

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, Tuesday, September 14, 2010.

The Board of Trustees of the University of Kentucky met at 1:00 p.m. (Lexington time) on Tuesday, September 14, 2010 in the Board Room on the 18<sup>th</sup> Floor of Patterson Office Tower.

A. Meeting Opened

Mr. Billy Joe Miles, chair pro tem, called the meeting to order at 1:00 p.m. and noted that the Board had five new members:

Sheila Brothers, elected staff representative, to replace Robynn Pease, for a term ending June 30, 2013.

William S. Farish, Jr., appointed by Governor Steven L. Beshear to replace Stephen P. Branscum, for a term ending June 30, 2016.

Oliver Keith Gannon, appointed by Governor Steven L. Beshear to replace Mira S. Ball, for a term ending June 30, 2016.

Terry Mobley, alumni representative, appointed by Governor Steven L. Beshear to replace Ann B. Haney, for a term ending June 30, 2016.

Joe Peek, faculty representative, to replace Ernest Yanarella, for a term expiring June 30, 2013.

Mr. Miles welcomed the new members that were present, and they received a round of applause. He then 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: Billy Joe Miles, (chair pro tem), E. Britt Brockman, Sheila Brothers, Penelope Brown, Jo Hern Curriss, Dermontti Dawson, Oliver Keith Gannon, Carol Martin "Bill" Gatton, Pamela T. May, Everett McCorvey, Terry Mobley, Sandy Bugie Patterson, Joe Peek, Erwin Roberts, Charles R. Sachatello, Frank Shoop, Ryan Smith, James W. Stuckert, and Barbara Young. Absent from the meeting was William S. Farish, Jr. Ms. May announced 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 Hollie Swanson, and the university staff was represented by Chair of the Staff Senate Jann Burks.

Members of the various news media were also in attendance.

C. Consent Items

Mr. Miles called attention to the consent items which included the minutes, PR 2 Personnel Actions, and acceptance FCRs 1, 2, and 3 which included pledges and gifts. Mr. Stuckert moved approval of the consent items. Mr. Shoop seconded the motion, and it passed without dissent. (See consent items listed below at the end of the Minutes.)

Minutes – June 8, 2010

PR 2 Personnel Actions

FCR 1 Gift from the Estate of Dianne L. McKaig

FCR 2 William Stamps Farish Fund Gift and Pledge

FCR 3 Multiple Gifts to Replace Unfulfilled Pledge to Research Challenge Trust Fund

D. 2011 Schedule for Meetings of Board of Trustees

Mr. Miles noted that the 2011 Schedule for Meetings of Board of Trustees was in the agenda book and asked if there were any objections to the schedule or comments. There were no comments, and the schedule was accepted as presented.

E. Executive Committee Report

Mr. Miles then asked for the Executive Committee Report. He asked Dr. Brockman to speak first. Dr. Brockman reported that nine months ago Chair Mira Ball asked him and Board Member Sandy Bugie Patterson to examine the compensation package for the president. He used a PowerPoint presentation as he made his report. (See the presentation titled “Analysis of Presidential Compensation” below.)

Dr. Brockman first explained the current compensation package in his slide presentation. It showed a \$304,000 base salary that is tied to faculty salary increases, plus \$25,000 for chairing UKRF and \$25,000 for chairing the UK Athletic Association Board. These amounts make a total recurring base salary of \$354,000.

A bonus amount is \$200,000; the bonus payment is based on the president’s performance under a grading system that the Board of Trustees had put in place. Dr. Brockman also pointed out that from what he and Ms. Patterson were able to determine, the bonus was intended to be part of the recurring salary for the president.

The last part of the presidential compensation package is his retirement funding, which is 15 percent of the base, or \$45,612, plus other standard benefits received by university employees, and some personal compensation specific to the president’s position.

Slide 3 compared the 2009-10 presidential salary with salaries received by presidents of other Kentucky public institutions. UK’s president’s salary ranks fourth, after the salaries of the presidents of University of Louisville, Northern Kentucky University, and the chair of the Council of Postsecondary Education.

Slide 4 compares total presidential compensation for 2008-09 at KCTCS, University of Louisville, and University of Kentucky. This slide showed UK figures again to rank under those of the other institutions.

Slide 5 showed presidential compensation at UK relative to compensation received by the presidents of the Top 20 public research universities as defined in President Todd's Top 20 Business Plan. The range is large, but the University of Kentucky as a percentage of the Top 20 average is 64.5 percent. Comparisons continued in Slide 6, where UK's total presidential compensation was shown to be 78.8 percent of the average Southeastern Conference (SEC) president's compensation. Dr. Brockman made the point that under all comparisons, UK's president's compensation package ranks among the lower amounts.

In Slide 7, it showed that the bonus offered to UK's president is disproportionately skewed. Average bonuses of benchmarks run in the \$10,000 - \$50,000 range while ours is \$200,000. Dr. Brockman will rely on other board members to explain why.

Dr. Brockman explained Slides 8 and 9: "The average faculty salary at the Top 20 institutions per our business plan is \$98,451. The average faculty salary at schools in the Southeastern Conference excluding Vanderbilt [because it is a private institution] is \$78,502. The average faculty salary at the University of Kentucky is \$81,189. Thus, UK faculty compensation as a percentage of the Top 20 benchmark institution faculty compensation average is 82.5 percent. UK faculty salaries average 103.4 percent of SEC faculty compensation. The UK president's salary base plus retirement is \$399,612. Our president receives 64.5 percent of what the benchmark Top 20 business plan presidents are making, while our faculty receive 82.5 percent of Top 20 levels. By the same token, the UK president's \$399,612 compensation package is 78 percent of SEC presidents' compensation on average, while our faculty's average salary of \$81,189 runs 103 percent of the average salary for SEC faculty.

"The recommendation of the Executive Committee on Thursday last week [September 9] was that UK's president's base salary should be at least the same percentage of the Top 20 presidents' base average as the average salary of a UK faculty member as it compares to the average faculty salary at a Top 20 institution. The UK faculty receive salaries that average 82.5 percent of the average salary received by faculty in Top 20 institutions. If we pay our president at the same 82.5 percent of the average received by a Top 20 president (instead of the approximately 64 percent that he receives now), then he should receive \$511,056 (\$619,461 [shown on Slide 5] times 82.5 percent equals \$511,056)." Dr. Brockman stated that this amount is what the Executive Committee recommended. In addition, the Executive Committee discussed and recommended that the president's annual bonus should be reduced to a maximum of \$50,000 based on their established goals to measure his performance.

Mr. Miles then asked Ms. May to explain the evaluation system and the results of this year's evaluations of the president's performance.

