

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, Tuesday, October 14, 2008.

The Board of Trustees of the University of Kentucky met at 1:00 p.m. (Lexington time) on Tuesday, October 14, 2008, in the Board Room on the 18<sup>th</sup> 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, E. Britt Brockman, Penelope Brown, Jo Hern Curriss, Dermontti Dawson, Ann Haney, James Hardymon, Pamela May, Everett McCorvey, Billy Joe Miles, W. Tyler Montell, Sandy Bugie Patterson, Phillip Patton, Charles R. Sachatello, Frank Shoop, JoEtta Wickliffe, Russ Williams, and Ernest Yanarella. Absent from the meeting was Erwin Roberts. 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 David Randall, and the university staff was represented by Chair of the Staff Senate Bart Miller.

Members of the various news media were also in attendance.

C. Consent Items

Ms. Ball called attention to the items on the consent agenda and asked if there were any corrections or questions. Ms. Haney moved that the consent items be approved. Dr. Yanarella seconded the motion, and it carried without dissent. (See consent items listed below at the end of the agenda.)

Minutes – September 9, 2008

PR 1 Personnel Actions

FCR 1 W. Paul and Lucille Little Foundation Pledge

FCR 2 Felix E. Martin, Jr. Trust Gift

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

President Todd began his report by thanking the Board members for attending the State of the University Address. He noted that this is the second year for the address, and the number

of attendees out on the plaza about doubled this year. He reflected on Mr. Montell's remarks regarding the Student Government Association's support for the Top 20 Business Plan. He said that he doubted there are many presidents in universities around the country who have a Student Government Association president talk about endorsing an administrative strategy. It certainly was not the case when he was a student at UK. Mr. Montell's remarks were very well received. UK alumni Tom Hammond was the emcee for the event again this year. President Todd said that it was a great occasion, and he expressed appreciation to the members that attended the event.

President Todd reported that the university had a record year for applications for admission. The target was 4,000 students for the freshmen class, and the final number of applications was 4,044. Don Witt and his team delivered once again. The preliminary undergraduate enrollment is 19,000, and the overall enrollment is 27,000.

Minority enrollment increased significantly with African-American enrollment reaching an all time high of 341 in the freshman class. This is a 32 percent increase over last year. The changes in the admission process for the last couple of years have begun to help this number, and that is due to a lot of efforts by a lot of people. Hispanic enrollment is at 61 this year, a 39 percent increase, but more work needs to be done in that area. The ACT score increased from 24.3 last year to 24.4 this year, and the average GPA increased from 3.48 to 3.52.

President Todd reported that the Governor's Scholars and Governor's Performing Arts Scholars had a record high of 389 in the freshman class this year. He said that there were 125 scholars when he took office, and he started putting some scholarship offerings out to these students. He will not hesitate to mention that it did cost the university some money. He noted that three freshmen were accepted in the jazz group. This is the first time for freshmen to be in the jazz group. There are also freshmen in the orchestra, and the orchestra had a tremendous performance with only four weeks into the semester. Miles Osland, Director UK Jazz Ensemble, and John Nardolillo, Director of UK Orchestras, give credit to the strong quality of students in the Governor's Scholars and Governor's Performing Arts Scholars.

UK continues to be a leading presenting sponsor of the international IdeaFestival, which was a vision of President Kris Kimel, Kentucky Science and Technology Corporation. The UK College of Design's \$100,000 Curry Stone Design Prize was awarded for the first time. Former Dean David Mohney was instrumental in bringing that gift forward, and there is a lot of recognition for that gift.

Dr. Pearce Lyons, the founder, president, and CEO of Alltech, asked for an idea to attract more students into PC programs in America, and Alltech put up an extraordinary deal called Margin of Excellence program. Anne Koontz, a graduate student at UK, has been named the first Alltech - University of Kentucky Margin of Excellence Fellow. In addition to the graduate fellowship and the tuition that UK provides, Alltech provides \$40,000 cash per year up to a maximum of five years, plus travel money and bonuses under certain conditions. Dr. Lyons wants to solicit funding from other businesses in Kentucky who want to create PhD growth in the state.

