

Minutes of the Meeting of the Board of Trustees
University of Kentucky
Friday, June 22, 2018

The Board of Trustees of the University of Kentucky met on Friday, June 22, 2018, in the Lewis Honors College.

A. Meeting Opened

E. Britt Brockman, Chair of the Board of Trustees, called the meeting to order at 1:00 p.m. Chair Brockman asked Trustee Kelly Holland, 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: Jennifer Y. Barber, Claude A. “Skip” Berry, III, Lee X. Blonder, James H. Booth, E. Britt Brockman, Mark P. Bryant, Benjamin Childress, Michael A. Christian, Angela L. Edwards, Cammie DeShields Grant, Robert Grossman, David V. Hawpe, Kelly Sullivan Holland, Elizabeth McCoy, David Melanson, Derrick K. Ramsey, C. Frank Shoop, Sandra R. Shuffett, Robert Vance, and Barbara Young. Trustee Carol Martin “Bill” Gatton was not in attendance.

Secretary Holland announced a quorum was present.

The University administration was represented by President Eli Capilouto, Provost Dave Blackwell, Executive Vice President for Health Affairs Mark F. Newman, Executive Vice President for Finance and Administration Eric Monday, General Counsel Bill Thro, Vice President for University Relations Tom Harris, Vice President for Research Lisa Cassis, Chief of Staff Bill Swinford, Vice President for Philanthropy D. Michael Richey, and Vice President for Institutional Diversity Sonja Feist-Price.

The University faculty was represented by Vice Chair of the University Senate Council Margaret Schroeder, and the University staff was represented by Chair of the Staff Senate Jon Gent.

Guests and members of the news media were also in attendance.

C. Chairs Report

Chair Brockman reported that there had been no petitions to address the Board since the last Board of Trustees meeting and called attention to the 18 consent items on the agenda. The items were as follows:

Minutes	Board of Trustees Meeting, May 1, 2018
PR 2	Personnel Actions
ASACR 1	Candidates for Degree: May 2018
ASACR 2	Candidate for Degree: August 2018

ASACR 3	Establishment of the Center for Innovation in Population Health: College of Public Health
FCR 1	Approval of Lease 2301, 2317, 2325, and 2333 Alumni Park Drive
FCR 2	Approval of Lease 3470 Blazer Parkway
FCR 3	Approval of Memorandum of Understanding (UK College of Medicine-Northern Kentucky Campus)
FCR 4	Approval of the Dissolution of the UK Healthcare/Norton Healthcare Strategic Health Alliance, Inc. F/K/A Kentucky Health Collaborative, Inc.
FCR 5	Improve Good Samaritan Hospital Facilities Capital Project (UKGS MRI)
FCR 6	Improve Clinical/Ambulatory Service Pool Capital Project (Cancer Services)
FCR 7	A Resolution Providing for the Authorization, Issuance, and Sale of General Receipts Refunding Obligations of the University of Kentucky, Pursuant to the Trust Agreement Dated as of November 1, 2005
FCR 8	Acceptance of Interim Financial Report for the Nine Months Ended March 31, 2018
FCR 9	Academic Year 2018-19 Tuition and Mandatory Fees Schedule
FCR 10	Fiscal Year 2018-19 Operating and Capital Budget
FCR 11	Disposal of Personal Property
FCR 12	Capital Construction Report
FCR 13	Patent Assignment Report

Hearing no requests to remove items from the consent agenda, Chair Brockman asked for a motion for approval. Trustee Christian moved approval of the consent agenda. Trustee McCoy seconded the motion and the consent agenda passed without dissent. (See consent items on the Board of Trustees website, www.uky.edu/Trustees, under agenda.)

D. Executive Committee Report

Chair Brockman stated that the Executive Committee had met earlier in the day and discussed the process for evaluating President Capilouto's performance for 2017-18.

E. Process for the 2017-18 Presidential Evaluation (ECR 1)

Chair Brockman stated ECR 1 was the recommendation that the Board of Trustees approve the process, attached timeline, and preliminary list of survey questions as part of the 2017-18 Presidential Evaluation. Chair Brockman called for the vote and it passed without dissent. (See ECR 1 on the Board of Trustees website, www.uky.edu/Trustees, under agenda.)