Ms. May distributed tabulation sheets and explained that the bonus awarded would be based on the results of the evaluations, a procedural action that has been in place since 2005. Goals for the president change each year according to the needs of the university. All board

members for 2009-10 evaluated the president's performance. In addition, the UK Faculty Senate and Staff Senate received the same questions and offered their responses. Responses are submitted to Peggy Way, who handles board correspondence, and results were tabulated by Mr. Miles and Ms. May.

The tabulation sheet shows that the president scored 95.68 percent on the evaluation form, which was then rounded to a score of 96 percent. This score will be used to calculate this year's bonus. The results were shared with the president, and comments were passed on to him.

Mr. Miles then offered a history of the establishment of the president's salary and other compensation. When the president was hired in 2001, a state law required that no president of a Kentucky state university could receive a salary higher than that of the chair of the Council on Postsecondary Education (CPE), the agency in Frankfort that governs all state universities. Many of the other state schools, and particularly the University of Louisville, had private foundations that could pay additional amounts to their presidents, and therefore, their presidents were able to receive total compensation above the amount of the salary of the CPE chair.

President Todd came to the university with a business background, making a salary far above that of the CPE chair. The Board wished to pay him more than the CPE amount, so the idea was born to offer a salary plus a bonus on a recurring basis that could put UK's president on an equal footing with other state university presidents.

That President Todd has consistently refused to accept the bonus has dismayed Board members for nine years in that they know he is underpaid for his job. The situation is exacerbated by the fact that, having received the president's announced retirement in June 2011, the board now needs to hire a new president, and UK's ostensible salary is among the lowest among our peer universities. A proposed solution was reached by the Board's Executive Committee in its meeting on September 9, which Dr. Brockman explained with his slide presentation.

Mr. Miles opened the floor to discussion by the members of the Board. Many members of the Board offered their comments, including Mr. Shoop, Mr. Stuckert, Mr. Smith, Dr. Gannon, Dr. McCorvey, Mr. Gatton, Ms. Brothers, Dr. Peek, Ms. May, Ms. Curris, and Mr. Roberts.

Mr. Miles called for a reading of the recommendations of the Executive Committee. Ms. May stated: "The motion that came out of the Executive Committee, Mr. Chair, is that the officer's base compensation shall be increased by the amount of \$157,046 and be effective for fiscal years 2009-10 and 2010-11. The officer's base compensation for fiscal year 2010-11 may be further increased by means of a performance-based incentive of an amount not to exceed \$50,000."

Mr. Miles asked for a motion to vote on the recommendations and Ms. Patterson moved for the motion; Mr. Stuckert seconded.

Dr. Brockman asked to amend the motion to include for the year 2009-10 a performance bonus, a maximum of which would be \$50,000 based on the achievement of metrics established by the Board of Trustees. Mr. Stuckert seconded.

A vote on the amendment yielded a majority of ayes, with two voting nay (Ms. Brothers and Mr. Peek).

A vote on the amended motion was moved by Dr. Brockman and seconded by Mr. Stuckert. The motion carried with Ms. Brothers and Mr. Peek voting against.

Mr. Miles asked that Mr. Shoop present the Nominating Committee report.

F. Nominating Committee Report

Mr. Shoop reported that the Nominating Committee met September 2 to discuss the nomination of officers and members of the Executive Committee. Following a poll of the Board of Trustees, the Nominating Committee was pleased to submit the following nominations for officers:

Chair	E. Britt Brockman
Vice Chair	James W. Stuckert
Secretary	Pamela T. May
Assistant Secretary	Barbara Jones

Mr. Shoop moved approval. Mr. Mobley made a motion that the nominations cease. Ms. Brothers seconded the motion, and it carried without dissent. There were no nominations from the floor.

Mr. Miles then called for a vote on Mr. Shoop's motion for the slate of officers presented, and it passed without dissent.

Mr. Shoop submitted the following nominations for members of the Executive Committee:

Britt Brockman, Chair  
Jo Curris  
Terry Mobley  
James Stuckert  
Barbara Young  
Pam May, Secretary as an ex officio member

Mr. Shoop moved approval. There were no nominations from the floor. Mr. Roberts seconded the motion, and it passed without dissent.

G. Appointment to Board of Directors – University of Kentucky Mining Engineering Foundation, Inc. (NCR 1)

Mr. Shoop continued with his report and said that NCR 1 recommends that the Board approve the appointment of James Stuckert as a Trustee member to the University of Kentucky Mining Engineering Foundation Board of Directors for a two-year term ending September 13, 2012.

The Governing Regulations require that the Nominating Committee review and recommend appointments of Trustees to the Boards and committees of the University and its affiliated entities. The bylaws of the foundation require that the Board of Trustees approve appointments to the Board of Directors.

On behalf of the Nominating Committee, Mr. Shoop moved approval of NCR 1. Ms. Curris seconded the motion, and it carried without dissent. (See NCR 1 at the end of the Minutes.)

H. Appointment to Board of Directors – University of Kentucky Research Foundation (NCR 2)

Mr. Shoop said that NCR 2 recommends that the Board approve the appointment of Erwin Roberts as a Trustee member to the University of Kentucky Research Foundation Board of Directors for a three-year term ending June 30, 2013.

The Governing Regulations require that the Nominating Committee review and recommend appointments of Trustees to the Boards and committees of the University and its affiliated entities. The bylaws of the foundation require that the Board of Trustees approve appointments to the Board of Directors.

On behalf of the Nominating Committee, Mr. Shoop moved approval of NCR 2. Mr. Stuckert seconded the motion, and it carried without dissent. (See NCR 2 at the end of the Minutes.)

Following the Nominating Committee report, Mr. Miles relinquished the chair's seat to newly elected chair Dr. Brockman.

Dr. Brockman said that he was humbled and indeed honored to serve as chair. He said that the Board has some tremendous challenges ahead. First, it has to support President Todd for the next nine months to continue his fantastic work that has been discussed. At the same time, the Board has the daunting challenge of selecting a new president to fill his shoes in as seamless a transition as possible. Dr. Brockman promised to do his best to not become distracted and to stay on task. He thanked the Board for the honor of serving as chair.

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

Before beginning PR 1, President Todd called attention to the appointment of George Ward, Executive Director of the Coldstream Research Campus. He asked Mr. Ward to stand and be recognized. He said that the University is very fortunate to have someone with his mix of skills.

