

Minutes of the Meeting of the Board of Trustees of the University of Kentucky,
Tuesday, October 16, 2007.

The Board of Trustees of the University of Kentucky met at 1:00 p.m. (Lexington time) on Tuesday, October 16, 2007, in the Board Room on the 18th Floor of Patterson Office Tower.

A. Meeting Opened

Ms. Mira Ball, chair, called the meeting to order at 1:00 p.m. and asked Ms. Pam May, secretary of the Board, to call the roll.

B. Roll Call

The following members of the Board of Trustees answered the call of the roll: Mira Ball (Chair), Stephen Branscum, Penelope Brown, Jeff Dembo, Ann Haney, James Hardyman, Pamela May, Phillip Patton, Nick Phelps, Erwin Roberts, Charles Sachatello, Frank Shoop, Myra Leigh Tobin, JoEtta Wickliffe, Billy Wilcoxson, Russ Williams, and Ernest Yanarella. Absent from the meeting was Dermontti Dawson, Billy Joe Miles, and Sandy Bugie Patterson. Ms. May reported that a quorum was present.

The university administration was represented by President Lee T. Todd, Jr., Provost Kumble Subbaswamy, Executive Vice President for Finance and Administration Frank Butler, Executive Vice President for Health Affairs Michael Karpf, and General Counsel Barbara W. Jones.

The university faculty was represented by Chair of the University Senate Council Kaveh Tagavi, and the university staff was represented by Chair of the Staff Senate Kenneth Blair.

Members of the various news media were also in attendance.

C. Consent Items

Ms. Ball called attention to the consent items on the agenda. She noted that a revised copy of the Minutes with some minor changes had been passed out. In addition to the Minutes, the consent items included the Personnel Actions in PR 2 and an anonymous gift in FCR 1. She asked if there were any questions about the consent items. On motion made by Mr. Branscum and seconded by Mr. Phelps, the consent items were approved without dissent. (See the consent items at the end of the Minutes.)

Minutes – September 11, 2007

PR 2 Personnel Actions

FCR 1 Anonymous Gift to Replace Unfulfilled Pledges to Endowment Match
Program Accounts

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

UK's Freshman Class Stands among Its Most Diverse and Accomplished

UK's freshman class has 3,922 students – a record number of applicants and an increase of 6 percent. This is a very important indicator for UK because tuition was increased substantially for the last six years, and yet UK is able to hold its application rate up. There were 270 fewer students, and part of that is due to transfers and graduate students. The entire state has been down in the number of transfer students, and that number needs to go back up. There was an increase in the average ACT score among entering freshmen from 23.9 last year to 24.3 this year. Kentucky is not a state that has high ACT scores, and for UK to be able to continue to bring in 4,000 students and increase the ACT scores is a real testament to Don Witt, Assistant Provost for Enrollment Management, and his enrollment management staff.

This year's freshman class had 38 Singletary Scholars, which is a record number. Athletics Director Mitch Barnhart helped with the Singletary Scholars by adding five additional Singletary Scholars when the media contract was signed. UK has to accept 50 applicants in order to get 25 of them to attend the university. This year, 38 of the 50 applicants accepted the offer. While the budget included only 25 applicants, Provost Subbaswamy agreed to cover the difference in cost. Only one of those students is from out of state. There were 80 out-of-state applicants, which is an indication of how strong the Kentucky applicants are becoming.

There would have been 39 Singletary Scholars; however, one young lady from Paducah decided to go to Harvard University. She is cross enrolled at Massachusetts Institute of Technology and Harvard University. There are two students in the freshman class that were accepted to Harvard University but chose to come to UK.

There are 260 African-American freshmen. This is the second highest number UK has ever had. That number is holding up even though there are 270 less students in this class. There are 10 additional African-American faculty. Some are tenured, and seven of those ten are women.

President Todd Helps Kentucky 'See Blue' in Second State Tour

The See Blue bus tour included many cities around the state. The tour was synchronized with UK's preview night, and the focus was on high schools. Approximately 1,000 students and parents attended the event in Louisville. There were approximately 600 to 700 participants in Northern Kentucky, and about 250 people attended a Chamber of Commerce breakfast in Bowling Green. Penny and Robert Brown had a very nice luncheon for the participants in Corbin, which included the provost, some deans, and Mrs. Patsy Todd.

