Clark is a noted horseman and equine writer. He is known as "Trader Clark," which is the title of a book he wrote about his experiences in the thoroughbred industry. He is nationally known for his knowledge of thoroughbred breeding and training.

Action taken: Approved Disapproved Other

Date: March 1, 1994

Office of the President
March 1, 1994

FCR 6

Members, Board of Trustees:

RALPH G. ANDERSON PLEDGE

Recommendation: that the Board of Trustees accept the pledge of \$2,000,000 from Ralph G. Anderson, Cincinnati, Ohio, for help in building a new mechanical engineering building on the Lexington Campus.

Background: Mr. Anderson, a native of Harrodsburg, Kentucky, worked his way through the University of Kentucky College of Engineering, graduating in 1950 with a degree in mechanical engineering. He has gone on to become the founder and owner of Belcan Corporation in Cincinnati, a firm which provides a variety of technical support services for industry and which has 3,500 employees and \$250 million annually in revenue. Mr. Anderson has maintained a close association over the years with the University and the College of Engineering. He is a member of the UK Development Council and he, his wife, his daughter and his three grandchildren are all UK Fellows. His generous gift will spearhead a drive to raise additional private funds for a state-of-the-art facility to be funded from both private donations and a state bond issue.

Action taken: Approved Disapproved Other

Date: March 1, 1994

Office of the President
March 1, 1994

FCR 7

Members, Board of Trustees:

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE OF UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM REFUNDING REVENUE BONDS, SERIES N.

Recommendation: (i) that the Board of Trustees approve a Resolution accepting the successful bid of Morgan Keegan & Company with reference to the sale of the \$4,170,000 (plus or minus up to \$415,000) of University of Kentucky Housing and Dining System Refunding Revenue Bonds, Series N, dated February 1, 1994, at a net interest cost of 5.1192%.

Background: On January 25, 1994, the Board of Trustees approved a Resolution authorizing the issuance of \$4,170,000 (plus or minus up to \$415,000) of University of Kentucky Housing and Dining System Refunding Revenue Bonds, Series N, dated February 1, 1994. Said Resolution also authorized the public advertising for sealed, competitive bids to be received on March 1, 1994. Bids were received by the Controller and Treasurer and tabulated by J.J.B. Hilliard, W.L. Lyons, Inc., the Financial Advisors for the bonds. The recommended bid is the lowest net interest cost to the University.

Three bids were received and tabulated as follows:

Morgan Keegan & Company	5.1192%
J.J.B. Hilliard, W.L. Lyons	5.1701%
Kemper Securities, Inc.	5.1712%

Action: Approved Disapproved Other

Dated: March 1, 1994

RESOLUTION

RESOLUTION OF THE BOARD OF TRUSTEES OF
UNIVERSITY OF KENTUCKY ACCEPTING THE SUCCESSFUL
BID FOR THE PURCHASE OF UNIVERSITY OF KENTUCKY
HOUSING AND DINING SYSTEM REFUNDING REVENUE
BONDS, SERIES N.

WHEREAS, pursuant to a resolution of the Board of Trustees (the "Board") adopted on January 25, 1994, the Board authorized the advertisement for sale of the University of Kentucky Housing and Dining System Refunding Revenue Bonds, Series N, dated February 1, 1994 (the "Series N Bonds"), and the receipt of bids for the Series N Bonds at such time and date designated by the Treasurer of the University, which time and date have been designated as 9:30 A.M., E.S.T., on March 1, 1994, and the acceptance of the lowest and best bid received upon the advice of J.J.B. Hilliard, W.L. Lyons, Inc., the Financial Advisor to the Board; and

WHEREAS, notice of the sale of \$4,170,000 principal amount of University of Kentucky Housing and Dining System Refunding Revenue Bonds, Series N, has heretofore been advertised in strict compliance with all legal requirements; and