UK had a ribbon cutting ceremony to mark the official opening of Limestone Crossing. This community is possible because of a lot of good work by Alice Sparks, former trustee, and Jack Blanton, former vice president for finance and administration. They have a lot of people signed up for the initial fee, and they now have to convert those individuals to pay the money to get the community started. A guest house and a sample apartment are finished.

Former UK golfer J. B. Holmes was one of two Kentucky natives on this year's successful Ryder Cup team. As a member of the team, Mr. Holmes was able to designate \$200,000 to charities of his choice, and he is giving \$90,000 to the University of Kentucky. The players do not win money at the Ryder Cup, but they win a lifetime worth of experience.

UK's Cooperative Extension Service has been working with the private sector in Muhlenberg County. The private sector has an interest in building their economy with professionals. The local bankers and business people have committed to raising enough money over the next five years to pay for a fine arts agent in Muhlenberg County. That is UK's third fine arts agent. UK is still the only extension service in the state and the nation that has fine arts in their agricultural extension program.

Three College of Design graduates have received prizes at a prestigious furniture design competition. UK tied with Georgia Tech for the most students earning prize money across six different categories.

The U.S. Environmental Protection Agency has awarded the largest single EPA Science to Achieve Results (STAR) grant for the study of nanotechnology to UK. This \$2 million EPA study is a significant catch for the university. UK has engineering, chemistry, pharmacy, and the Center for Applied Energy, along with a co-investigator from the University of Louisville, involved in this grant. EPA gave out \$6 million worth of STAR grants to 11 universities. UK's \$2 million speaks extremely high of the significance of the research team working in this area. The collaboration that went into this grant was highly recognized. There are a lot of products coming out with nanoparticles, which are much smaller than coal particles. Nobody knows what influence they can have if they pass the brain barrier, and UK is researching that area.

UK Agriculture scientists also join colleagues from other institutions to explore the potential ecological hazards of nanoparticles. The National Science Foundation and the EPA awarded \$14.4 million to create a national center for environmental implications of nanotechnology. There are positive and potentially negative effects of nanoparticles, and UK is involved in all of that research.

Gregory Luhan, College of Design, is an extremely innovative member of the UK faculty. The Resonance House, built through a partnership that included the UK College of Design, was awarded certification by the U.S. Green Building Council (USGBC). The Resonance House is the first and only Kentucky home to be certified by the USGBC to date.

Thomas FitzGerald, one of UK's law graduates, was recognized recently with the Heinz Award for the Environment, one of the largest individual achievement prizes in the world.

Donnie Keathley, an electrical engineering student, received a \$10,000 Astronaut Scholarship. There are only 19 scholarships given each year from the foundation. This is the largest monetary award given in the United States to science and engineering undergraduate students based solely on merit. It is a credit to the engineering team to receive that award.

President Todd encouraged the Board to review the other good items in PR 1 that he did not mention.

E. Proposed Amendment to Health Sciences Student Professional Behavior Code (PR 3)

President Todd said that there was a professional student code in the Medical Center and a student code for the main campus until the one-university concept was put in place. PR 3 is recommending that the Board approve a revision of the *Health Sciences Student Professional Behavioral Code* which more clearly aligns it with the UK Student Code of Conduct and more precisely defines its jurisdiction. He recommended approval of the new *Health Care Colleges Code of Student Professional Conduct*. Dr. Sachatello moved approval. Dr. McCorvey seconded the motion, and it carried without dissent. (See PR 3 at the end of the Minutes.)

F. Audit Subcommittee Report

Mr. Branscum, chair of the Audit Subcommittee, reported that the subcommittee met that morning and had a very positive meeting. All subcommittee members were present, and Mr. Brockman also attended the meeting. Treasurer Marc Mathews introduced and complimented his staff for the work that was done throughout the audit in working with the external auditors.

The subcommittee heard from the university's external auditors BKD. Mary McKinley, the partner in charge of the UK audit for BKD, presented the 2008 audited financial statements. The financial statements were issued with a clean opinion. Ms. McKinley also presented the report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. She then presented the Statement on Auditing Standards (SAS) No. 112/114 Report and Management Letter. None of the required reports noted any material weakness in internal control. The committee accepted and approved the report that was presented by BKD.