UK's Research Grants from NSF and NIH Increase by \$13 Million

Funding from the National Science Foundation and National Institutes of Health was up \$13 million last year. That is due to the quality of faculty that have been recruited and retained. Some senior faculty members from other institutions who have brought

grants with them have joined the UK faculty, and that has been an important thing to keep monitoring. Overall, external awards for fiscal year 2007 at UK were down. One of the primary contributors to that was the fact that congress decided not to provide any earmarked funds this last period. The earmarks are making a comeback this year.

Twenty-six Sophomores Are Inducted as Inaugural Chellgren Fellows

Former Board member Paul Chellgren was present for a couple of events at Northern Kentucky during the See Blue bus tour. He is the founder of the Chellgren Center for Undergraduate Excellence. Twenty-six inaugural Chellgren Fellows were honored at a ceremony in the William T. Young Library Auditorium recently. This is an extremely important part of convincing people that UK is focused on undergraduate education. The Chellgren Center for Undergraduate Excellence was mentioned at every stop on the See Blue bus tour because it pulls together the richness of undergraduate education and lets people know that it is still a focus for the university.

Legislature Allocates \$5 Million to Kentucky Geological Survey for Research

In the energy bill passed during the special session of the Kentucky General Assembly, \$5 million were set aside for the Kentucky Geological Survey. This is the energy bill to basically drill two deep wells in east and west Kentucky to look at carbon sequestration. The energy bill also contains \$2 million for the Center for Applied Energy and Research. The center is going to be central to the energy structure for the state of Kentucky. It has not had a budget increase for 15 years. UK wants to be a primary player. These two statements in that energy bill were important to the university.

College of Pharmacy, Owensboro Group Partner for Clinical Education Center

During the See Blue bus tour, UK announced another pharmacy Clinical Education Center in Owensboro. The Owensboro Medical Health System pledged \$1.2 million over five years to establish the center. Eight to 10 UK pharmacy students who are in the final year of their pharmacy curriculum will be allowed to practice in that area. This announcement was well received.

UK Percussion Ensemble Wins Third Consecutive Collegiate Competition

UK Percussion Ensemble, under the direction of James Campbell, professor in the School of Music, has been selected as a winner for the third time in three consecutive years at the annual Percussive Arts Society International Collegiate Percussion Ensemble Competition. The three wins of this ensemble group are unmatched by any other percussion ensemble in the world at the event. The School of Music is doing extremely well.

Young Library Is Featured In *Chronicle of Higher Education's* Almanac Issue

The William T. Young Library is showcased on the cover of *The Chronicle of Higher Education's* Almanac Issue. This is a spectacular picture for the university because it is their almanac issue.

UK Student Andrew Lynch Receives Scholarship

Andrew Lynch has been presented with a \$10,000 Astronaut Foundation Scholarship. He has previously been the recipient of three other prestigious scholarships: the 2007 Beckman Scholarship, the Udall Scholarship, and the Goldwater Scholarship. He is a phenomenal young man and a tremendous ambassador for the university.

Attainment of Capital Campaign Goal

The attainment of the Capital Campaign goal was celebrated at the Fellows Society Dinner recently. Approximately 850 people attended the dinner. It was a wonderful celebratory moment. Approximately 93 percent of the money for the campaign was either cash or pledges for less than 5 years. This has allowed the university to take its endowment from under \$200,000,000 to over \$700,000,000. If you add the hospital portion in the endowment, UK will have a \$1,000,000,000 endowment before too long. Terry Mobley, Mike Richey, the development staff, and the deans are to be praised for their efforts in accomplishing this goal.

E. Proposed Revision to Governing Regulation: University Hospital Committee (PR 3)

President Todd said that PR 3 was received for preliminary consideration as PR 4 at the September meeting. It is a proposed revision that expands the scope of the University Hospital Committee's oversight to allow the university to provide governance to more than one hospital. It also changes the name of the University Hospital Committee to University Health Care Committee. He recommended approval of the change in the committee's scope. Mr. Williams moved approval of PR 3. Ms. Haney seconded his motion, and it carried without dissent. (See PR 3 at the end of the Minutes.)