President Todd commented on the following items in his report:

### First Scholars Program Launched with \$1.1 Million Grant from Suder Foundation

Eric Suder, who made his wealth in his electronics firm, has committed to changing the graduation rate for first generation students, which is about 24 percent. He has given to 20 first-generation freshmen \$5,000 a year for four years and has committed to do this with next year's freshman class. UK and the University of Utah are the only two universities he has selected to launch the foundation's First Scholars Program. UK has to develop procedures and processes that can change the graduation rate. President Todd said that this program is a great thing, and he is very excited about it. Mr. and Mrs. Suder were on campus recently to meet the first 20 students. This will be a big impact on these students' lives.

### UK's Power and Energy Institute of Kentucky gets \$4.5 Million

UK's Electrical Engineering Department has received \$4.5 million to help educate the next generation of power engineers. With \$2.5 million in start-up funds from the U.S. Department of Energy and \$2 million from E.ON for scholarship endowment, UK's new Power and Energy institute of Kentucky will train urgently needed specialists to handle the technical challenges of generating, transmitting, and distributing power. E.ON sold LG & E. Because of their good partnership and relationship in Kentucky, they gave the University of Kentucky and the University of Louisville \$2 million to use at their discretion. UK has chosen to create scholarships in the area of power in Kentucky. The \$2.5 million worth of start-up funds from the U.S. Department of Energy is for the purpose of looking into the engineering area because that area will lose about 80 percent of its engineering employees in the next five years with the baby boomers graduating.

### UK Receives 41 Million to Help Bring Higher Education Back to Iraq

UK will receive \$1 million to spend over three years in the areas of curriculum development and distance learning. UK was selected as one of five schools to try to bring higher education back to Iraq. It has been ravaged, and UK is working with the University of Kufa in the area of civil engineering, business administration, and English as a second language.

### UK Economics Professor Serves on Congressional Oversight Panel

Professor Kenneth Troske was nominated by Senator Mitch McConnell for a position on the Congressional Oversight Panel. Part of the Panel's responsibility is to look at the Troubled Asset Relief Program (TARP) and determine if the money is being spent effectively. Professor Troske has already been in Washington and had many members of the banking industry testify before him. This is a very prestigious position.

### College of Medicine Hits Top 20 for ‘Social Mission’

The UK College of Medicine ranks 14<sup>th</sup> in the nation based upon its “social missions score.” This is what a land-grant university should do for its state, and the College of Medicine is doing it extraordinarily well.

### Rural Physician Leadership Program Students Head to Morehead, Kentucky This Fall

The ribbon cutting for a new building called the Center for Health, Education, and Research at Morehead, Kentucky was held in August. The Rural Physician Leadership Program is very unique to the Commonwealth. UK selects 10 students from eastern Kentucky to occupy 10 of the 113 positions in the medical school class. The students will do their first two years on UK campus, and their last two years at St. Claire Regional Medical Center working with Morehead State University. Hopefully, the students will remain in the rural areas to become physicians. Within the next year or two, UK plans to be doing the same thing with Murray State University in the western part of the state.

### UK Still Ranks First in Creating Start-up Companies

UK ranks first among benchmarks in creating start-up companies per \$10 million of research expenditures with universities that have started companies. The ranking is based on every \$10 million of research expenditures. UK was 13<sup>th</sup> in start-up companies among all public universities and 17<sup>th</sup> among its benchmarks in royalties received, and that number will go up as these companies go on line. President Todd thanked Vice President Leonard Heller and his staff for getting that done.

### ASTeCC Incubator Company 3H receives \$2.7 million from Department of Energy

3H Company, which is one of UK’s incubator companies, received \$2.7 million to look at carbon sequestration. The company will move to lab space at Coldstream Research Campus soon. This is a company that recently relocated to Lexington from Hampton, Virginia because of the match program the state of Kentucky has put together for the small business innovation research grants. Kentucky is the only state that actually matches those up to \$1 million. President Todd mentioned another company that came to Kentucky from Philadelphia and said it is a real promising thing, especially since it is in the energy area for carbon sequestration which is important to the state.

### UK Alumnus Brings 90 New Software Jobs to Lexington

Software engineering company Galmont Consulting will open a testing center in Lexington and create 90 full-time engineering jobs and partnership opportunities with UK. UK alumnus Jeri Smith started the company, which is moving to Lexington, and they are cooperating with UK’s Department of Computer Science and the College of Engineering.

UK has 684 freshmen in engineering this year. Three years ago there were approximately 488 freshmen. The average ACT for this entering freshmen class of engineering students is 28.5. It is a strong group, and that is just totally opposite of what is going on at a national level right now with engineering enrollment. Everyone can be very proud of this increase.



#### Kentucky P20 Innovation Lab Launched

The Kentucky P20 Innovation Laboratory is UK's best connection to P through 12 education. College of Education Dean Mary John O'Hair had done something like this prior to coming to UK. UK hosted a seminar with Commissioner of Education Terry Holliday, and 174 superintendents from around the state of Kentucky participated and talked about how the 17 colleges are going to become involved with bringing innovative practices to the P through 12 classrooms.

#### Singletary Scholar Program Sees Highest Yield Rate Ever

UK's Singletary Scholars' yield rate is up, and this will cost the university more money. This year 25 offers were made, and the yield was 31. Twenty-eight are Kentucky students, and their average ACT is 32.71.

#### Two Equine Art Exhibitions Open, Coincide with World Equestrian Games

UK's Art Museum opened "The Bluegrass Palette of Andre Pater" on June 27, featuring the work of a local artist, Andrea Pater, who is known internationally for his sporting art. The exhibitions come at the time of the World Equestrian Games, and some of the exhibits are from Smithsonian. It includes the top collections from around the country. President Todd encouraged the Board to see the exhibits.

#### UK Graduates and Students Selected for Teach for America

Twenty-two UK graduates and students were selected for Teach for America, a national program in which outstanding college graduates commit to teach for two years in disadvantaged urban and rural public schools.

#### Five Students and Alumni Selected for Fulbright Scholarships

Five UK students and alumni were selected as recipients of Fulbright U.S. Student Program scholarships.

#### UK Freshman Class Sets Record for Academic Quality and Applications

President Todd said that he was pleased to report that this fall's freshmen class is the most academically prepared in the institution's history. In 2001, the freshmen class was 3,000, and this year's freshmen class totals 4,326, up from 4,153 last year. The ACT scores have continued to improve with a record 25.2 ACT composite average, up from 24.7 last year. The average high school GPA also is at an all-time high at 3.60, up from 3.52 last year.

UK also set another record for applications at 13,537, up 11 percent over 209, and applications from out-of-state markets all increased from the last four years. Last year was the first time UK had 12,000 applications. The appetite for the University of Kentucky is very strong.