F. Resolutions

Chair Brockman asked Trustee Booth to read the first resolution honoring and commending

MARK P. BRYANT for his service to the UK Board of Trustees, the University, his community, and the Commonwealth.

WHEREAS, Mark P. Bryant, member of the Board of Trustees since 2012, has diligently served the University of Kentucky with extraordinary commitment and passion, most recently as Vice-Chairman of the Board; and

WHEREAS, during his appointment, he offered his expertise and skills as Chair of the Investment and Audit and Compliance Committees, as a member of the Executive, Nominating, Audit and Compliance, and Investment Committees, as well as a member of the University of Kentucky Research Foundation; and

WHEREAS, the UK alumnus has practiced law in his hometown of Paducah, Kentucky, since completing his law degree at the University of Kentucky in 1973, and is President of the Bryant Law Center, PSC, a five-person law firm that includes four graduates of the University of Kentucky College of Law; and

WHEREAS, Mr. Bryant has been elected Commonwealth Attorney for McCracken County three times, has been appointed by four governors and the Chief Justice of the Kentucky Supreme Court to serve on various statewide committees, was recently honored as Outstanding Attorney in the region, and was named among the top 100 Lawyers in Kentucky by the American Trial Lawyers Association; and

WHEREAS, his family is deeply connected to the University of Kentucky, with three children graduating from UK and two graduating from the UK College of Law, where Mr. Bryant is currently a member of the Visiting Committee.

NOW, THEREFORE, BE IT RESOLVED, that the University of Kentucky Board of Trustees does hereby adopt this resolution on June 22, 2018, and expresses, on behalf of the University community, our individual and collective gratitude to Mark P. Bryant for his exemplary support and service, wishes him well in all of his future endeavors, and orders that this resolution be made part of the minutes of the meeting.

Trustee Bryant received a round of applause. He thanked the Board of Trustees and stated “I love this University and the people I’ve met on this Board over the last six years. Like General McArthur said, I’m just going to silently fade away to Paducah, but hope to see you at ball games. Go Cats!”

Chair Brockman asked Trustee Edwards to read the next resolution honoring and commending

BENJAMIN G. CHILDRESS for his service to the UK Board of Trustees, his fellow students, and his University.

WHEREAS, Benjamin G. Childress, Student Body President and member of the Board of Trustees, has admirably and tirelessly represented his fellow students and served the University of Kentucky with care and determination; and

WHEREAS, the Lexington, Kentucky, native was a member of the Board’s Academic and Student Affairs Committee and the Human Resources and University Relations Committee; and

WHEREAS, Mr. Childress held several leadership positions on campus, including his service in the Student Government Association as a Senator, Senate President, Vice President, and President; the DanceBlue Family Relations Committee; Beta Theta Pi Fraternity; and YoungLife; and

WHEREAS, the Economics major has excelled academically as a Lewis Honors College student, Gaines Fellow, and Chellgren Fellow; and

WHEREAS, as Student Government President, Mr. Childress positioned Student Government as a conduit to connect more students from diverse backgrounds and worked with campus leaders to build a more welcoming and flourishing student community; and

WHEREAS, he constantly demonstrates a passion for making UK a better place, ensuring that the University of Kentucky remains, now and into the future, an institution accessible to all Kentuckians.

NOW, THEREFORE, BE IT RESOLVED, that the University of Kentucky Board of Trustees does hereby adopt this resolution on June 22, 2018, and expresses, on behalf of the University community, our individual and collective gratitude to Benjamin G. Childress for his exemplary service, wishes him well in all of his future endeavors, and orders that this resolution be made part of the minutes of the meeting.

Trustee Childress received a round of applause. He thanked the Board of Trustees and stated “This has been an incredible experience for me, not only to learn and grow from so many remarkable people on our Board and in the University leadership, but also it’s been so encouraging to see the dedication the people making decisions at our University have, and how much they care for the students and different stakeholders in our University.”

Chair Brockman asked Trustee Grant to read the final resolution honoring and commending

KELLY SULLIVAN HOLLAND for her service to the UK Board of Trustees, the University, her community, and the Commonwealth.