F. Naming of Opera Theatre Classroom Building (PR 4)

President Todd said that PR 4 is the naming of a classroom building which is called the K House. It is on the corner of Rose Lane and Rose Street. Bill and Casiana Schmidt have provided \$1 million in cash to UK Opera Theatre, and half of that million will go toward the renovation of the K House so that the opera program will have more space. Everett McCorvey, who is doing a wonderful job for the university, has been judging the Schmidt Vocal Arts Awards for some time. President Todd noted that more money needs to be raised to finish the project; however, this is a gift that certainly deserves the naming opportunity. He recommended that the Board approve the naming of the classroom building housing the UK Opera Theater The William E. and Casiana Schmidt Vocal Arts Center.

Ms. Ball pointed out that the Board had received a revised PR 4 with some minor corrections in the wording. Ms. Tobin moved approval of PR 4. Dr. Yanarella seconded her motion, and it carried without dissent. (See PR 4 at the end of the Minutes.)

G. Athletics Director Mitch Barnhart Recognized

President Todd called attention to an article in *The New York Times* that had been given to the Board regarding football. He said the success in the football program had been amazing. He asked the Board to give a round of applause for Mitch Barnhart who has showed a great deal of professionalism and patience in building the football program. Mr. Barnhart received a round of applause.

H. College of Libraries Report

President Todd asked Dean Carol Diedrichs, College of Libraries, to come forward and speak about the college.

Dean Diedrichs thanked the Board for the opportunity to talk about the many accomplishments of the faculty and staff of the UK Libraries. She opened by showing the recent cover of the *Chronicle of Higher Education*, which featured the William T. Young Library – an iconic symbol on campus, as well as a symbol figuring importantly in plans for the upcoming weekend. During the first visit of ESPN's *Game Day* to the UK Campus [scheduled for October 20, 2007], the William T. Young Library will serve as the backdrop for their broadcast. Dean Diedrichs noted that one of the reasons the term *UK Libraries* is used is because there are actually 15 libraries on campus serving various disciplines and constituencies from agriculture to medicine to fine arts.

The mission of UK Libraries is to be the premier research library in the Commonwealth. As such, UK Libraries collects, creates, organizes, manages, preserves, and provides access to information that enables learning and the advancement of knowledge essential to teaching, research, and service. Of course, the vision is to be one of the nation's 20 best public research libraries, a library recognized worldwide for enriching the intellectual life of the university, the Commonwealth, and the nation. The UK College of Libraries is well on its way to that goal, currently ranking number 37 among the public university libraries which are members of the Association of Research Libraries.

Library services span the campus. The UK Libraries:

- serve all of the student population in some form,
- serve all degrees and disciplines on campus,
- support the research and teaching needs of our faculty, and
- provide outreach services to the Commonwealth.

On a typical day, more than 6,000 people enter the campus libraries; they check out more than 1,000 items; and they ask more than 400 questions. In addition, they make more than 49,000 visits to the UK Libraries web site. While there, they conduct more than 8,000 searches in online databases, and they visit the Kentuckiana Digital Library

more than 650 times to view digital images and books. On a typical day, the library will lend more than 30 items to other Kentucky libraries for their users.

One exciting initiative is library service to UK HealthCare provided by librarians working as part of a clinical team attending morning report or walking rounds with doctors, residents, and medical students. These librarians gather “just-in-time” information that helps with clinical decision making and trains students in the use of medical information. The libraries are looking forward to the day when these medical librarians will be providing those services from a new medical center library, which is planned as part of the new academic learning center in the health sciences complex.

The Hub at WT’s is the libraries’ newest service innovation, opening last spring in the lower level of the William T. Young Library. This facility caters to the needs of the undergraduate, bringing together the services of librarians and information technology in a casual, welcoming, and high-tech environment. The Hub was the site of an overflow event during K Week this fall, attracting more than 400 freshman, who stood in line for pizza, door prizes, and a little palm reading. The point – besides the fun – was to acquaint them with the services in The Hub, which are geared toward student retention and success. This area also includes suites which are equipped so that students can create and practice the presentations they will give in the classroom.