The freshman class also experienced a significant increase in diversity. Enrollment of Hispanic students is up 28 percent to 111. African-American enrollment exceeded last year, which was a record. This fall, UK has 412 compared to 403 in fall 2009. President Todd noted that there were some stronger criteria this year to make sure those students would be retained through the freshman and sophomore year and would graduate with higher probability.

In 2001, UK had 537 applications from African-Americans for the freshman class, and there were 2,066 this year. UK had 57 African-American faculty, and there are 89 today. Changing the front of the classroom has been instrumental in the increase of African-Americans. Provost Subbaswamy and Vice President Judy ‘J.J.’ Jackson are to be commended for their hard work in getting the message out.

More students are transferring to UK from other higher education institutions. New transfers number 1,147, up 10 percent from last year. That is really important because students with associate degrees need to finish that four-year degree. Transfers from Bluegrass Community and Technical College increased 13 percent from the entire KCTCS colleges. That is really an improvement.

Graduate enrollment fell slightly, but there is a record enrollment of 2,206 students seeking research doctorates, and part of our mission is to get that number up. The College of Arts and Sciences, Engineering, and Fine Arts are seeing a record number of research doctorates.

Provost Subbaswamy targets enrollment to be around 4,000. For budgetary purposes, he tells Admissions to beat that number. They try to accept enough applicants based upon UK’s historical yield rate in order to get around 4,050. This year the yield is about 4,300. Provost Subbaswamy wants that excess revenue to make sure work continues on the student-faculty ratio. He knows that he has the flexibility to do whatever it takes to keep the quality up. President Todd said that he is very impressed with the work that Associate Provost Don Witt and his group have done.

J. Consent Item PR 2

Ms. Brothers referred back to PR 2 on the consent agenda which had been approved. She asked about Leonidas Bachas on page 34 listed under Leave of Absence. She stated that this individual is now employed as dean of another institution and questioned the leave of absence.

Provost Subbaswamy explained that there are several graduate students who need to finish their degrees, and it is standard practice for professors to remain in a leave status so they can serve on students’ committees.

K. Comments about New Deans

President Todd asked Provost Subbaswamy to introduce some new deans who were not able to attend the last Board meeting. He said that Provost Subbaswamy and others in the academic area have done a remarkable job in selecting deans. Since 2001, 15 new deans have been hired. It is not easy to find new deans, and it is not that easy to convince them that UK has the best deal for them. UK has gotten spectacular people, and President Todd gave Provost Subbaswamy tremendous credit for that.

Provost Subbaswamy said that UK is very fortunate to be able to recruit outstanding leaders. It has so much talent. UK needs leaders who are respected or who have established

their own track records. What brought them to UK is the top 20 vision set by President Todd. All of the new deans were attracted to UK because of that vision. He said it was his pleasure to bring two appointments to the Board for approval and also to introduce two deans previously approved by the Board.

L. Appointment of Dean of Libraries (PR 3)

Provost Subbaswamy said it was his pleasure to introduce Terry Birdwhistell who is recommended for appointment as Dean of Libraries. Dr. Birdwhistell is a fully home grown product, Kentucky Proud. He was fully educated at the University of Kentucky and truly is a treasure for the state in that he is an oral historian who probably knows more history of Kentucky and the University of Kentucky in his head than all the volumes you will find in UK's outstanding William T. Young Library. Provost Subbaswamy reported that there was no shortage of applications, and he is truly glad to recommend Terry Birdwhistell for the appointment of dean. Dr. Birdwhistell was asked to stand and be recognized, following which he received a round of applause.

Dr. Brockman asked for a motion of approval of PR 3. Mr. Smith moved approval. His motion was seconded by Mr. Stuckert and passed without dissent. (See PR 3 at the end of the Minutes.)

M. Appointment of Dean of the College of Pharmacy (PR 4)

Provost Subbaswamy said it was his great pleasure to welcome Dr. Timothy S. Tracy to the state of Kentucky. His recommendation is that the Board approve the appointment of Dr. Tracy as the Dean of the College of Pharmacy. As everyone knows, UK has had a highly ranked College of Pharmacy which is poised for even greater heights because of the new building and all the support that exists along with the strong growth in the health care enterprise. UK really needed the absolute best leader, and there is no question whatsoever that Dr. Tracy is the best candidate anywhere in the country. He was educated at Ohio Northern University and Purdue University. He started out as a practicing pharmacist and then went on to get his advanced degrees. He has worked very closely with academic medical center organizations as well as the Mayo Clinic. He brings a wide variety of experiences all the way from pharmacy practice to pharmacy education to pharmaceutical research. He began his academic career at West Virginia University. UK is very fortunate to have Dr. Tracy. Provost Subbaswamy asked Dr. Tracy to stand and be recognized, following which he received a round of applause.

Dr. Brockman asked for a motion for approval of PR 4. Ms. Patterson moved approval. Mr. Roberts seconded the motion, and it passed without dissent. (See PR 4 at the end of the Minutes.)

Provost Subbaswamy then introduced Dr. Michael Tick, Dean of the College of Fine Arts. Dr. Tick comes from a theatre background. He was at Louisiana State University most recently but if you look at his resume you will see that he has had a really broad range of experiences in arts education and in the practice of arts. He will be a very effective spokesperson for the arts, not only at the University of Kentucky but in the entire Commonwealth. He

welcomed Dr. Tick and asked him to stand and be recognized, following which he received a round of applause.

Provost Subbaswamy introduced the new Vice President for Student Affairs Dr. Robert Mock. Dr. Mock was the runaway favorite of everyone on the search committee, especially the students, and he certainly has hit the ground running. He comes to UK from the University of Arkansas where he has held a number of positions. Dr. Mock will be a critical element of combining in class and out of class experiences to complement one another and reach retention and graduation rates successes that will bring UK to the top 20 level. He asked Dr. Mock to stand and be recognized, following which he received a round of applause.

President Todd said that he wanted to mention a press release that has to do with the provost war on attrition, which Dr. Mock understands that area very well. When Provost Subbaswamy started the war, UK had about 75 to 76 percent. UK is now at 82 percent freshmen to sophomore retention, which is a record for the university, and that has an impact. UK now has about 29,000 of those students to continue at UK. That builds additional revenue, but it also builds the size of the institution. President Todd congratulated Provost Subbaswamy on that accomplishment.

N. Appointments/Reappointments of Board of Directors University of Kentucky Mining Engineering Foundation, Inc. (PR 5)

President Todd said that PR 5 recommends appointments and reappointments to the Board of Directors of the Mining Engineering Foundation. He asked for the Board's approval of the appointment of David R. Cobb and Bill Bissett and the reappointment of 15 other individuals listed. He noted that bios on all of the individuals were attached. In addition, he recommended that David Zegeer be appointed as an emeritus member of that board.

