

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, Tuesday, October 20, 1970

The Board of Trustees of the University of Kentucky met in regular session as authorized at the May 5, 1970 meeting at 2:00 o'clock (Eastern Daylight Time) in Room E on the 18th floor of the Patterson Office Tower on the campus of the University with the following members present: Mr. Jesse M. Alverson, Mr. Thomas P. Bell, Mrs. Rexford S. Blazer, former Governor A. B. Chandler, Mr. Albert G. Clay, Mr. Richard E. Cooper, Mr. George W. Griffin, Jr., Mr. Robert H. Hillenmeyer, Mr. J. Robert Miller, Mr. B. Hudson Milner, Dr. N. N. Nicholas, Mr. James H. Pence, Mr. Floyd H. Wright, non-voting faculty members Professors Robert W. Rudd and Paul G. Sears, and non-voting student member, Mr. Stephen B. Bright. Absent were: Governor Louie B. Nunn and Mr. Wendell P. Butler. Members of the administrative staff of the University who were in attendance included President Otis A. Singletary; Vice Presidents Alvin L. Morris, A. D. Albright, Glenwood L. Creech, George J. Ruschell, Robert G. Zumwinkle, M. Stanley Wall; Dr. Donald B. Clapp and Mr. John C. Darsie. Representatives of the various news media were in attendance and there were some students in the audience.

A. Meeting Opened

The meeting was called to order at 2:03 o'clock by Mr. Clay, Vice Chairman of the Board, who presided in the absence of Governor Nunn. Following the invocation, pronounced by Mr. Hillenmeyer, the Secretary called the roll and reported a quorum present. The meeting was declared officially open for the conduct of business at 2:05 o'clock.

B. Minutes Approved

On motion by Governor Chandler, seconded by Mr. Wright, and passed, the reading of the Minutes of the September 15 meeting of the Board of Trustees was dispensed with and the Minutes were approved as published.

C. Error in Student Code Corrected

Mr. Bell, Chairman of the Committee on the Revision of the Student Code, indicated that there was an error in Section 6.34 of the Student Code adopted by the Board of Trustees on August 13, 1970. The second sentence in this section reads: "In the event of an appeal, the President may increase or decrease the punishment imposed by the Appeals Board". Since the committee had never intended that the President be authorized to increase the punishment,

Mr. Bell moved to strike the words "increase or" so that the sentence should read: "In the event of an appeal, the President may decrease the punishment imposed by the Appeals Board". His motion was seconded by Dr. Sears and all present voted in favor of the motion.

D. Hearing Committee Report

Mr. Bell reported that since the last meeting of the Board of Trustees the committee appointed to hear requests from individuals wishing to appear before the Trustees had held a hearing at which three people appeared---Mrs. June Griffin, Mr. Don Pratt, and Mr. Michael Campbell. Mrs. Griffin was the only one of the three who still wished to appear before the Board.

A copy of Mrs. Griffin's statement was in each member's folder and Mr. Griffin said in the committee's opinion this document was a clear statement of her position and the committee believed it was unnecessary for Mrs. Griffin to appear in person to present this same material. On motion by Governor Chandler, seconded by Dr. Nicholas, and passed, the committee report and the recommendation relative to Mrs. Griffin's request to appear before the Board were received and ordered filed.

Mr. Campbell's statement had also been submitted in written form and a copy was made available in each member's folder. Mr. Bell recommended that this statement be received and ordered filed. It was so moved by Governor Chandler, seconded by Mr. Wright, and passed without dissent.

Mr. Pratt did not submit a written statement and Mr. Bell read Mr. Pratt's letter (copy at the end of the Minutes) requesting an appearance before the Board and added the following points which Mr. Pratt had brought up when he appeared before the committee:

1. That the public be given prior notice of actions to be taken by the Board;
(Note: News media receives copy of Agenda prior to meeting)
2. That closed circuit TV of the basketball games be provided;
(Note: The University is currently negotiating a contract for this service)
3. That the operation of the Bookstore be investigated;
4. That students and faculty be hired as consultants in order to involve them in the administration of the University;
5. That funds be sought to provide additional help for the blind and deaf ---such as a Braille dictionary in the Library;
6. That the Student Code be eliminated completely.