The subcommittee also heard from Mr. Joseph Reed, UK's Senior Director of Internal Audit. Mr. Reed presented the 2008-2009 statistics from the UK Hotline.

Mr. Branscum announced that the next Audit Subcommittee meeting will be Tuesday, March 10, 2009. The purpose of that meeting will be to discuss the audit scope for the fiscal year ended June 30, 2009 and for approval of the audit engagement letter with BKD.

G. Finance Committee Report

Mr. Branscum, chair of the Finance Committee, reported that the committee met that morning. All members were present as well as the majority of the Board. The committee had

nine reports for consideration. The Minutes, FCR 1, and FCR 2 were consent items. FCR 1 and 2 included gifts and pledges totaling \$3.8 million. The gifts and pledges included \$1 million from the W. Paul and Lucille Caudill Little Foundation to create and endow the Lucille Caudill Little Performing Arts in Healthcare Program. These funds will be matched with \$2 million from other sources. The gifts and pledges also included a gift of \$2.8 million from the Felix E. Martin Trust to create and endow the Felix E. Martin Scholarships for students from Muhlenberg and Hopkins counties to attend the Gatton College of Business and Economics.

H. Merging of the Janet Galloway Carter Professorship in Physical Medicine and Rehabilitation with the Janet Galloway Carter Chair in Rehabilitation Medicine (FCR 3)

Mr. Branscum said that FCR 3 recommends approval to merge the Janet Galloway Carter Endowed Professorship in Physical Medicine and Rehabilitation with the Janet Galloway Carter Chair in Rehabilitation Medicine to create the Janet Galloway Carter Chair in Physical Medicine and Rehabilitation in the College of Medicine. The merger of the endowments will provide full funding for the endowment and will maintain the intent of the donors. On behalf of the Finance Committee, he recommended approval of FCR 3. Mr. Dawson seconded the motion, and it carried without dissent. (See FCR 3 at the end of the Minutes.)

I. Acceptance of Audit Report and the Report on Internal Control for the University of Kentucky for 2007-08 (FCR 4)

Mr. Branscum said that Treasurer Marc Mathews presented the audit report and the report on internal controls for the university for fiscal year 2007-08. He distributed a highlight sheet of the financials, and the committee had a good discussion about them.

BKD, the university's external auditors, have completed their audit and have issued their Independent Auditor's Report. The report expresses an unqualified or clean opinion on the university's financial statements. BKD 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, 2008, the university had assets of \$3.33 billion, liabilities of \$1.03 billion, and fund balances of \$2.3 billion. Net assets increased \$18.9 million. On behalf of the Finance Committee, Mr. Branscum moved acceptance of FCR 4. Ms. Curris seconded the motion, and it carried without dissent. (See FCR 4 at the end of the Minutes.)

J. Expand Coldstream Research Campus – Redundant Feeds (FCR 5)

Mr. Branscum said that FCR 5 requests approval to initiate the Expand Coldstream Research Campus – Redundant Feeds capital project. This project will install redundant electrical and fiber optic supply on the Coldstream Campus. Kentucky Technology, Inc. (KTI) will be the agent for the project which is estimated to cost \$6.5 million. The project will be financed with a \$5.5 million grant from the Kentucky Economic Development Finance Authority to KTI and \$1 million from unrestricted university fund balances that will be transferred to KTI to complete the project. On behalf of the Finance Committee, he recommended approval of

FCR 5. Mr. Williams seconded the motion, and it carried without dissent. (See FCR 5 at the end of the Minutes.)

K. Repair, Upgrade, Improve Building Systems Hospital – Upgrade Elevators (FCR 6)

Mr. Branscum said that FCR 6 requests approval to upgrade eight elevators in the Kentucky Clinic and Medical Plaza. This project is expected to cost \$1 million and will be funded by the UK HealthCare Enterprise. On behalf of the Finance Committee, he recommended approval of FCR 6. Mr. Shoop seconded the motion, and it carried without dissent. (See FCR 6 at the end of the Minutes.)