WHEREAS, Kelly Sullivan Holland, member of the Board of Trustees since 2012, has diligently served the University of Kentucky with admirable acumen and dedication; and

WHEREAS, during her appointment, she offered her expertise and skills as Secretary to the Board of Trustees since 2015; past Chair of the Human Resources and University Relations Committee, and as a member of the Executive, University Athletics, Academic and Student Affairs, Nominating, and Finance Committees; and

WHEREAS, the Danville native and Phi Beta Kappa graduate earned two degrees from UK, and, as a student, served as President of Chi Omega sorority, Secretary of Omicron Delta

Kappa, and was honored with the Otis Singletary Outstanding Senior Award and as Homecoming Queen; and

WHEREAS, after graduation, Mrs. Holland represented UK as the Associate Director of Undergraduate Admissions, where she promoted higher education, managed recruitment initiatives, and led the University in attracting the best and brightest students; and

WHEREAS, a life member of the UK Alumni Association, she served as President of the Fayette County Young Alumni and the Fayette County UK Alumni Club, served on the Alumni Association Board of Directors for seven years, and is the first alumna to be honored with both the Joseph Burch Young Alumni Award and the UK Alumni Association's Distinguished Service Award; and

WHEREAS, she has had a successful career with Merck & Co. Inc. where she has been awarded the prestigious Vice President's Club Distinction and is a National Account Executive; and

WHEREAS, a dedicated volunteer, Mrs. Holland has served as volunteer director of the Central Kentucky American Heart Association and was inducted into UK's Greek Alumni Hall of Fame for her continuing support of Chi Omega.

NOW, THEREFORE, BE IT RESOLVED, that the University of Kentucky Board of Trustees does hereby adopt this resolution on June 22, 2018, and expresses, on behalf of the University community, our individual and collective gratitude to Kelly Sullivan Holland for her exemplary support and service, wishes her well in all of her future endeavors, and orders that this resolution be made part of the minutes of the meeting.

Trustee Holland received a round of applause. She thanked the Board of Trustees and stated "It's been a true honor and privilege to serve my alma mater with you."

G. President's Report (PR 1)

The President began by recognizing Dean Christian Brady of the Lewis Honors College and introduced him for remarks. Dean Brady thanked the President and Board of Trustees for meeting at Lewis Hall and introduced a billboard message Lewis Honors College has developed in order to share their mission with prospective students in and outside of Kentucky. Dean Brady remarked, "Admission to the Lewis Honors College is to better the Commonwealth of Kentucky and the world by helping students explore their purpose, develop intellectually, and lead with integrity. We need to get that mission out there in the world to make sure that prospective students, all Kentuckians, and others outside our Commonwealth know about the Honors College."

The President continued his report by highlighting the accomplishments of more than 5,000 new University of Kentucky graduates. "The importance of our work and the value of our students' college experiences were evident as, one-by-one, they crossed the stage to receive their degrees. I want to thank the Trustees who joined us on Friday and Sunday to celebrate our graduates. Your presence at our Commencement activities speaks volumes about the importance of our role as

educators, and the long-standing commitment we make to ensure students leave our campus prepared for lives of meaning and purpose.”

The President continued by highlighting the \$3.9 billion operating and capital budget proposal the Board approved earlier in the day. “The budget builds on our programs and aligns with our Strategic Plan priorities: access and affordability for students; competitive compensation for our faculty and staff; academic and research excellence; and belonging for all who call this special place home.”

The President continued by discussing the following budget highlights:

- Lowest tuition and fee increase for students in more than 20 years. “Even in times of significant budgetary constraint, we are finding ways to lower costs for students, particularly those who need that assistance the most.”
- Beginning in fall 2018, UK will be among a small number of universities in the country without an athletics fee.
- Because of Mr. Gatton’s generosity, the new Gatton Student Center, which is currently hosting new students and families for “see blue.U,” does not require an additional facility fee. This results in a decrease in mandatory fees in the proposed budget.
- The proposal includes a 1.5 percent salary increase for UK faculty and staff—the sixth straight year employees have received raises.
- Finally, indicative of our strong financial management and strategic investment, our debt service—the amount of money allotted each year to pay off debt on new facilities—is only 2.8 percent of the operating expense budget.