Mr. Bell recommended that Mr. Pratt's letter and his suggestions be received and ordered filed. Governor Chandler so moved. The motion being duly seconded, and there being no objections, it was so ordered. (See CR 1, CR 2, and Pratt letter at the end of the Minutes.)

E. President's Report to the Trustees

After briefly reviewing some of the items contained in PR 1, President's Report to the Trustees, President Singletary recommended more leisurely reading of the report by members of the Board after the meeting. Mr. Clay accepted the report with thanks and ordered it filed.

F. Recommendations of the President (PR 2)

Mr. Clay inquired if there were any questions relative to PR 2 which had been mailed to the members in advance of the meeting. There being no questions, on motion by Mr. Hillenmeyer, seconded by Mrs. Blazer, and passed, PR 2 was approved as a whole and ordered made an official part of the Minutes of the meeting. (See PR 2 at the end of the Minutes.)

G. Policy Concerning Postsecondary Vocational Education Programs, Services, and Activities Approved (PR 4)

The Board members being familiar with the policy relative to post-secondary vocational education programs, services, and activities as adopted by the State Board of Education on September 9, 1970, on motion duly made, seconded, and carried, approved the State Board's Resolution as presented in PR 4. (See PR 4 at the end of the Minutes.)

H. 1970-71 Budget Revisions Approved (PR 5)

There being no questions relative to the budget changes recommended in PR 5, on motion by Governor Chandler, seconded by Mr. Hillenmeyer, and passed without dissent, such changes were authorized and approved. (See PR 5 at the end of the Minutes.)

I. Mr. Lawrence E. Forgy, Jr. Named Vice President for Business Affairs and Treasurer (PR 6)

President Singletary said it gave him much pleasure to recommend the appointment of Mr. Lawrence E. Forgy to the position of Vice President for

Business Affairs and Treasurer of the University of Kentucky. The recommendation came to the Board with the unanimous endorsement of an advisory committee composed of three Board members, an academic dean, a faculty member, and a student. Mr. Forgy is presently Deputy Commissioner of Finance, Director of the Budget, and Director of Fiscal Management in the Kentucky Department of Finance. Before coming back to Kentucky, Mr. Forgy had been on the staff of Senator Thruston Morton in Washington, served as attorney for the Federal Trade Commission, and worked as an aide to Senator John Sherman Cooper. He was an attorney with the Joint Congressional Committee on Internal Revenue Taxation in 1966-67. His intimate knowledge of the operation of State Government as well as his excellent working relationship with administrators and agencies in the Nation's Capitol, make him a very valuable addition to the University community. President Singletary concluded with a word of appreciation to Mr. George J. Ruschell, who has served as Acting Vice President for Business Affairs and Treasurer since Mr. Kerley's resignation from the University in the summer of 1969, stating that Mr. Ruschell had filled the position ably and well and the University was greatly in his debt for his willingness to serve during this interim period.

Mr. Clay concurred in all that Dr. Singletary had said about both Mr. Forgy and Mr. Ruschell and called for a motion. Governor Chandler moved that Mr. Lawrence E. Forgy be named Vice President for Business Affairs and Treasurer of the University of Kentucky, effective November 1, 1970. His motion was seconded, and passed, with all present voting "aye".

Mr. Forgy, being present at the meeting, was introduced and said he considered it a great honor and challenge, and hoped the confidence of President Singletary and the Board would not be misplaced. He thanked them for the opportunity to be of further service to the people of the Commonwealth. (See PR 6 at the end of the Minutes.)

J. Assistant Vice President and Business Manager Named

President Singletary said he wished to recommend that Mr. George J. Ruschell be named Assistant Vice President for Business Affairs and that Mr. James O. King be named Business Manager. Mr. King has served as Acting Business Manager for the past year and has ably demonstrated his fitness for the position.

On motion by Dr. Nicholas, seconded by Mr. Alverson, and passed unanimously, Mr. George J. Ruschell was named Assistant Vice President for Business Affairs and Mr. James O. King was named Business Manager, both appointments to become effective November 1, 1970.