L. Renovation of the Thomas Hunt Morgan Biological Sciences Building (FCR 7)

Mr. Branscum said that FCR 7 involves a capital construction project which will convert space to teaching and research labs in the Thomas Hunt Morgan Biological Sciences Building. This project is part of the plan developed by the new Biology Department Chair, Dr. Vince Cassone, to improve and grow the department. Dr. Cassone is recruiting new faculty, and this project will consolidate the class labs to the ground floor and renovate space on the upper floors for use as research labs for two additional faculty members. The relocation of these labs will also make space available for a future project to construct labs for four other faculty lines. This project is estimated to cost approximately \$2.9 million and will be funded with university unrestricted fund balances. Provost Subbaswamy spoke at the Finance Committee meeting and expanded on the needs for that department. On behalf of the Finance Committee, Mr. Branscum recommended approval of FCR 7. Mr. Montell seconded the motion, and it carried without dissent. (See FCR 7 at the end of the Minutes.)

M. Authorization for Disposal of Surplus Property (FCR 8)

Mr. Branscum said that FCR 8 recommends that the Board of Trustees authorize the sale of equipment to Southern Illinois University at a price of \$41,025.50. Kentucky Revised Statute 164A.575 requires that the Board of Trustees approve the disposal of any surplus property owned by the University of Kentucky. General authorization from the Board of Trustees for the disposal of property with a value of less than \$25,000 is granted annually; however, disposal of surplus property having a value greater than \$25,000 per item must be approved by the Board. A departing faculty member has requested certain items pertaining to her research be transferred to Southern Illinois University, and one item has a value in excess of \$25,000.

This sale request has been approved by the department chair, the dean of the college, and the vice president for research. Consistent with university practice, the sales price of equipment to another educational institution is the university's net book value. On behalf of the Finance Committee, he recommended approval of FCR 8. Mr. Dawson seconded the motion, and it carried without dissent. (See FCR 8 at the end of the Minutes.)

N. Authorization to Acquire Utility Easement Associated with the UK Healthcare Patient Care Facility Project (FCR 9)

Mr. Branscum said that FCR 9 recommends that the Board authorize the executive vice president for finance and administration or his designee to negotiate the acquisition of utility easements on Woodland Avenue between Euclid and Columbia Avenues for a price not to exceed the fair market value as determined by a qualified appraiser or through condemnation proceedings. The easements are needed to relocate an electrical transmission line for the new Patient Care Facility. The university has been acting in good faith to acquire these easements through fee simple property acquisitions. If these negotiations are unsuccessful, this Board action will authorize the university to proceed with condemnation proceedings as these easements are crucial to the project and the associated construction schedule. On behalf of the Finance Committee, he recommended approval of FCR 9. Ms. Curris seconded the motion, and it carried without dissent. (See FCR 9 at the end of the Minutes.)

Ms. Ball expressed appreciation for the Board members attendance at the Finance Committee meeting. Their attendance at the committee meetings enables Mr. Branscum to get through his report in a timely manner.

O. Proposed Amendment to Governing Regulations: Faculty Vacation Leave, Sabbatical Leave, and Delay of Probationary Period (HRCR 1)

Judge Patton, chair of the Human Resources Committee, reported that the committee met that morning and had one action item, HRCR 1. This item was adopted initially on first reading in June, and then last month it was before the Board for a second reading. The purpose of this amendment is that historically faculty that accrued 22 days a year of vacation leave could carryover to the next year unused vacation leave. This has resulted in an unfunded liability for accounting purposes of about \$20 million. A change was recommended that would require faculty to use vacation in the year that it is earned, or it would be lost.

There were some concerns expressed, particularly from some representatives of the medical faculty, at the last meeting that caused the Board to table HRCR 1 for one month so the concerns could be addressed. It primarily dealt with the fact that even though the regulation provided that there could be exceptions the procedure for obtaining those exceptions was not outlined within the body of the regulations. In the last 30 days, the concerns have been resolved, and according to Dr. Yanarella, the College of Medicine Faculty Council is in agreement with the new language. HRCR 1 was considered in the Human Resources Committee meeting, and the committee recommends to the full Board the adoption of HRCR 1 on second reading. Mr. Williams seconded the motion, and it carried without dissent. (See HRCR 1 at the end of the Minutes.)