As The Hub reveals, one of the key roles of the library is as a physical place that serves as a cultural, social, and intellectual magnet. UK Libraries does that with student-friendly activities such as hanging student-designed banners during Homecoming week as well as creating intellectually stimulating lectures. Recently, Libraries held a historic reunion of members of the important 1975 Church Committee featuring Walter F. Mondale, Walter “Dee” Huddleston, and Frederick A. O. Schwarz, Jr., sponsored by the Wendell H. Ford Public Policy Research Center. This event was filmed and televised on C-SPAN over the December holidays last year. More recently, Barbara Kingsolver, noted Kentucky author, and her family spoke about their experiences with eating only locally grown food for a year. This program also highlighted UK’s sustainable agriculture project.

Even in a world where the Internet is very present, print and electronic collections are a key component of UK’s library services, including more than 3.4 million volumes and growing, more than 30,000 journal subscriptions, and more than 400 online databases. One of the UK Libraries’ greatest challenges is finding space to store such growing collections – Libraries adds more than 70,000 volumes every year – and that will not diminish in the foreseeable future. Almost half of Libraries’ budget – nearly \$10 million dollars – is spent on these books, journals, and databases. The endowment of UK Libraries has grown to \$79 million, an amount which contributes significantly to its ability to provide the materials needed by faculty and students. The UK Libraries endowment is the largest among public university libraries. But just like that of utilities, the cost of books and journals goes up 6 percent to 10 percent each year – an amount which requires an infusion of new funds in the range of \$500,000 to \$900,000 annually,

on a recurring basis, to sustain its collections and attempt to provide growth to meet the demands of an increasing campus population.

UK Libraries special collections are rich and deep. Those resources are made more accessible to users through digital versions. Through the Kentuckiana Digital Library (KDL) – which is freely available on the web – one can explore the spectrum of UK’s collections. For example, the digital collection includes letters and photos such as those from the Josephine Clay collection; transcripts and audio versions of our Top 10 Oral History program; and digital newspapers from the early Twentieth century reflecting the rich history of Kentucky. The KDL is part of a national program funded by the National Endowment for the Humanities and the Library of Congress. UK Libraries was one of only six libraries across the country selected and funded by these groups to produce a prototype for digitizing and making historic Kentucky newspapers available on the web. Most recently, a new project in partnership with Keeneland will preserve and provide access to Keeneland’s unique and very rare newspaper archive of the *Daily Racing Form*.

Dean Diedrichs closed by sharing a copy of a newly released publication celebrating the research collections of the Association of Research Libraries on the occasion of ARL’s 75th birthday. On page 132 of *Celebrating Research*, the collections of the University of Kentucky Libraries are represented among the finest research libraries collections in the United States and Canada. A companion web site is available at <http://www.celebratingresearch.org/>. Dean Diedrichs received a round of applause from the Board.

President Todd said that the William T. Young Library often comes up in conversations with parents during Move-In week about why their child chose to come to UK. The library really makes an impression. He mentioned that the refurbished engineering library has had some nice renovations. He thanked Dean Dedrichs for her update on the libraries.

Dr. Dembo said that he wanted to make sure that Board members understood that librarians are part of an academic unit. The librarians are academicians who can get tenure. They serve on the University Senate and play a very active role in many of the important committees that drive the university.

I. Audit Subcommittee Report

Ms. Wickliffe, chair of the Audit Subcommittee, reported that the Audit Subcommittee met that morning. The members met with the university’s external independent auditors, Deloitte & Touche, and they gave the subcommittee their Independent Auditor’s Report on the Consolidated Financial Statements for the year ending June 30, 2007. The report expressed a “clean” or unqualified opinion on the financial statements. The external auditors also reported on the compliance and internal control over the financial reporting as required under auditing standards and delivered their management letter to the subcommittee.

Following the presentation by Deloitte & Touche, the subcommittee met with the university's internal auditor, Joe Reed, and reviewed the annual report of internal audits for the university for 2006-07. The subcommittee also reviewed the final internal audit work plan for 2007-08 for the university. The members discussed the Request for Proposals (RFP) process for selection of the university's external independent auditor because this is the last year of the contract with Deloitte & Touche. The RFP will be mailed out in the near future.

J. Anonymous Gift to Replace Unfulfilled Pledges to Endowment Match Program Accounts (FCR 1)

Mr. Branscum, chair of the Finance Committee, said that FCR 1 was on the consent agenda. It addressed the anonymous gift to replace unfulfilled pledges to the Research Challenge Trust Fund accounts.