K. Leave of Absence Granted to Dr. Lyman V. Ginger (PR 7)

Dr. Lyman V. Ginger, as a tenured member of the faculty of the College of Education, has requested leave of absence without pay beginning February 1, 1971 for the purpose of seeking election to the office of Superintendent of Public Instruction. Under the Governing Regulations of the University of Kentucky such a leave is permissible and President Singletary recommended that Dr. Ginger be granted a leave of absence without pay from February 1, 1971 until February 1972 with the proviso that additional leave, not to exceed one year, will be granted to Dr. Ginger upon application. Mr. Hillenmeyer so moved. His motion was seconded by Dr. Sears and, without dissent, it was so ordered. (See PR 7 at the end of the Minutes.)

L. Executive Committee to Meet in November

Mr. Clay announced that the November 17 meeting would be changed from a meeting of the full Board to a meeting of the Executive Committee.

M. Dean Matthews Resigns as Dean of the College of Law

President Singletary reported that he had received a letter from Dean William L. Matthews, Jr. of the College of Law requesting that he be relieved of his appointment as Dean of the College of Law for the purpose of returning to full-time teaching and research as a member of the Law faculty. Dean Matthews has served as Acting Dean and Dean of the Law School for 16 years and feels that this is long enough to serve in an administrative position. President Singletary said that it was with regret that he was acceding to Dean Matthews' request and that a search committee to screen candidates for his replacement would be appointed in the immediate future. Dean Matthews has agreed to continue to serve until such time as a new dean has been selected.

N. Report on University of Kentucky Studies

President Singletary reported that at a meeting of the Development Council of the University on Saturday, October 10, 1970, recommendations made as the result of a study by G. A. Brakeley Company, authorized and financed by the Development Council, had been presented. As a result of this study the need for a more desirable method of raising money for the University was pointed out and it was strongly recommended that the University create a foundation for this purpose. In the immediate future a study will be made of foundations at other institutions which has been particularly effective in this area and the University will very probably establish such a foundation.

In addition to the Brakeley study the University will also be studied by

the Council on Public Higher Education as a result of the edict of the 1970 Legislature which called for a role and scope study of all institutions of public higher education in the state with a view to determining how the University of Louisville can best be absorbed into the state system.

The University is presently engaged in a Self-Study in connection with the 10-year Southern Association of Colleges and Schools' accreditation visit. The accreditation team will be on the campus in early February.

O. Interim Financial Report Accepted (FCR 1)

Inasmuch as the interim financial report covering the period from July 1 through August 31, 1970 had been mailed in advance and was routine in nature, Mr. Hillenmeyer, Chairman of the Finance Committee, moved that the report be accepted and ordered filed. His motion was seconded by Mr. Wright and it was so ordered. (See FCR 1 at the end of the Minutes.)

P. Cremation of Paid Bonds and Coupons Ordered (FCR 2)

Mr. Hillenmeyer said that FCR 2, Authorization for Cremation of Paid Bonds and Coupons, was routine and, unless there were questions, he moved that authorization be given to Mr. Clay Maupin, Assistant Treasurer, and Mr. Henry Clay Owen, Controller, to check the attached list of paid and cancelled bonds and coupons returned from Paying Agents from January 1, 1970, through June 30, 1970, to destroy these documents by burning in the incinerator of the Medical Center and to certify as to the correctness of the list and as to its incineration. The motion was seconded by Dr. Nicholas, and passed without dissent. (See FCR 2 at the end of the Minutes.)

Q. Residence Halls Activity Fee (FCR 3)

Mr. Hillenmeyer pointed out that the recommendation that the Board approve an activity fee of \$10 per year to be used to support student management programs in the residence halls was merely a change in procedure and did not represent the assessment of a new fee, and moved that it be approved. His motion was seconded by Mrs. Blazer, and the motion passed. (See FCR 3 at the end of the Minutes.)

R. Room and Board Rates, 1971-72 (FCR 4)

Mr. Hillnemeyer stated that the Finance Committee had considered carefully the recommended adjustments in the room and board rates for 1971-72. He added that the adjustments represented a 5% increase over present

rates and were necessary to meet the higher operating costs and financial demands of the Housing and Dining System. The matter had been discussed with Steve Bright, President of Student Government, and Steve Daub, Director of Student Housing for Student Government, prior to making the recommended increase.