Dr. Yanarella thanked both the provost and the vice president for finance and administration for coming up with the language that now appears in the relevant Administrative Regulation (AR) and referenced in the amendment to the Governing Regulation (GR). He also thanked Dean Jay Perman and Executive Vice President Karpf for speaking to the College of

Medicine Faculty Council. He said that he had received e-mails, after having solicited some, from the chair of the College of Medicine Faculty Council that indicated their acceptance and understanding of the process that is available. Other faculty members, who had contacted him over the last couple of months regarding this issue, also indicated that they were willing to accept the changes.

He said that a number of faculty expressed their thanks to the Board for providing the opportunity for the process to complete itself and the assurances made with regard to the possibility of exceptions. He believes that this matter has been thoroughly and appropriately dealt with in the Human Resources Committee, and he fully endorsed the Board's action.

Judge Patton said the committee received a UK Work-life Initiative report. The Work-life Initiative was adopted by the Board in April 2007. It was adopted after a very exhaustive process that began when President Todd asked for it. There were surveys of faculty and staff and input from the University and Staff Senates and the Human Resources Committee. Kim Wilson, associate vice president for human resources, and Robin Pease, director of work-life, gave the committee a brief update. Judge Patton outlined the following highlights in the report:

- There is a GED rewards program in place. Many employees have taken advantage of that program, and as a result, they have received a \$1,500 stipend.
- 24 employees are participating in the computer on loan program.
- 373 employees are utilizing the tuition discount program.
- 59 employees have taken advantage of the domestic partner benefit program.
- The employee assistance program which provides for counseling and referral for job advancement is in place and active.
- There is a program in place that provides emergency backup child care for employees.
- There is a staff leave pool implemented that helps staff members or faculty who have exhausted accrued leave due to catastrophic illness or injury. There have been 758 days donated by other staff and 278 days have thus far been utilized for those emergency needs.
- There are programs in place that provide for flex-time operation with approval of supervisors.
- There is a voluntary program of reduced summer work hours without pay with supervisor support, and thus far, 56 employees have taken advantage of that program and have saved the university \$70,800 in what would otherwise be payroll.
- There is a ridesharing program in place where you can actually get on the computer and figure out who you can carpool with to work. That program saves everybody money.
- There is a pet spot to inform you about taking care of your pets.



P. Investment Committee Report

Ms. Wickliffe, chair of the Investment Committee, reported that the committee met on Monday in a special session to interview finalists in the absolute return manager search and authorized the staff to perform on-site visits of three managers and subsequently authorize the Purchasing Division to enter contract negotiations with the managers if the results of the on-site visits are satisfactory. Additionally, the committee authorized the Purchasing Division to enter into contract negotiations with two new opportunistic private equity managers. All new managers are hired as a result of an RFP (Request for Proposals) process under the supervision of the university's Purchasing Division.

Q. Student Affairs Committee Report

Ms. Haney, chair of the Student Affairs Committee, reported that the committee met that morning. October is domestic violence awareness and prevention month, and the committee had a presentation by Dr. Dorothy Edwards, who is the director of the Violence Intervention and Prevention (VIP) Center on campus. Dr. Edwards is a person whose passion for her work has absolutely no boundaries. The report was very informative.

One of the main reasons the university has the VIP Center is to reduce and eliminate power based personal violence. It is to reduce the number of victims that are on campus. This particular center has seen a growth in everything that it has done in the past four years. It currently has a diverse group of over a 1,000 volunteers, and this number is growing rapidly. It is probably one of the most diverse groups on campus. Every ethnic group of students is heavily represented. Every type of student organization or student interests group has students who are involved with this program. They are trying to find a way to connect and educate the campus. Student volunteers are absolutely the key for talking about prevention and trying to change the culture where unfortunately violence is still being a part of everyday life. They have developed the "Green Dot" Campaign. The small "Green Dot" pin worn by faculty, staff, and students means that person has committed to change the cultural set up and to express values of safety and promote a safe campus.