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

<u>BIDDERS</u>	<u>INTEREST RATES</u>	<u>AMOUNTS BID FOR SAID \$4,170,000 PRINCIPAL AMOUNT OF BONDS, PLUS ACCRUED INTEREST FROM FEBRUARY 1, 1994</u>	<u>INTEREST COST</u>
Morgan Keegan & Co.	2.80%-5.125%	\$4,107,725.40	5.1192%
J.J.B. Hilliard, W.L. Lyons	2.50%-5.30%	\$4,107,450.00	5.1701%
Kemper Securities, Inc.	4.25%-5.25%	\$4,107,450.00	5.1712%

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

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

1. Determination of Best Bid; Acceptance. That the bid of Morgan Keegan & Company for the purchase of said \$4,170,000 principal amount of University of Kentucky Housing and Dining System Refunding Revenue Bonds, Series N, dated February 1, 1994, be accepted and confirmed, said bid being at a price of \$ 4,107,725.40 for said \$4,170,000 principal amount of Bonds, and adjusted to a price of \$ 4,135,000 for \$ 4,073,248.09 principal amount of Bonds, plus accrued interest from February 1, 1994, to the date of delivery of the Bonds, such Bonds being payable as follows:

<u>Maturity</u> <u>June 1</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u> <u>June 1</u>	<u>Amount</u>	<u>Rate</u>
1994	\$ <u>30,000</u>	<u>2.80 %</u>	2002	\$ <u>370,000</u>	<u>4.90 %</u>
1995	<u>65,000</u>	<u>3.30 %</u>	2003	<u>385,000</u>	<u>5.00 %</u>
1996	<u>75,000</u>	<u>3.80 %</u>	2004	<u>395,000</u>	<u>5.10 %</u>
1997	<u>270,000</u>	<u>4.10 %</u>	2005	<u>360,000</u>	<u>5.125 %</u>
1998	<u>250,000</u>	<u>4.30 %</u>	2006	<u>510,000</u>	<u>5.125 %</u>
1999	<u>305,000</u>	<u>4.50 %</u>	2007	<u>205,000</u>	<u>5.125 %</u>
2000	<u>340,000</u>	<u>4.70 %</u>	2008	<u>225,000</u>	<u>5.125 %</u>
2001	<u>350,000</u>	<u>4.80 %</u>			

and being a bid at an average net interest cost to the University of 5.12317 % per annum; and said bid is hereby determined to be the best bid with the most favorable net interest cost to the University for said Bonds; and the principal maturities and interest rates on said Bonds are hereby fixed at the principal maturities and interest rates set out above.

2. All Other Bids Rejected. That all other bids are hereby rejected, and the good faith deposit of the successful purchaser will be deposited in immediately available funds prior to the close of business on March 2, 1994, and the amount thereof will be credited (without interest) against the purchase price of the Bonds on the date of delivery to such purchaser.

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

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

Adopted on March 1, 1994.

Lois Weinberg
Secretary

Edward T. Buehritt
Chairman

CERTIFICATE

I, Lois Weinberg, hereby certify that I am the duly qualified and acting Secretary of the Board of Trustees of University of Kentucky, Bowling Green, Kentucky, that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Trustees of said University of Kentucky at a meeting duly held on March 1, 1994, and that said Resolution has been duly recorded in the Minute Book of said Board.

Lois Weinberg
Secretary

Office of the President
March 1, 1994

FCR 8

Members, Board of Trustees:

AGREEMENTS WITH CYPRUS SOUTHERN REALTY COMPANY AND THE KENTUCKY
DEPARTMENT OF FISH AND WILDLIFE RESOURCES REGARDING ROBINSON FOREST

Recommendation: (1) that the University's Administration be authorized to enter into an agreement with Cyprus Southern Realty Company, a wholly-owned subsidiary of Cyprus Amax Coal Company, resolving without litigation a dispute concerning the ownership of, and coal royalties, from a 15-acre (+/-) portion of the Robinson Forest's Bear Branch Tract known as Harbert Knob; (2) that in connection with this settlement agreement the Board authorize transfer of the disputed royalties to the Kentucky Department of Fish and Wildlife Resources for uses that would further development of wildlife management areas on the Robinson Forest and on contiguous lands owned by Cyprus; (3) that the Board authorize the University's administration to enter into a new Wildlife Management Memorandum of Understanding with the Department of Fish and Wildlife Resources; and (4) that the Board authorize the execution of a quitclaim deed for a portion of Harbert Knob to Cyprus and the acceptance of a quitclaim deed for the remaining portion from Cyprus.