K. Acceptance of Audit Report and the Report on Internal Control for the University of Kentucky for 2006-07 (FCR 2)

Mr. Branscum said that Marc Mathews, Controller, presented the audit report and the Report on Internal Controls for the university for fiscal year 2006-07. UK's external auditors Deloitte & Touche have completed their audit and have issued their Independent Auditor's Report. The report expresses a "clean" or unqualified opinion on the university's financial statements. Deloitte & Touche has also issued its Report on Internal Controls, which, as part of their audit, noted no material weaknesses in the university's system of internal controls. The university ended the year in excellent financial condition.

As of June 30, 2007, the university had assets of \$3.14 billion, liabilities of \$860 million, and fund balances of \$2.28 billion. Net assets increased \$176 million or 8 percent during the fiscal year.

Marc Mathews, Henry Clay Owen, Frank Butler, all their staff, and Deloitte & Touche are to be commended for all the work that they have done through the year. On behalf of the Finance Committee, he moved approval of FCR 2. Mr. Shoop seconded his motion, and it carried without dissent. (See FCR 2 at the end of the Minutes.)

L. Financial Support for a Research Wing in the Emerging Technologies Building at West Kentucky Community and Technical College (FCR 3)

Mr. Branscum said that Dean Tom Lester, College of Engineering, presented the report on FCR 3 to the committee. FCR 3 will approve the use of \$1 million in university funds to support the construction of a research wing on the new Emerging Technologies Building at West Kentucky Community and Technical College in Paducah.

Since 1995, the university's College of Engineering has partnered with the community and technical college and Murray State University to deliver undergraduate engineering programs in chemical engineering and mechanical engineering. This new wing is needed as the instruction and research activities of the faculty have outgrown their current facilities. The community and technical college is raising \$1.5 million in private support in addition to the \$1 million commitment from the College of Engineering for the design and construction of the research wing. They are doing an excellent job in promoting the engineering curriculum and academic needs not only at UK but in Paducah as well. On behalf of the Finance Committee, he moved approval of FCR 3. Mr. Phelps seconded the motion, and it carried without dissent. Ms. Wickliffe had left the room momentarily and was not present for the vote. (See FCR 3 at the end of the Minutes.)

M. Proposed Revision to Administrative Regulation: Phased Retirement Policy and Program (HRCR 1)

Judge Patton, chair of the Human Resources Committee, said that the committee had one action item, HRCR 1, which it considered at its meeting. He reminded the Board of its June meeting when the Board enacted a work-life initiative. As part of that action, the Board amended the administrative regulation to extend phased retirement to staff; however, the language inadvertently left out faculty. This amendment corrects that oversight and provides clarification and flexibility to the program. The committee approved deleting the requirement that tenure is necessary and substituted as a requirement that an employee have 15 years of service, be full-time, and be at least 60 years of age. The amendment will permit a start-up date to be agreed on between the university and the employee and clarifies the definition of part-time to mean at least 50 percent of full-time equivalency or greater. He moved the adoption of HRCR 1. Mr. Williams seconded the motion, and it carried without dissent. (See HRCR 1 at the end of the Minutes.)

N. Investment Committee Report

Mr. Wilcoxson, chair of the Investment Committee, reported that the committee authorized the release of a Request for Proposals (RFP) for an Investment Consultant to serve as an advisor to the Investment Committee for endowment investments and management. The current Investment Consultant, Ennis Knupp & Associates, was hired in 2002 and is in the final year of its contract. The Model Procurement Code requires a competitive process for personal services contracts. The RFP will be issued this week, and the Investment Committee will interview selected finalists in January 2008.

At the committee's meeting Monday, it reviewed the benchmarking data relating to endowment investment asset allocations and the performance of peer institutions as reported in the 2006 NACUBO Endowment Study, with particular attention to the 19 benchmark institutions assigned by the Council on Postsecondary Education. Ennis Knupp & Associates provided information relating to alternative investments, such as

private equity, venture capital, and hedge funds and their role in the investment portfolios of educational endowments.

The Investment Committee will continue to consider changes to long-term asset allocation that would enhance total return and diversification of the university's endowment investments. No significant changes to the asset allocation are expected prior to completing the Investment Consultant search.