Approximately one in three female students on campus will become a victim of some type of violence whether it is physical abuse, sexual abuse, or stalking while they are on campus. That sounds horrible, and it is horrible. It is also the norm for campuses across the United States. It is not just indicative of something that goes on at UK.

There is a critical need to inform the students, the faculty, and the staff and to help them help others in this type of situation. As a result, they developed a program called Students Educating and Empowering to Develop Safety or a SEEDS program. This program is approximately a five-hour training session, and it encourages students. It teaches students to recognize situations and moments so they can either be protectors of themselves or they can help other people around them to avoid violent situations. There could be approximately 5,000 students trained by the end of this year.

The “Green Dot” program is a national model. Schools in Canada are looking to UKs program to see how they can incorporate philosophies, ideas, and practices in their schools. The program has been keynoted at various campus conferences as well as addressing groups as diverse as a CPA convention. It is a program to be very proud of, and eventually, most all of the Board members will get their “Green Dot.” It is a very valuable, useful program whether you are a parent, a grandparent, or a person interested in campus. Dr. Edwards gave a most informative presentation.

R. University Health Care Committee Report

Mr. Hardymon, chair of the University Health Care Committee, reported that the committee met on Monday. The meeting was attended by the full group of committee members as well as the community advisory members. The meeting began with the financial report, and the reports show that the hospital is running very well. In 2008, the revenue through the first two months was \$114 million. The budget for 2009 is \$129 million, and the hospital is currently at \$130 million, which means it is \$1 million over budget. In this day and age, the margin is extremely important at the operating profit line. The 2008 budget was 6.4 percent. The actual performance through the first two months was 7.2 percent. The hospital is above budget at the operating line in both revenue and margin.

The financials are broken down with some items below the line. Below the operating line are items that do not occur every year; therefore, it is very hard to compare one year to another with the gifts, interests, and investment income or loss. The hospital is having a little trouble in those areas, as is the rest of the world, and the committee is watching those areas closely. It is extremely important to the committee because the hospital is going to need quite a bit of cash in the next few years.

The hospital has nearly \$500 million in cash now, and that does not include October. This amount will, however, go up and down. Hopefully, it will continue up, but it probably will not recover from where it took the fall in the market. The fall has been in the endowment fund, which is sensitive to this investment income or loss.

Part of the \$500 million cash is in the bonds and the loans that were received through government support and in the cash which is needed to run the hospital. \$250 million of the total amount is in the bonds that will carry the hospital in the construction project late into 2009. The committee will continue watching the financial figures and will keep the Board informed.

The committee received a number of very important administrative items. It continuously looks at quality, including the different ways to look at it. The committee received and approved an update on behavior standards and patient care. The last time this item came before the committee was in 1997, and it did need some updating.

The committee also had an annual compliance report. This report includes things like fraud, abuse, security, and privacy. The compliance goals can be written pretty easily; however, following them is tough. It takes tone at the top to follow these goals. The chief compliance officer assured the committee that the hospital has the tone at the top with the executive vice

president, the chief financial officer, the chief operating officer, and others, but that tone also has to go to the committee. The University Health Care Committee has to expect that this operation is in compliance, and this Board has to expect that. The committee will continue watching the compliance goals.

The committee received the privileges and appointments for approval as well as the facilities project update. The administration reports that the project is on time. The committee has asked for a score card to keep track of the schedule.

For the huge hospital project, about 80 percent of the expenditure is either under contract or is in a bid situation. The committee feels pretty good about the bids. When it is said that the hospital is on budget, it includes continuing to hold on to contingency that has not been used.

The committee looked at fascinating mock ups of the patient rooms, the intensive care area, and the regular patient area. Mr. Hardymon encouraged the Board to look at the mock ups.

Ms. Ball told the Board that they would be impressed with the mock ups, and Dr. Karpf said he would be pleased to arrange a tour for anyone interested in seeing them.