Dr. Brockman called for a motion for approval of PR 5. Mr. Shoop moved approval. Ms. Brothers seconded the motion, and it passed without dissent. (See PR 5 at the end of the Minutes.)

O. Approval of an Exception to Kentucky Statute ( PR 6)

President Todd said that PR 6 recommends approval to an exception to the Kentucky Revised Statutes. Dr. John Gurley, a faculty employee in the College of Medicine, is one of UK's eminent faculty members. He had a concept that he talked to Dr. Dick Furst, Dr. Leonard Heller, and others about, and that concept was to form a company called Therix Medical Development, Ltd Company. President Todd explained the process that took place in capturing the concepts from UK's practitioners in starting Therix. He noted that UK only had a couple of patent releases or patent ideas from that group of practitioners a few years ago, and there are 29 ideas in less than a year, two of which are under consideration by corporations. Medical devices are a lot faster to bring to industry than pharmaceuticals because trials are not involved. Dr. Gurley actually owns some stock in Therix.

President Todd reported that this exception went to the Ethics Committee. The committee wrote an opinion and gave the details in the opinion attached to PR 6. The Ethics Committee unanimously approved this, and Dr. Gurley has approved it. PR 6 is to present full disclosure to the Board and make sure everybody is comfortable with it.

Dr. Brockman asked for a motion for PR 6. Mr. Stuckert moved approval. Mr. Mobley seconded the motion, and it passed without dissent. (See PR 6 at the end of the Minutes.)

P. Candidates for Degrees (AACR 1)

Ms. Brown, chair of the Academic Affairs Committee, reported that the committee did not meet; however, there is one action item to approve the candidates for degrees for students that graduated this summer. AACR 1 is the recommendation that the President be authorized to confer upon each individual whose name appears on the attached list the degree to which he or she is entitled, upon certification by the University Registrar that the individual has satisfactorily completed all requirements for the degree for which application has been made and as approved by the elected faculty of the University Senate. Each individual whose name appears on the list attached to AACR 1 completed the work leading towards the degree for which the application was made at the close of the 2010 summer session. She recommended approval of AACR 1. Dr. McCorvey seconded the motion, and it passed without dissent. (See AACR 1 at the end of the Minutes.)

Q. Renovate Nursing Building (FCR 4)

Mr. Gatton, who chaired the Finance Committee meeting, mentioned that FCRs 1, 2, and 3 were on the consent agenda and began his report with FCR 4 which was to Renovate the Nursing Building. He said that the committee discussed it and approved it. Since it was self-explanatory, he recommended that the Board approve FCR 4. Mr. Miles made a motion for approval. Ms. Curris seconded the motion, and it passed without dissent. (See FCR 4 at the end of the Minutes.)

R. Renovate Old Pharmacy Building for Biology (FCR 5)

Mr. Gatton said that FCR 5 is to Renovate Old Pharmacy Building. He noted that there are a number of new uses for it and said that it is wonderful when you build a new building, take the old one and spend some money remodeling it, and get a lot of additional use for years to come. Ms. Patterson made the motion to approve FCR 5, and Dr. McCorvey seconded the motion.

Ms. Brothers noted that there was a separate handout from the FCR in the book and asked if it was different from the one in the agenda book. Executive Vice President Frank Butler explained that the original one in the book was just for use by biology, and the provost pointed out that there is going to many other academic programs included in the building. Therefore, for the purposes of correctness, the reference to biology was dropped.

Dr. Brockman called for a vote, and the motion passed without dissent. (See FCR 5 at the end of the Minutes.)

S. Renovate Track and Field Facility (FCR 6)

Mr. Gatton said that FCR 6 recommends that the Board approve the initiation of the renovation of the university's track and field facility. The renovation includes track surfaces, etc. The project is not expected to exceed more than \$14 million and will be funded with \$7.1 million of private funds from the University of Kentucky Athletic Association and up to a \$6.9 million internal loan from the University. This loan is to be repaid to the University over a period not to exceed five years. The Debt Management Committee has reviewed this proposed loan and financing plan and determined that it is consistent with the University's Debt Policy. On behalf of the Finance Committee, he recommended approval of FCR 6. Mr. Shoop seconded the motion, and it passed without dissent. (See FCR 6 at the end of the Minutes.)

T. A Resolution Providing for the Authorization, Issuance, and Sale of Approximately \$26,000,000 General Receipts Obligations (Energy Savings Project) and Approximately \$35,000,000 General Receipts Refunding Obligations of the University of Kentucky, Pursuant to the Trust Agreement Dated as of November 1, 2005 (FCR 7)

Mr. Stuckert said that FCR 7 involves the fine firm of Hilliard Lyons; therefore, he must recuse himself from discussion and voting. Dr. Brockman asked that the minutes show this in the record.

Mr. Gatton reiterated that the record show that Mr. Stuckert did not make comments or vote on FCR 7 which is A Resolution Providing for the Authorization, Issuance and Sale of Approximately \$26,000,000 General Receipts Obligations (Energy Savings Project) and Approximately \$35,000,000 General Receipts Refunding Obligations of the University of Kentucky, Pursuant to the Trust Agreement Dated as of November 1, 2005. He asked Vice President Angie Martin to make comments on this item.

Ms. Martin said the \$26 million bond issue is for the energy project, and that debt service will be paid for with savings from less energy consumption. The other \$35 million is a refunding that will only occur if it is determined it is financially feasible.

Mr. Gatton said that this item is a win-win situation. The University gets all the money back plus extra money, particularly after the savings have taken care of the obligation.

Dr. Brockman asked for a motion for approval. Mr. Roberts made the motion. Dr. Gannon seconded the motion, and it carried without dissent. (See FCR 7 at the end of the Minutes.)

U. Transfer of Real Property Referred to as Griffith Woods in Harrison County, Kentucky to Kentucky Department of Fish and Wildlife Resources (FCR 8)

Mr. Gatton said that FCR 8 is the Transfer of Real Property Referred to as Griffith Woods in Harrison County, Kentucky to the Kentucky Department of Fish and Wildlife Resources. He asked Executive Vice President Frank Butler to explain the recommendation

Mr. Butler explained that this is land the University acquired a number of years ago that was to be used as a research farm. Because of the conservation restrictions on the properties, it really does not lend itself to that use. The College of Agriculture has been paying about \$100,000 a year for a resident graduate student to maintain the property. They have determined that it is not going to be used for a research farm, and they are recommending transferring it to the Kentucky Department of Fish and Wildlife Resources who will agree to abide by the conservation and assume the costs associated with maintaining the property. The University cannot sell the property because of a state law against it; therefore, this is the best alternative. It will save the University \$100,000 a year.