As reported to the Board in September, the Endowment had a market value of \$916.6 million as of June 30, 2007 and produced a favorable absolute return of 16.8 percent.

O. Appointment to University of Kentucky Business Partnership Foundation, Inc. (NCR 1)

Mr. Shoop, chair of the Nominating Committee, reported that the committee met that morning to discuss two items on the agenda.

NCR 1 recommends that the Board approve the appointment of Erwin Roberts to the University of Kentucky Business Partnership Foundation Board of Directors for a four-year term ending December 31, 2011. The bylaws of the foundation require that the Board of Trustees approve appointments to its Board of Directors. On behalf of the Nominating Committee, he moved approval of NCR 1. Mr. Hardymon seconded the motion, and it carried without dissent. (See NCR 1 at the end of the meeting.)

P. Appointment to University of Kentucky Mining Engineering Foundation, Inc. (NCR 2)

Mr. Shoop recommended that the Board approve the appointment of Ernest Yanarella to the University of Kentucky Mining Engineering Foundation Board of Directors for a two-year term ending December 31, 2009. The bylaws of this foundation also require that the Board of Trustees approve appointments to its Board of Directors. On behalf of the Nominating Committee, he moved approval of NCR 2. Mr. Phelps seconded the motion, and it carried without dissent. (See NCR 2 at the end of the Minutes.)

Q. University Hospital Committee Report

Mr. Hardymon, chair of the University Hospital Committee, reported that the committee met Monday and covered a number of items. He began his comments with the overall results. The hospital had \$61.5 million of revenue in August. That is the first time revenue has been over \$60 million. Some may quickly say that is because UK has another hospital. He pointed out that the Chandler Hospital alone was up \$10 million over the same month last year, which means the hospital is still growing and hoping to have a big growth year. The operating margin for that month was 10.5 percent, which is very good.

Operating revenue is \$300,000 over budget for the two months year-to-date; however, it is early yet. It is only two months of twelve, but the hospital is certainly on pace to meet the annual budget. He stated that he is very pleased with the report.

Good Samaritan is doing well. The hospital made \$700,000 in August, and the volume is pushing that up. The total cost of the acquisition is still not known. There are still certain things in the facilities in need of repairs and updates that need to be made, but it is staying in the \$70 million category which is very pleasant to see. Most of the major surprises should have been found by now.

UK hospital is still on schedule with its building project. The first three floors of the garage should be open by November 19. The December report to the Board will show a major change order in some of the future projections of work on the site, caused by an error in the amount of rock removal budgeted. The approximate amount of rock to be removed was known, but it did not come across in the proposal. Unless there is a change between now and then, the report will show that other items in the project are running under budget. The project is staying on budget, but there will be a plus \$2 million change order in the December report. This amount had been budgeted in the project.

The third item discussed was an interesting quality and safety report. This report is not one in which somebody says you are doing better. These are categories that you have to report against, a regular report that the committee receives. The report shows that there is continued improvement in most categories, but there still needs to be improvement. An organization, Universal Health System Consortium, gives awards for how health care facilities are doing certain things. One of the awards is for improvement in rank in quality and accountability. In 2007, UK was given the award for being in the top five in improvement, but the goal is to be in the top 5 in everything.

The committee approved a medical staff application as it routinely does. It also discussed and put into motion an objective for bylaws to establish the UK HealthCare medical staff integration with Good Samaritan. This action calls for executive committees and officers to begin working on this. After the various executive committees do their work, a detailed document will be brought to the Board. The Board does not have the authority to approve this without the approval of the various organizations within the hospitals.

R. University Relations Committee

Ms. May, chair of the University Relations Committee, reported that the committee met that morning. She noted that 11 Board members were present for the meeting and said she was very pleased to see a full room.

The first item of business was in regard to information flow to Board members, and there was a lengthy discussion about seeing anything or everything. The only

conclusion reached was that it would be very beneficial to offer computer training internally to the Board of Trustees so they could have access to important information. She noted that Ms. Brown has been working on a dashboard to provide information to the Trustees.