The President stated, “This budget sends a powerful message about the importance of student success and the workforce we seek to create for the Commonwealth. It underscores, too, the commitment to academic, research, and health care excellence.”

The President continued by introducing Dr. Simon J. Sheather as the new Dean of the Gatton College of Business and Economics and Dr. Rudy Buchheit as the new Dean of the College of Engineering.

“A native of Australia, Dr. Sheather comes to the University of Kentucky as the immediate past Chair of the Department of Statistics at Texas A&M University. While at Texas A&M, he built two professional master’s programs through innovative use of technology, led philanthropic efforts to support competitive programs, and led Texas A&M’s Institute for Data Science. Prior to his tenure at Texas A&M, Dr. Sheather received numerous awards for his teaching, research, and mentorship during his 18-year appointment at the Australian Graduate School of Management.

An alumnus of the University of Melbourne and La Trobe University, Dr. Sheather also spent part of his academic career at Pennsylvania State University and New York University. Ladies and gentlemen, please welcome Dr. Simon Sheather.”

Dr. Sheather received a round of applause and thanked the Board of Trustees. “It will be an honor and a privilege to lead the Gatton College of Business and Economics here at the University of Kentucky. I’m the luckiest dean in the world because I plan to leverage off all the success of the previous dean and the now Provost David Blackwell.”

President Calipoulo then recognized Dr. Steve Skinner, who has been serving as the College’s interim dean since Dr. Blackwell’s appointment as Provost.

The President continued by introducing Dr. Rudy Buchheit, who comes to the University of Kentucky as the immediate past Associate Dean for Academic Affairs and Administration of the College of Engineering at The Ohio State University.

“A graduate of Loyola University and the University of Virginia, Dr. Buchheit helped expand and enhance the diversity of faculty in Engineering during his tenure at Ohio State, and he oversaw an operating budget of \$240 million and \$130 million in research expenditures, in a college of 350 faculty members, 400 staff members, and more than 10,000 undergraduate and graduate students.

Before joining Ohio State, Dr. Buchheit was a senior member of the technical staff in the Materials and Process Sciences Directorate at Sandia National Laboratories in New Mexico. His research is in the area of corrosion science and engineering, and he is a fellow of NACE International and the Electrochemical Society.

He is passionate about student and faculty success, and he is eager to build on the incredible momentum in UK’s College of Engineering. Ladies and gentlemen, please welcome Dr. Rudy Buchheit.”

Dr. Buchheit received a round of applause and thanked the Board of Trustees. “I am thrilled to get behind and endorse the growth plan that has been put together by interim Dean Larry Holloway and his staff to take the enrollment in engineering from 4,000 to 6,000 students, grow the faculty from its current level of 150 into the 220 range with similar expansions in the research portfolio and the impact that is made by that research. The mission of this University is positive. It’s been on a superb trajectory, and I very much look forward to joining the team here; working with you all in leadership of this University to advance the mission of the University and in the college.”

The President then recognized Dr. Lawrence Holloway, who has served as interim dean of the College of Engineering since July 2016.

The President continued, “As we celebrate the accomplishments of our graduates and welcome new people into the UK family, we are reminded of the important sense of place that a

college or university must be for those who learn, discover, work, and heal on its campus. That sense of place and belonging is fundamental to the success of the UK family.

The importance of place was evident this week when former UK football player Landon Foster shared his personal struggle to live his authentic self as a football player in the SEC and at UK. The importance of place was evident two weeks ago when Muslim members of the UK family broke the Ramadan fast at Maxwell Place. The importance of place was evident more than fifty years ago when Greg Page, Nate Northington, Wilbur Hackett, and Houston Hogg broke the color barrier in SEC athletics. It was evident nearly 70 years ago for Lyman T. Johnson when he opened up the University to African American students. And it was evident to Arabella Clement Gunn when she became the first female student to earn a degree from, then, State College of Kentucky in 1888.

On November 12, 2015, during dinner at Maxwell Place, a group of African American students shared with me and other University officials, concerns about the UK campus' racial climate—about their sense of place on campus. It was an essential moment for me and other members of our leadership team to hear from our students, in their own words, what they experience on our campus. They shared their hopes for themselves, their friends, and their futures; and they laid bare the uncertainty, anxiety, and in many cases, fear that comes day-after-day with being a member of an underrepresented part of our UK family. I am grateful for their willingness to be honest, open, and straight-forward as they shared their lived experiences with us.