Dr. Brockman asked for a motion to approve FCR 8. Mr. Shoop moved approval. Mr. Stuckert seconded the motion, and it passed without dissent. (See FCR 8 at the end of the Minutes.)

V. Lease/Purchase of Medical Equipment (FCR 9)

Mr. Gatton said that FCR 9 is the Lease/Purchase of Medical Equipment. The Board is requested to approve a \$10 million medical equipment lease pool for the UK HealthCare Enterprise. He noted that this is a recurring item each year. This pool will assist with cash-flow management as UK HealthCare proceeds with several cash-intensive capital projects including the construction of the Patient Care Facility. The University's Debt Committee has determined that this request is consistent with the University's Debt Policy. On behalf of the Finance Committee, he recommended approval of FCR 9. Mr. Smith seconded the motion.

Ms. Brothers asked if it is like an internal loan to the medical center that is repaid in full.

Executive Vice President Karpf explained that it is not a loan.

Ms. Brothers asked if there would be a report back to the Board regarding the expenses or regarding what is purchased or leased.

Executive Vice President Karpf said that these are capital items for the hospital, and this is part of the process done every year to manage cash flow.

Dr. Brockman called for a vote, and it passed without dissent. (See FCR 9 at the end of the Minutes.)

W. Patent Assignment Report (FCR 10)

Mr. Gatton said that FCR 10 is the Patent Assignment Report. Vice President James Tracy presented the quarterly Patent Report for the period ended June 30, 2010 which includes five patents. During the fiscal year ended June 30, 2010, the University filed 30 patent applications, 31 patents were issued, and patent receipts total \$2.3 million. On behalf of the Finance Committee, he recommended acceptance of FCR 10. Barbara Young seconded the motion, and it passed without dissent. (See FCR 10 at the end of the Minutes.)

X. Capital Construction Report (FCR 11)

Mr. Gatton said that FCR 11 is the Capital Construction Report, and he asked Vice President Bob Wiseman to give his report.

Mr. Wiseman reported that this report includes all capital projects in excess of \$600,000 for the period of April 1, 2010 through June 30, 2010. There were eight new contracts including three for design and five for construction.

Mr. Wiseman highlighted the Third Floor of the Little Library project, which is shell space in the Little Library in the College of Communications. There were eleven vendors on that particular project, and this is the low bid. He then highlighted the construction project for the Center for Applied Energy Research Building at Coldstream. He noted that most of the contracts will grow to about \$19 million in full scope, and additional projects will be brought to the Board.

Under the new projects, Mr. Wiseman highlighted the upgrade renovation and expansion of the research lab fit-up on the fourth and fifth floor of the biopharmacy building. This is much needed research space. The project will begin now and should come in at about \$26 million. The bidding process is almost completed.

There was one contract completed in this quarter, and there were four amendments. He highlighted the patient care facility project. One of the contract amendments included the design and fit-up of the phase two of that project which was the OR suites as well as the final design of the kitchen and cafeteria.

Thirty-four change orders were greater than \$25,000. Two involved the Livestock Disease Diagnostic Lab on New Town Pike. Two were completing the bio-pharmacy building.

There were 28 change orders on the Construct Patient Care Facility project for a total of about \$2 million, which remain within the budget within the contingency that is set up for the project. Phase one will come in at just slightly less than the \$532 million.

Mr. Wiseman then highlighted one of the change orders, which was a \$425,000 change order in the Patient Care Facility. That is simply putting in some of phase 2 so there will not be any disturbance to patients by having to jackhammer on the ceiling later. This was just moved ahead of the original plan.



On behalf of the Finance Committee, Mr. Gatton moved approval of FCR 11. Dr. Gannon seconded the motion, and it passed without dissent. (See FCR 11 at the end of the Minutes.)

Mr. Gatton said that he would like to briefly refer back to the previous discussion regarding the University's budget situation. He said that he supports the faculty, and he wishes there was some way that money could be found for the faculty to get raises. There are some things that he has thought of that might work, and he will certainly pass along his ideas to President Todd. However, if you gave every faculty and staff employee what President Todd has been denied, it probably would not amount to more than a \$1, certainly no more than \$2.

Nobody likes to not get raises. He said that he certainly gives raises in his business, and unfortunately, General Motors did away with five Saturn stores, eliminating 250 jobs in his businesses. Those employees no longer have insurance, etc.

Mr. Gatton said that he has empathy that there have not been raises, but it is not President Todd's fault. The problem is with the state. He suggested for everyone to have their relatives throughout the state talk to their congressman or state senators to try to get them to support the University which is the state's flagship university. He noted that the University certainly needs a lot of things.

Mr. Gatton said that he was told ten years ago that the University was going to have a new business school building, and the building has not gotten started yet. If a new building happens, there would be a lot of classrooms available for the rest of the University, which would benefit everything related to the University.

Mr. Gatton reiterated that the state is to blame for the employees not getting raises, and something needs to be done to try to get employees raises.

Mr. Shoop said he wanted to make one comment before moving off the Finance Committee report. He referred to FCR 9 and Ms. Brothers question about a report back to the Board. He said that FCR 9 is the report to the Board.

#### Y. Investment Committee Report

Dr. Brockman, chair of the Investment Committee, reported that the Investment Committee met that morning to review performance results and conduct other business. The Endowment had a net market value of \$748.7 million as of June 30, 2010. For the fiscal year ended June 30<sup>th</sup>, the Endowment pool returned 13.1 percent, compared to the policy benchmark return of 10.4 percent. The policy benchmark is a weighted average of various market index returns that are representative of the University's target asset allocation. The fiscal year outperformance against the policy benchmark is due to an overweight to equities because of a tactical decision made to delay full implementation of the new asset allocation approved by the Committee in June 2008 in order to allow the equity assets to participate in the anticipated equity market rally and recover some of the prior losses. The new target asset allocation approved in June 2008 significantly reduced the target allocation to equities and increased diversification in

other asset classes, reducing the projected risk, or volatility, of future returns. In June 2009, after three months of market recovery, investment staff and consultant, R.V. Kuhns & Associates, initiated a transition plan to implement the new absolute and real return strategies in four quarterly installments, with the final installment being completed in March 2010. By delaying and then gradually reducing the exposure to equities to fund the new strategies, the Endowment participated in the equity market rally during the first three quarters of the fiscal year and is now better positioned for the future.

The Committee then went into closed session to discuss the recent non-U.S. equity manager search. After returning to open session, the Committee authorized the Executive Vice President for Finance and Administration, or his designee, to enter into contract negotiations with a new non-U.S. growth equity manager that is complementary to the existing non-U.S. core and value equity managers.