#### S. University Relations Committee Report

Ms. May, chair of the University Relations Committee, reported that the committee had two presentations. The first speaker was Dr. Judy “JJ” Jackson, who is vice president for institutional diversity and an outstanding lady in every way. Dr. Jackson challenged the committee immediately to realize the role of diversity and how it leads to the Strategic Plan in supporting the Top 20 mission. She spoke at length with the committee, and there was a lot of interaction with the committee about where the university is going as well as the committee’s perceptions. The greatest mandate she gave the committee is that as a university and a culture everyone must stop looking back and start looking at where the university is right now and where it is going. That is the true challenge for everyone because what is behind us is behind us. Dr. Jackson has met with most all of the deans. The committee expects to see a very vibrant, active, going forward with everybody across the university and the community being involved.

Kimberly Kluemper, director of corporate partnerships, gave the second presentation. Her position has been needed at the university. Her function is about the land-grant university charge. She is the front door of the university to companies and businesses in the Commonwealth that need access to the university. Rather than companies calling a switchboard for information about getting research done, Ms. Kluemper contacts companies and guides them to the appropriate office at the university. She asks businesses, whether it is a small business or a huge business, what can the university do for you? The university has tremendous minds and resources to help Kentucky grow. Her position is a great opportunity for the university to be felt throughout the state. The goal initially for her is to work with state businesses, then spread throughout the country, and then have international contact as well. This is a wonderful new program that has been needed for a long time, and the committee has high expectations and hopes for the program as well.

## T. Alumni Association Report

Ms. Patterson reported that part of the Alumni Association's mission is to provide relevant opportunities to enrich the lives of alumni and facilitate a lifelong connection with the University of Kentucky. She gave a brief review about the association's contributions to the university during the last year.

1. Supported the academic colleges and administrative units by showcasing university and alumni achievements in the Kentucky Alumni magazine and sent broadcast e-mails to alumni, primarily through University of Kentucky Advocacy Network (UKAN) but others as well, asking for support on legislative issues that are important to the university.
2. Assisted the Office of Admissions in student recruitment by funding and coordinating a program in which alumni volunteers staffed various programs for student recruitment events such as send-off parties and book awards.
3. Served as the official record keeper of more than 450,000 records of graduates and friends of the university in cooperation with the Office of Development.
4. Embraced and nurtured diversity among faculty, staff, students, and alumni through numerous programs, events, and sponsorships.
5. Contributed to the growth of students through the knowledge of university traditions, scholarships, career services, legacy awareness, and an introduction to the importance of giving back to the university as alumni.
6. Connected alumni to the university through value-added benefits and services: 354 programs and events, more than 21,000,000 contacts through print and electronic communications, and 50 alumni clubs around the country.
7. Recognized six faculty members with Great Teacher Awards, one of whom is President Todd.
8. Supported UKAN by recommending 40 new members and sending broadcast e-mails asking alumni and friends to contact their local representatives to support the university.
9. Increased alumni club scholarship endowments to \$1,133,000 (almost 100 scholarships).

Ms. Patterson reported that the association's membership is at an all-time high of 37,002. She distributed a packet of materials about the association and invited the Board to stop by the King Alumni House. She concluded her remarks by encouraging the Board to become members of the Alumni Association.

U. Other Comments

Ms. Ball reminded the Board of the 2008 UK Stakes Reception hosted by the University and Staff Senates at 2:00 p.m. in the Main Building. She noted that this reception is formerly the Board's and Senates' holiday reception that took place in December.

Mr. Montell said he wanted to give credit where credit is due and that is to three guys on the football team. Jeremy Jarmon, Ross Bogue, and Dicky Lyons, Jr. took time out of their practice schedule to talk to freshmen about the importance of the VIP Center. The center addresses such things as alcohol education and how to be successful in and outside the classroom. These football players need to be recognized for their character and how great they are off the field. The university has a lot to be proud of in its student body.

V. Meeting Adjourned

With no further business, Ms. Ball asked for a motion of adjournment, and the meeting adjourned at 1:56 p.m.

Respectfully submitted,

Pamela T. May  
Secretary, Board of Trustees

(PR 2 and 3; FCR 1, 2, 3, 4, 5, 6, 7, 8 and 9; and HRCR 1 which follow are official parts of the Minutes of the meeting.)