I know I cannot fully understand what life is like for our students, but our ongoing dialogue gives me a greater appreciation for what many in our campus community must confront daily.

Part of our dialogue centered on the 1933 Works Progress Administration (WPA) mural created by Ann Rice O'Hanlon in the Memorial Hall atrium. The mural is an artistic presentation of contrasts and contradictions. A product of the 1930's perspective of the artist and her times, we are left today with the task of confronting the unsettling questions it raises for our sense of community. We are tasked with telling the stories it does not tell.

The frustrations our students raised have been voiced by many other members of our community and beyond: that their University—our University—is willing to sustain a work of art that they find to be a painful and degrading personification of a false, romanticized rendering of our shared history.

Some of you may have seen a story in a past edition of *Kentucky Alumni* about University of Kentucky alum, Ann Rice O'Hanlon. An accomplished artist, she tirelessly researched the history of our Commonwealth and spent eight months painting the fresco. A Depression-era funded WPA project, the fresco painting is plastered to a wall and is considered by some to be one of the most important artworks of its kind in the Commonwealth, according to the article. It attempts to depict the evolution of our state from a frontier settlement to an era of "notable medical, educational, and scientific developments ..." But remember this: the mural was created at a time and in a place when there were no African American students or faculty. The educational benefit of diversity was not recognized as a value. Fortunately, our community is very different now — compellingly diverse and more complete. Still, today, those more than 5,000 students who earned

a degree from UK during May Commencement walked past that mural. As one of our largest lecture halls on campus, nearly every student on our campus has a class in Memorial Hall at some point in their college career. Each time a student – or other member of our UK family – passes the images on the way to class, or a movie, or a speaker, the student — one of us — must confront images that bear witness to how we still fall short of being citizens together in what Dr. King called the "beloved community." It was time for an evolution in what is depicted and in what message it sends.

Memorial Hall itself tells an important story. The story of the UK students and Kentuckians who laid down their lives during the Great War. It is a building constructed in honor of Kentuckians – African Americans, Native Americans, and women alike – who gave their lives to preserve liberty. Surely in a building so replete with imagery and narrative we can do more to tell the whole story.

After a period in which we paused to reflect on the best path forward, I empaneled a committee to determine the next steps in commissioning art that would lend context to the mural and tell a more complete story of those Kentuckians portrayed on that wall.

The Committee was co-chaired by Assistant Vice President for Institutional Equity Terry Allen and UK Art Museum Director Stuart Horodner, and included: Public Relations and Marketing Executive Director Jay Blanton, Associate Professor Anastasia Curwood, Vice President for Institutional Diversity Sonja Feist-Price, Executive Associate Dean for Administration, Faculty and Research, and Von Allmen Endowed Chair of Accountancy Nicole Thorne Jenkins, Associate Professor Allan Richards, Vice President for Facilities Management and Chief Facilities Officer Mary Vosevich, and Student Quiyana Murphy.

Joining us today is Terry Allen, who I've asked to walk us through the process that the Committee underwent to identify, recruit, and ultimately select an artist whose installation will tell a story that is clearly missing from this space."

The President invited Terry Allen to the podium for remarks.

Terry Allen began by providing an overview of the process. He described the Public Works of Art Project from the early 1900's under Franklin D. Roosevelt's New Deal and how this Project provided an opportunity for Ann Rice O'Hanlon to create a piece of art in UK's Memorial Hall, which is now 84 years of age. The piece of art is a fresco which was constructed and painted on wet plaster, therefore it is not a piece of art that can be moved. "It's not just painted on the wall, it actually is the wall," said Allen.

Mr. Allen continued, "The mural, as President Capilouto expressed, neglects to reveal the servitude and range of horrific acts that occurred during that period in history. The image sanitizes treatment and brutality that existed through slavery, legal segregation, and acts of legal discriminatory behavior." Mr. Allen went on to explain how the 24 African-American students, who met with the President at Maxwell Place in 2015 came forward with a list of 18 recommendations. "It's one of the most powerful meetings that I've attended in my over 30 years of being at the University of Kentucky." In response to the students' recommendations, message

panels were added in front of the mural so those that were examining and viewing the mural could better understand what they were seeing. Working through Mary Vosevich and Facilities Management, a conservator was brought to campus to examine the mural itself. This conservator decided that after an extensive evaluation, the mural was in excellent condition.