There was also a discussion regarding the recent cartoon that appeared in the *Kentucky Kernel* (student) newspaper. Since some members were new, she had asked for background information about the *Kentucky Kernel*. Mr. Jay Blanton informed the committee that the newspaper is 100 years old. In the mid 1970s, it became totally independent from the university and has its own Board of Directors. Its Board hires its editors. The student workers are paid by the *Kentucky Kernel*, not by university dollars. The university does not give funding to the newspaper. The *Kernel* has a faculty advisor, but he is paid for the time that he spends working for the newspaper. The university's interaction with the *Kernel* is to place ads in it as in any other newspaper. It is very much an independent newspaper even though it carries the name of being a student newspaper. There has been some confusion in the Commonwealth as a whole that it was the university's newspaper.

Secondly, Ms. May asked Mr. Blanton for a history of the events since a particular cartoon had been published recently. Everyone present was very impressed with the way the safety of all students had been protected while they were at the same time permitted to voice concern and give their opinions. Everybody was protected and kept safe in that manner. Additionally, Mr. Blanton informed the committee that the *Kentucky Kernel* advised him that they had contacted the *Atlanta Journal Constitution* regarding a visit to campus to teach their staff about diversity training, and they have been on campus this week to further that. That was something that the *Kentucky Kernel* did on its own.

Ms. May reported that Mr. Phelps spoke with the committee about student viewpoints. He informed the committee about what was going on with the Greek organizations, and with the rest of the student population, and the positive things that have come from the increased dialogue that has been generated because of this event.

The committee was also informed that President Todd's newly constituted President's Commission on Diversity met with him on Monday for the first time with the new chair, Dr. Alan Richards.

At the conclusion of the University Relations Committee meeting, Ms. May put the following statement in the form of a motion and moved approval of it:

The committee shares the concerns that President Todd has previously expressed stating strong disagreement with the cartoon and our disappointment that it was seen by some as a reflection of the university's attitude and culture of diversity.

The committee is further encouraged by the university and the students' response to the initial cartoon and all the events that have later transpired.

The committee further recommends that there be joint meetings of the Student Affairs and University Relations committees in the future to follow closely the progress of those involved in furthering our diversity goals.

Ms. Haney seconded the motion, and it carried without dissent.

President Todd thanked the committee for their deliberations and for their concern and support. There is no more important issue in front of the university. He said that he appreciated Dr. Richards' leadership. The commission is drawing up a new strategic plan, and he feels very good about their approach. The students are also having meetings, and Dr. Richards will be meeting with the students to consider their input.

President Todd reported on the vice president for institutional diversity search. He informed the Board that there will be airport interviews by the end of the month with some candidates that have been found across the country in a national search.

President Todd said that this is a university problem, and everyone must work on this issue. He pledged the power of his office to work on this issue and thanked the committee for its deliberations and motion.

Ms. Ball said that she echoed everything that President Todd said, and everyone needs to work on the issue.

S. Other Business – Nick Phelps Comments

Mr. Phelps commented about the football team's great performance and encouraged everybody to go online and vote for André Woodson and Steve Johnson to try to increase the scholarship money available from ESPN for the university.

He reported that the CATS Den in the Student Center had reopened after being newly renovated. President Todd had been at the CATS Den playing pool, which reminded people why he is president. It was a good event.

Mr. Phelps informed the Board of goodsearch.com, on which 1 cent of every search goes to the fundraiser called DanceBlue. Approximately \$3,000 has already been raised through this effort. He encouraged the Board to spread the word and noted that the actual dance marathon is not until February.

He reported that a gentleman from Alpha Gamma Rho fraternity would be on campus for an event called *real men wear pink* at 4:30 p.m. that afternoon to present a check to the Lexington, Kentucky affiliate of the Susan G. Komen for the Cure Foundation for breast cancer awareness.

Other Business – James Hardymon Recognized

Dr. Sachatello commended Mr. Hardymon for his tenure as chairman. Being a recently appointed Board member, he could see why the Board has been so successful and why the university has made so much progress the past few years with Mr. Hardymon's leadership. Mr. Hardymon has extraordinarily ability, and it does not take very long for someone to recognize that. Mr. Hardymon received a round of applause.

T. Meeting Adjourned

With no further business, Ms. Ball adjourned the meeting at 2:15 p.m.

Respectfully submitted,

Pamela R. May
Secretary, Board of Trustees

(PR 2, 3, and 4; FCR 1, 2, and 3; HRCR 1, and NCR 1 and 2 which follow are official parts of the Minutes of the meeting.)