Mr. Hillenmeyer moved approval of the adjusted room and board rates for 1971-72 as set forth in FCR 4. His motion was seconded by Mr. Wright. Before calling for a vote on the motion, Mr. Clay asked Mr. Bright if he wished to comment. Mr. Bright said that he and Mr. Daub appreciated having the opportunity to discuss this with Mr. Ruschell and his staff and, while he regretted it, he could see that such an adjustment was necessary. The question being called for, all present voted "aye". (See FCR 4 at the end of the Minutes.)

S. Audit Report for the University of Kentucky Housing and Dining System for 1969-70 Accepted (FCR 5)

Since the audit report for the University of Kentucky Housing and Dining System for the fiscal year ending June 30, 1970 had been mailed in advance, Mr. Hillenmeyer moved that it be accepted. His motion was seconded by Mr. Alverson. Mr. Clay, having first determined there were no questions relative to the audit, called for a vote on Mr. Hillenmeyer's motion and all present voted affirmatively. (See FCR 5 at the end of the Minutes.)

T. Actions Relating to Madisonville Community College Approved (FCR 6)

At the request of Mr. Hillenmeyer, Mr. Ruschell presented the material relative to FCR 6 and distributed copies of the Preliminary Development Plan for the Madisonville Community College as prepared by Bennett and Tune, Architects. He indicated that the plan had been discussed with the leadership in Madisonville and had the approval of the Madisonville Foundation Board and the Advisory Board of the Madisonville Community College.

President Singletary said he had visited the Community College in Madisonville this fall and was impressed with what they have been able to do with what they have. He found everyone eager and enthusiastic and excited over the plan.

On motion by Mr. Hillenmeyer, seconded by Mr. Cooper, and passed, the Board approved the amended Resolution (attached to FCR 6) relative to the acceptance of the land for the Madisonville Community College, accepted the comprehensive Physical Development Plan, and authorized the Vice President

for Business Affairs to proceed with the necessary actions for employment of an architect to design the initial building. (See FCR 6 at the end of the Minutes.)

U. Consolidated Educational Buildings Revenue Bond Anticipation
Renewal Notes of 1970 Authorized in the Amount of \$28,100,000

On November 27, 1967 the Executive Committee of the Board of Trustees of the University of Kentucky adopted a Resolution authorizing the issuance of \$4,393,000 Consolidated Educational Buildings Revenue Bonds, Series C, and \$29,250,000 Consolidated Educational Buildings Revenue Bonds, Series D. In anticipation of the future issuance thereof, the Board authorized and issued its \$31,400,000 Revenue Bond Anticipation Notes maturing December 13, 1968. Further, in renewal thereof and in order to capitalize interest from date to maturity, the Board authorized and issued its \$33,200,000 Revenue Bond Anticipation (Renewal) Notes which matured December 12, 1969. A second renewal of said notes was authorized by the Board of Trustees and Revenue Bond Anticipation (Second Renewal) Notes were issued in the principal amount of \$28,800,000 which will mature as to principal on December 14, 1970.

It has now been determined that there shall be a third renewal evidenced by the issuance of \$28,100,000 principal amount of "Revenue Bond Anticipation Notes of 1970" (the 1970 Renewal Notes), to be issued as joint obligations of the Board and of the State Property and Buildings Commission. The 1970 Renewal Notes are to be dated December 11, 1970, to be issued and delivered on said date and to mature as to principal on December 14, 1971.

Mr. Ruschell made the following recommendation: That the Board of Trustees authorize the issuance, jointly with the State Property and Buildings Commission of Kentucky and subject to the approval and concurrence of said Commission, of its \$28,100,000 "Revenue Bond Anticipation Notes of 1970" by the following action:

1. Adopt the Resolution authorizing the same (copy attached)
2. Adopt the Resolution authorizing issuance of Series C and Series D University of Kentucky Consolidated Educational Buildings Revenue Bonds (copy attached)
3. Approve the form of invitation to submit proposal (copy attached)
4. Approve the official statement--Bond Anticipation Notes (copy attached)
5. Approve the official statement--Revenue Bonds (copy attached)

The Board's attention was called to the fact that according to the foregoing instruments the solicited proposals for the purchase of the Board's \$28,100,000

"Revenue Bond Anticipation Notes of 1970" are to be received and acted upon by the Executive Committee of the Board at its monthly meeting which is scheduled to be held on November 17, 1970, at 2:00 p.m.