Background: On June 16, 1992, the Board authorized the Administration to execute a coal lease with Arch Mineral Corporation on a portion of the University's Bear Branch tract known as Harbert Knob. This tract is west of the main block of the Robinson Forest and is close to those properties under lease to Addington, Inc. Cyprus-Southern Realty Company, a wholly-owned, landholding subsidiary of Cyprus Amax Coal Company, one of the world's largest coal producers, also claims title to Harbert Knob and has a lease with Arch. Arch has completed mining the coal and is holding royalties of \$294,221.27 in escrow until such time as the University and Cyprus resolve the land ownership issue.

The University's chain of title is established through Patents 25548 and 40479 issued by the Commonwealth of Kentucky in 1856 and 1867, respectively, and deeds from one Ira Noble who marked out a boundary which included Harbert Knob in 1848 and established his ownership through the doctrine of adverse possession; Cyprus's chain of title to the Harbert Knob tract is through Patent 40423 issued by the Commonwealth of Kentucky in 1867, based on a survey made in 1860. There is a dispute, particularly common in old land surveys in eastern Kentucky, as to which party has superior legal title to the property. Representatives of Cyprus and the University have been discussing for approximately two years ways to avoid the expense and uncertainty of protracted litigation which would otherwise be required to settle the entitlement to the escrowed royalties and the ownership of Harbert Knob.

Cyprus is the University's largest single "neighbor" in Breathitt, Knott, and Perry counties. It owns approximately 16,000 acres contiguous to the University's 15,000 acre Robinson Forest; the parties share approximately 12 miles of common boundaries.

In 1993, Cyprus and the University each began working with the Department of Fish and Wildlife Resources concerning wildlife management areas on their respective properties. The University was renegotiating its long-term understanding with the Department concerning Robinson Forest as a Wildlife Management Area. Cyprus was considering placing its lands into a similar area with the Department. In discussions with the Department, it was determined that a three-way arrangement among the University, Cyprus, and the Department for joint management of the University and Cyprus areas would further the history of cooperation of the three entities on wildlife research involving forested coal mined lands in Eastern Kentucky and could lead to the establishment of one of the state's largest wildlife management areas.

Commissioner Tom Bennett of the Department of Fish and Wildlife was instrumental in suggesting that one way that the University and Cyprus could settle the disposition of the disputed royalties was by transferring the royalties to the Department for use in connection with those Wildlife Management areas: funding additional personnel, both wildlife biologists and conservation enforcement officers, over and above the level usually provided by the Department; for other related uses by the Department directly for the benefit of the University and Cyprus Wildlife Management areas; and for other more general wildlife purposes that would benefit the people of Kentucky, with an emphasis on wildlife education and extension, particularly relating to wildlife issues of Eastern Kentucky.

Accordingly, if this arrangement is approved by both the University, Cyprus and the Department, the following events would occur:

1. Cyprus and the University would each execute a Wildlife Management Area agreement with the Department.
2. Cyprus and the University would execute a settlement agreement whereby the disputed royalties would be transferred to the Kentucky Department of Fish and Wildlife Resources under procedures to be agreed upon by the parties.
3. The University and Cyprus would divide ownership of Harbert Knob as follows: Cyprus would execute a quitclaim deed to the University for that portion of Harbert Knob claimed by Cyprus lying within the currently unmined portion of the Bear Branch watershed. The University would execute a quitclaim deed to Cyprus for that portion of Harbert Knob claimed by the University that has been mined by Arch pursuant to the University's lease with Arch.
4. The University, Cyprus, and the Department would enter into a Memorandum of Understanding further detailing the use of the funds incorporating the concepts set out above.

Action taken: Approved Disapproved Other

Date: March 1, 1994