The Committee heard a presentation on the federal Uniform Prudent Management of Institutional Funds Act (UPMIFA), which was approved by the 2010 Kentucky General Assembly and was codified in July. The new law sets forth various requirements related to the prudent investment of funds, expenditures from endowment funds, and the release or modification of donor restrictions.

The Committee approved the Endowment Investment Policy, which is formally reviewed and approved on an annual basis. Among other changes, the policy includes changes to the target asset allocation and establishes a new Endowment Advisory Group of senior University administrators and faculty, to be appointed by the President, for the purpose of advising the Vice President for Financial Operations and Treasurer on various matters pertaining to the prudent management of individual endowment funds, such as spending on underwater endowments and appropriate dollar minimums for various endowment types. In addition, the investment staff and consultant recently performed a portfolio risk review and an asset allocation study and recommended a revised asset allocation with the objective of further diversifying the Endowment and decreasing the projected volatility of future returns. The new Endowment Investment Policy contains a new target asset allocation that reflects decreases to the U.S. equity, fixed income, and real estate asset classes, and increases to the absolute and real return asset classes.

The University's target asset allocation and manager structure is designed to produce an average annual return of 7.5 percent over the long-term, defined as 10 years or more. If achieved, the 7.5 percent annual return should allow the University to support the 4.5 percent annual spending and management fee withdrawals, and maintain the inflation-adjusted value of the Endowment.

#### Z. Student Affairs Committee Report

Ms. Curris, interim chair of the Student Affairs Committee, reported that the Committee met that morning, and a quorum was present. The new Vice President for Student Affairs Robert Mock was introduced, and he spoke to the committee. Immediately thereafter, the members of the committee and other Board members were asked to provide Dr. Mock with any comments regarding the Student Affairs area.

Ms. Brown responded that there is a very great concern in terms of finding parking spots on campus. Her comment is based on her sons' personal experience.

Dr. Peek indicated that there needs to be a method put into place for students to connect with the university and participate in surveys.

Dr. Gannon said that he is a new Board member and is currently base building and fact gathering.

Mr. Smith, student trustee, indicated that student safety, parking, and a new Student Center in the future, would be very applicable in terms of development of student pride and unity by all students as well as more non-traditional student involvement.

Associate Dean of Students Becky Jordan was asked to give a report regarding the Common Reading Experience whereby all freshmen are asked to read a particular book. This year's book was *Zeitoun* by Dave Eggers, and it was noted that during K Week the K Crew leaders and students met to discuss the book. In the UK101 classes, students are to write a three-page report and engage in class discussion. There is to be an art exhibit, sponsored by the Student Activities Board, in the Rasdall Gallery, called "Katrina Collection." The artist used debris from the hurricane and incorporated it into the art. Everyone is invited to attend the exhibit. Also, the Tuska Gallery, in the College of Fine Arts, will have an exhibit called "Aftermath" featuring four artists. The author Dave Eggers of *Zeitoun* will lecture at the Singletary Center for the Arts on September 27.

The success of the Common Reading Experience program was probably exemplified by the fact that the students created a face book to have quite wide-ranging discussion on the book.

Subsequent to that, Associate Vice President Victor Hazard referenced the fact that there have been changes to the Student Code of Conduct. He introduced the new Associate Dean for Students for Judicial Affairs Dana Walton-Macaulay. In the changes for the Student Code of Conduct, there will now be training for members of the University Appeals Board and for the hearing officers. It will provide rights for the complainant when it did not have those rights before. These actions will bring the University of Kentucky in line with Best Practices, and the process will be more streamlined. In difference to a question concerning confidentiality, the hearing officers undergo a four-hour training, and the questions of privacy and confidentiality are emphasized throughout that entire training. Thus far this past year, there were approximately 200 to 300 cases that were brought forward.

Also in that discussion was the establishment of the Students of Concern (SOC) Team. The SOC Team was actually formed about three years ago to provide a centralized point of contact for those who have a concern about an individual student. It was formally called UK Cares, but they felt that maybe that was misleading.

A subset of the SOC team will be called the Threat Management Team (TMT). This group will follow specific individual cases that pose a threat or a danger to themselves or others.

The University of Kentucky is continuing its great interests in individual students and concerns about those that may be having various issues that are precluding them from performing well.

Mr. Smith then reported that the Student Government Association has allocated \$115,000 to student organizations and their activities. This year there are over 400 organizations, compared to 300 last year. The Freshman Leadership Program has 40 freshmen participating. The SGA is again providing financial support to the Violence Intervention and Prevention Center. A new project that sounds very exciting is a driving program whereby between 9:00 p.m. and 3:00 a.m. on Friday, Saturday, and Sunday there will be some type of method of taking students from one place to another as a safety issue. Ms. Curris complimented Mr. Smith on this terrific sounding program.

As chair of that committee Ms. Curris asked that the ROTC students be recognized. These students placed flags, walked in formation, and read the names of all those who left us on September 11. She asked that anyone seeing those in uniform to please thank them.

Ms. Curris said that she completed the Student Affairs Committee meeting by asking for an update concerning the Veterans Resource Center from Dr. Hazard. Dr. Hazard is very excited about how well that Center has developed. Dr. Hazard was very complimentary of Anthony Dotson who has taken charge of that program. She called attention to a flyer that had been distributed requesting Board of Trustees unused tickets to football and basketball games and who better to offer tickets than those who have absolutely contributed to this country.

#### AA. University Health Care Committee Report

Ms. Young, chair of the University Health Care Committee, reported that the committee met on Monday, September 13, 2010 with three committee members and four community members present. Vice President and Chief Finance Officer for UK HealthCare Sergio Melgar reviewed the statistics and financial reports for the month of July and presented a preliminary statistical report for the month of August, which has not yet closed its financial books.

The year started very strong with the average daily census averaging above 530 patients. As a comparison, the average daily census in July and August of last year averaged 510. Discharges for both months continue to be ahead of July and August in fiscal year 2010 and exceed the budget. One very important point is the increase in outpatient cases. Surgeries continue to be strong, averaging over 2,200 per month and representing an 8.3 percent increase over July and August in fiscal year 2010.

Comparing the balance sheet at July 2010 and 2009, cash has decreased \$63.3 million. The \$91.6 million balance is \$36.5 million lower than the balance in June 2009. The decrease from fiscal year 2009 is due to the use of cash reserves for the remainder of phase 1A of the patient care facility.

Accounts receivable has increased by \$4.6 million compared to last year, and net patient revenue increased by \$6 million. The value of endowment designated investments now totals

\$184.5 million, which is the \$6.3 million increase from July last year but still down from the \$225 million principal balance.