Mr. Hillenmeyer moved that Mr. Ruschell's recommendation be approved. His motion was seconded by Mr. Milner and all voting members of the Board of Trustees present at the meeting voted "aye". (See materials attached at the end of the Minutes.)

V. Authorization Given for Bond Trustee to Invest Funds (FCR 8)

Mr. Hillenmeyer said that the recommendation in FCR 8 would enable the Bond Trustee to keep idle funds invested as provided in Section 4.10 of the Basic Resolution relating to the Consolidated Educational Revenue Bonds without receiving approval from the Board of Trustees prior to each such investment. He moved that the recommendation in FCR 8 be approved. Dr. Nicholas seconded the motion, and it passed without dissent. (See FCR 8 at the end of the Minutes.)

W. Hearing Procedures Regarding Contract Claims Approved (FCR 9)

Saying that he believed the recommendation and background statement were self-explanatory and that approval of the recommendation would give the University the authority to hold administrative hearings regarding claims arising out of contracts with the University prior to the filing of a contract action in the courts and might result in the settlement of some claims prior to resorting to the courts, Mr. Hillenmeyer moved approval of the recommendation in FCR 9. His motion being duly seconded was passed without dissent. (See FCR 9 at the end of the Minutes.)

X. Meeting Adjourned

Having determined there was no further business to come before the meeting, Mr. Clay called for a motion for adjournment. Governor Chandler so moved. His motion being duly seconded, and passed, the meeting adjourned at 2:55 p.m.

Respectfully submitted,

Lucile T. Blazer, Secretary
Board of Trustees

(PRs 2, 4, 5, 6, and 7, FCRs 1, 2, 3, 4, 5, 6, 7 (with attachments), 8 and 9, and CRs 1 and 2 and Mr. Don Pratt's letter which follow are official parts of the Minutes of the meeting of October 20, 1970)

PR1

PRESIDENT'S REPORT TO THE TRUSTEES

October 20, 1970

1. COMMITTEE NAMED TO STUDY FACULTY EVALUATION SYSTEM

An Ad Hoc Committee on Faculty Performance Review will examine and make recommendations on the University's present faculty evaluation system. The work of the Committee will be done in two stages. Since the Committee hopes to make preliminary recommendations which can be implemented during the present academic year, its primary efforts at this time will be devoted to the short-term review of the procedures of the present system. Later, long-range changes regarding both the concept and procedures of faculty performance review will be considered. To expedite the work the Committee has appointed a four-member Sub-Committee to conduct its initial examination.

2. OFFICE FOR INTERNATIONAL PROGRAMS REPORTS ON ACTIVITIES

The Office for International Programs in the Center for Development Change is primarily concerned with projects with an international dimension. It has five primary activities: --to promote, assist and coordinate development throughout the University of a more adequate international dimension in research, teaching and extension programs; --to maintain an information service for students and faculty interested in studying or working abroad; --to coordinate international exchange programs /The University sponsors four major programs under this category: Monterrey exchange (for undergraduate language study by UK students at Monterrey, Mexico, and by Mexican students at UK during the summer), Latin American Scholarship Program at American Universities (scholarships for Latin American students for study at UK), Partners of the Alliance (the cultural and educational exchange aspect of the Alliance for Progress in which the Commonwealth of Kentucky is paired with Ecuador), Experiment in International Living Outbound Ambassador Program (for UK undergraduate study abroad during the summer)7; --to supervise on-campus programs with an international emphasis, and fifth, to maintain a study of the faculty and staff international experience. The study involves a mail questionnaire sent to all faculty and academic staff eliciting information on international study or other work, language skills, international interests, and other pertinent information.

3. SC FORUM ANNOUNCES VISITING SPEAKERS

Jeane Dixon, nationally known as a prophetess, was the opening speaker in the Student Center Board Forum Program. Mrs. Dixon appeared October 8. Other speakers for the year include Texas Senator John Tower, known as a conservative and active politician, and General Itzhak Rabin, who served as Israel's chief of staff and presently is the country's ambassador to the U. S. A visit by Ramsey Clark, attorney general during the Lyndon Johnson administration and presently a practicing attorney, will be co-sponsored by the Pre-Law Society. Concluding the year's SC Board's Forum series will be humorist Art Buchwald, nationally syndicated columnist. Jeff Gumer, Forum chairman, said "the committee has attempted to bring to the UK campus speakers that are knowledgeable in their field and have a large appeal to students." The schedule for the other speakers will be: Senator Tower, 12 noon, November 12; Ambassador Rabin, 8 p.m., December 3; Ramsey Clark, 8 p.m., February 9, and Art Buchwald, 8 p.m., April 14. The Student Center Forum is open to the general public.