The Committee produced a list of 11 recommendations, one of which was to solicit additional art in the vestibule or in the foyer of Memorial Hall. A Memorial Hall Art Committee was formed and was charged with a plan of action to reflect the shared values, to provide an accurate and complete story, and provide a context for all those who visit the building. The Committee sought a proactive response to the mural by Ann Rice O'Hanlon which has been an issue for many years. The Committee looked for works that would engage issues of history, race, culture, and diversity. Works that would exemplify a strong concept and would contribute to the inclusive educational environment on UK's campus.

Mr. Allen continued by describing the Committee's inclusion of the entire University community which enabled everyone to share ideas, specifically UK's students. The call for submissions included the same language used 84 years ago. It specifically asked for the submission to depict Kentucky's evolution from a frontier state to a modern Commonwealth, and to interpret the complex realities of Kentucky and the United States today. Mr. Allen described the initial request for proposals as somewhat disappointing. The proposals called for artists that were Kentuckians, Kentucky residents, or those that had close connections to the state of Kentucky. The Committee anticipated numerous submissions but received very few and those they did receive were not responsive to the request. The Committee then reevaluated their terms and resubmitted their call. "This time we reached out to three acclaimed African-American female artists in the country, who not only had national, but also international reputations. Two of the three submitted initial proposals," said Mr. Allen.

In late March, the Committee invited Philadelphia-based artist Karyn Olivier and Chicago-based artist Bethany Collins for separate campus visits. The artists met with the Committee and student members, toured the campus to better understand the facility, and presented public presentations. The final proposals from the artists were due in late April and Olivier was ultimately chosen. Mr. Allen described how she modified her initial proposal based on her campus visit, and feedback the Committee received. "Olivier's proposed installation acknowledged the architecture, as well as the historical significance of Memorial Hall. Her proposal, "elevates the lowly to the divine. The Memorial Hall vestibule dome will be gold-leafed and contain displaced figures as they are represented in the mural. In addition, the Frederick Douglass quote, "There is not a man beneath the canopy of heaven that does not know that slavery is wrong for him" will be displayed around the base of the dome. Four historical figures will be portrayed in the medallions that are placed near the dome including: Chief Redbird, who was a Native American who lived among white settlers in Clay County, Kentucky; Carlotta Dupuy who was an enslaved African-American who filed a freedom suit in 1829 against her master, Henry Clay, then United States Secretary of State in Washington, D.C. She lost her appeal and continued to serve as a slave for 10 more years before eventually being given her freedom. The third medallion will portray Peter Durrett, who is the 1790 founder of the First African Baptist Church in Lexington - the third-oldest Black congregation in the United States; and the fourth, Georgia Davis Powers, who served as a Senator for twenty-one years in the state of Kentucky from 1968 to 1989. Senator Powers sponsored

multiple pieces of Civil Rights legislation, and was the first African-American Senator in the state of Kentucky.

Mr. Allen concluded, “The Memorial Hall Art Committee was overwhelmingly supportive of Karyn Olivier’s proposal and feel it will provide greater context to Memorial Hall for many years to come, and more importantly, it continues the conversation.”

The President continued, “We owe every student in our community our best effort to create a welcoming and safe environment in which they can learn and build a foundation of success for themselves and for their families. To do this, we must address these issues systemically by including cultural awareness in our curriculum; having more open conversations about uncomfortable topics; and ensuring diversity in our search committees and our hiring.

We need more inclusive and gracious language in our discourse, more training to identify our own biases and learn appropriate mechanisms to overcome them, and more determined acts of inclusion in our residence halls, organizations, classrooms, laboratories, and offices.

We need to cultivate more willingness to accept responsibility for the safety and well-being of one another, and to foster more compassion for one another – even as we remain true to our calling as an institution willing to challenge each other intellectually, to debate, and to ensure discourse that deepens understanding and knowledge.