Current month investment income is \$7.4 million. August was a bust for investments, but September seems to be making a recovery. The balance sheet now reflects the issuance of the University of Kentucky bonds totaling \$361.9 million. The current portion of the debt that will be paid in the current fiscal year is \$9.6 million.

Operating revenue for the month of July is \$73.6 million, which is \$5.4 million above the budget compared to prior year. Operating revenue increased by \$7 million or 10.6 percent. UK HealthCare system posted a \$4.2 million income from operations this month, which is \$5.3 million above budget and \$225.5 thousand less than the prior year. Net assets for the month increased by \$9.3 million for a margin of 12.6 percent. The hospital is doing great.

Vice President for Clinical Operations Richard Lofgren presented a clinical performance update which looked at signature performance metrics and quality, safety, service, efficiency, and growth and compared performance in these areas to the established 2010 and 2009 result. He explained that UK is using the metrics developed by University Health Systems to compare the performance of UK's medical center in areas such as safety, mortality, patient centeredness, equity, and effectiveness to other academic medical centers that most closely resemble the University of Kentucky.

Associate Vice President Murray Clark gave an update on the patient care facility, which he reports is still on schedule and under budget. It is scheduled to open in May 2011, and the exact opening date will be announced soon.

Dr. Kevin Nelson presented for approval the privileges and appointments for Chandler and Good Samaritan Hospitals. He noted that these privileges have been appropriately reviewed by the medical staff. The committee approved all of the privileges.

Senior Associate General Counsel Ruth Booher presented the committee with the revised UK HealthCare Medical Staff Bylaws and the Operating Rules of the University Health Care Committee. The committee will review and vote on the revisions at the committees next scheduled meeting on October 11.

**BB. Athletic Association Board of Director Report**

Mr. Shoop, a trustee representative on the Athletic Association Board of Directors, reported that the Board met on August 3. President Todd thanked the outgoing members for their service on the Board and introduced the new members: Darby Turner, Ballard Cassady, Wendell Bell, Jack Brown, and Robert Mock. He asked Athletics Director Mitch Barnhart to tell the Board about his climb of Mount Rainier and the Lighthouse Ministries that benefited from his climb.

Mr. Barnhart told the Board about his participation in the climb of Mount Rainier and explained his involvement in Lighthouse Ministries. He also told about the community service

project that student-athletes will be doing this year, including delivering food for the weekends to needy children in grade schools.

Mr. Barnhart reviewed the annual report and the Football GameDay Ready packet. He recognized Deputy Athletic Director Rob Mullens for his service to the Athletics Department, the University, and the community for the past 8 years and wished him the best in his new position as Athletic Director at the University of Oregon.

Executive Vice President Frank Butler reported that the Board's Finance Committee met and approved the proposed basketball K Fund and ticket price adjustments. Associate Athletics Director Mark Coyle presented the details of the proposed increases. The University of Kentucky Athletics Department continues to donate \$1.7M annually to the University and continues to spend approximately 25 percent of its self-supporting budget back to campus. Mr. Coyle reviewed the history of the K Fund, noting where UK ranks with its peers. The Board voted unanimously to approve the proposed price adjustments.

Dr. Joe Fink, UK's Faculty Athletics Representative to the NCAA, announced that he had been appointed to membership on the NCAA Division I Awards, Benefits, Expenses, and Financial Aid Cabinet. The appointment is effective immediately and goes through July 1, 2014. Dr. Fink also informed the Board that he would be having Academic/Athletic Forums and invited the members to attend.

#### CC. Other Business

Dr. Brockman said that he would be sending out a request for committee assignments. He asked the members of the Board to let him know their interests in the committees.

He announced that there would be a Board retreat in late October, and some potential dates would be sent to query the Board and see which date is best.

Lastly, this institution was founded in 1865. For the last 145 years, UK has had 11 presidents. During the average tenure of a Board member, they would most likely not have an opportunity to select a president, but this Board will have that opportunity. Although nine months might seem like a lifetime to prepare for that, it will be upon us before we know it. Dr. Brockman called this a sense of controlled urgency and said that he needed to form a search committee. He presented a slide and summarized the membership on the committee.

The President of the University of Kentucky is appointed by the Board of Trustees with the advice of a joint search committee that would consist of the Board of Trustees, university faculty, a staff employee, student body members, and alumni. The committee shall consist of a total of 13 members which include the following representative groups. There will be six Board members from this Board, at least one of whom shall be from our three alumni trustee members. There will be three regular full-time faculty members selected by a procedure determined by the University Senate. There will be one regular full-time staff employee appointed by the Chair of the Board of Trustees from among a list of three staff employees selected by a procedure determined by the Staff Senate. There will be two full-time students, one undergraduate and one

graduate or professional student, appointed by the Chair of the Board of Trustees from a list of three undergraduate students and a list of three graduate or professional students selected by a procedure determined by the Student Government Association. And finally, one member of the alumni appointed by the Chair of the Board of Trustees from a list of three alumni selected by the Board of Directors of the Executive Committee of the University of Kentucky Alumni Association.

Dr. Brockman said that he had a conversation with the chairs of both the Staff Senate and the University Senate, and they have agreed that the deadline for lists will be by the October 12 Board meeting. On October 12 or sooner, if the names are submitted, the search committee will be up and going. It is his intention, however, to appoint a chair of the search committee at an earlier date because there is a lot of things that have to happen, including RFPs, etc. He asked the members to let him or Peggy Way know if they have an interest in serving on the committee.

Dr. Brockman said that he would be remiss if he did not say that Board members are always welcome to attend every committee meeting that is not in closed session.

Ms. Brothers said that in a conversation with other Trustees she did not realize that time and travel involved in serving on the search committee. Since some will be selecting slates of nominees, she asked if would it be possible to have a paragraph or brief explanation of what is expected in terms of time commitments. Most committee members appreciate knowing how often, when, and where they will meet, and the duration of their service. Folks interested in this type of commitment need to know what they are getting into before they volunteer.

Dr. Brockman said that it is an extraordinary time commitment and almost a second job.

Before adjourning the meeting, Dr. Brockman asked for any other business. Mr. Roberts said the Board should extend its appreciation to Billy Joe Miles for serving as chair pro tem, and Mr. Miles received a round of applause.

DD. Other Business

With no further business, Dr. Brockman asked for a motion of adjournment. On motion made by Mr. Mobley and seconded by Mr. Shoop, the meeting adjourned at 3:01 p.m.

Respectfully submitted,

Pamela T. May  
Secretary, Board of Trustees

(NCR 1 and 2; PR 2, 3, 4, 5, and 6; AACR 1; FCR 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11 which follow are official parts of the Minutes of the meeting.)