

# FCR 5

Office of the President  
April 1, 2003

Members, Board of Trustees:

ESTABLISHMENT OF CHARLES W. HAMMOND MEMORIAL  
QUASI - ENDOWMENT FUND

Recommendation: that the Board of Trustees approve the establishment of the Charles W. Hammond Memorial Quasi-Endowment to provide general support of the programs in the Department of Chemistry.

Background: In October 1992, the University of Kentucky received \$216,665 from a gift of securities by Charles W. Hammond, a former Chemistry graduate student at the University. Mr. Hammond requested his gift be used for the benefit of the Department of Chemistry.

The gift of \$216,665 was placed in a restricted account and has been invested annually in the University's short-term investment program. Interest earned and portions of the original gift have been used to support the Department of Chemistry's student programs. The restricted account has a current balance of \$256,619.

Dr. Boyd E. Haley, Chairman of the Department of Chemistry, has requested that \$250,000 of the Hammond restricted account be transferred to the Endowment to achieve a long-term perspective for investment purposes, which will allow the University to better fulfill its stewardship responsibility.

The principal will be invested in the Endowment pooled investments and will generate annual spending distributions of approximately \$12,000 for support of the Department of Chemistry.

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