We need to consciously act together knowing that we only move forward as a community when the well-being of all members of our UK family can be ensured. We are taking another step in that direction. Another of many to come.” The President concluded his report.

H. Appointment of the Dean of Gatton College of Business & Economics (PR 3)

President Capilouto proposed PR 4 as a recommendation that the Board of Trustees approve the appointment of Dr. Simon J. Sheather as Dean of the Gatton College of Business and Economics, effective July 1, 2018.

Chair Brockman asked for a motion for approval. Trustee McCoy moved approval of PR 3. Trustee Young seconded the motion and it passed without dissent. (See PR 3 on the Board of Trustees website, www.uky.edu/Trustees, under agenda.)

I. Appointment of the Dean of Engineering (PR 4)

President Capilouto proposed PR 4 as a recommendation that the Board of Trustees approve the appointment of Dr. Rudolph (Rudy) Buchheit as Dean of Engineering, effective July 1, 2018.

Chair Brockman asked for a motion for approval. Trustee Bryant moved approval of PR 4. Trustee Shuffett seconded the motion and it passed without dissent. (See PR 4 on the Board of Trustees website, www.uky.edu/Trustees, under agenda.)

J. Honorary Degree Recipient (PR 5)

President Capilouto proposed PR 5 as a recommendation that the Board of Trustees approve awarding an Honorary Doctor of Humanities to Virginia G. Carter, as approved and recommended by the University Faculty.

Chair Brockman asked for a motion for approval. Trustee Grossman moved approval of PR 5. Trustee Melanson seconded the motion and it passed without dissent. (See PR 5 on the Board of Trustees website, www.uky.edu/Trustees, under agenda.)

K. Investment Committee Report

Trustee Mark Bryant, chair of the Investment Committee, reported the Committee met and reviewed the performance results. The endowment pool had a market value of \$1.47 billion, as of April 30, 2018, and gained an estimated 5.0% or \$71 million dollars, in the ten month fiscal year-to-date period. International and domestic equity allocations were the primary contributors to the endowment pool performance for the period. Trustee Bryant pointed out that when he joined the Board of Trustees and Investment Committee six years ago, the market value was \$900 million dollars, when he became Chair of the Investment Committee in October 2016 through this report, the value has gone from \$1.28 billion to \$1.47 billion. This is an annualized 8.3% growth or \$143 million dollars.

L. Health Care Committee Report

Trustee Robert Vance, chair of the Health Care Committee, reported the Health Care Committee held its annual retreat and Executive Vice President Dr. Mark Newman, discussed the refinement of strategy. Chair Vance summarized Dr. Newman's points, "First and foremost, we will continue to serve the care needs of Kentuckians in our hospitals. We will intensify our efforts and secure the technology necessary to advance quality, safety and value activities. We will increase access and efficiency for our outpatient clinic services, both on campus and in the community, and these efforts will serve to ensure our financial sustainability and allow us to continue to invest in our teaching and research missions."

Trustee Vance continued by reporting the approval of the 2019 UK Healthcare clinical budget of \$70,741,000 and FCRs 1 through 6. Chair Vance also reported the operating results through May of \$89.8 million against a budget of \$92.1 million. Dr. Bo Cofield introduced the enterprise goals for 2019 which we approved, and we approved privileges and appointments.

M. Meeting Adjourned

Chair Brockman thanked John Herbst, Executive Director of the Gatton Student Center, for providing the Board with Gatton Student Center shirts. "I think most everybody on this Board knows all the incredible work John does over at the Student Center and he's been working 24/7 for the last several months, getting the Student Center whipped in shape and what a remarkable job he's done." Chair Brockman then invited those in attendance to stay for the swearing-in ceremony of SGA president Michael Hamilton.

Hearing no further business, the meeting was adjourned at 2:14 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Kelly S. Holland". The signature is written in a cursive style with a large initial "K".

Kelly Sullivan Holland
Secretary, Board of Trustees

(PR 2, ASACR 1, ASACR 2, ASACR 3, FCR 1, FCR 2, FCR 3, FCR 4, FCR 5, FCR 6, FCR 7, FCR 8, FCR 9, FCR 10, FCR 11, FCR 12, and FCR 13 are official parts of the Minutes of the meeting)