4. MRS. MORGAN NAMED TO ALLIED HEALTH PROGRAM

The first administrative appointment to the Learning Resources Center for Allied Health is Dr. Margaret Knox Morgan, who will serve as assistant director of the new center. The Board on August 4 approved the joint sponsorship by the University and the W. K. Kellogg Foundation of a regional center to prepare faculty for allied health education. The project was made possible through a \$578,700 five-year commitment from Kellogg. The University, which will supplement the Kellogg funds and assume full responsibility after five years, has committed to the project the resources of the Colleges of Education and Allied Health Professions and the Community College System. Mrs. Morgan has degrees from the Universities of Tennessee and Missouri and recently was awarded the Ph.D in education by UK, with emphasis on higher education and communications. She was the author of Centennial histories of five colleges of the University, published in 1965, and served on the staff of the Community College System for three years.

5. DR. DAVIS, NAMED TO PATTERSON CHAIR, ON CAMPUS NEXT MONTH

Dr. Vincent Davis, an expert on national security policy, recently appointed to the newly-established Patterson Chair in Diplomacy and International Commerce, who will head the Patterson Program for International Studies, will begin his new duties in the 1971 fall semester, according to Dr. Wimberly C. Royster, dean of the College of Arts and Sciences. Both the chair and the Patterson Program Fellowships are partly supported by the William Andrew Patterson Trust Fund. The Patterson Program provides a master of arts degree in diplomacy and international commerce, although the Fellowships are for those working toward a Ph.D in international affairs in specific departments. Dr. Davis will be on campus for several days in November for a "Conference on the Future of International Studies at UK," according to Dr. Sheldon Simon, acting director of the Patterson Program. Dean Royster pointed out that this is the second appointment to a major chair this semester. The first was Dr. Charles P. Roland, appointed to the alumni chair of history.

6. FLICKINGER DISCUSSES AAUP ROLE

There were no faculty members urging violence during last May's disorders on campus, says Prof. W. Garrett Flickinger, who added that "there were several professors actively attempting to persuade student demonstrators that violence is never a solution to social problems." The new president of the University chapter of the American Association of University Professors (AAUP) says he thinks it is important to examine the scope of responsibility of faculty members in times of unrest among students. "In view of the general conditions of disruption that have occurred on university and college campuses throughout the country, it is important for faculty members to determine the extent of their responsibilities to 'cool' the situation," he added. "If for no other reason, professors should help ease tensions because they are the ones most likely to be adversely affected by disruptions."

Prof. Flickinger said he hoped to work with AAUP chapters in other Kentucky universities "to develop a plan for suggestions on faculty behavior and responsibility during campus crises." An important goal of the local chapter of AAUP is to improve communications between faculty and students, as well as between faculty and the administration, he believes. "Traditionally, we have been concerned with issues of economic welfare, university governance, student rights, and most recently, with the role of students and faculty in the decision-making process," he stated. AAUP chapters are governed by a slate of elected officers, several standing committees, and an executive committee. The UK chapter has approximately 300 members. In addition to the president, officers of the UK chapter are Stanford L. Smith, associate professor of chemistry, vice president; Constance P. Wilson, associate professor of social work, treasurer, and Marie T. Copeland, associate professor, UK libraries, secretary.

7. TWO HONORED FOR OUTSTANDING ADVISING

Two professors have been honored by the students as outstanding academic advisors. Drs. Thomas O. Blues, associate professor of English, and John B. Stephenson, newly-appointed dean of undergraduate studies, were presented \$250 checks as tokens of appreciation for their work as counselors and consultants with students. Miss Terry McCarty, a senior from Louisville, chairman of the subcommittee /of the University Student Advisory Committee (USAC)/ which selected the two professors for the honor last spring, made the presentation. John Nelson, a senior from Elizabethtown, is chairman of USAC. "In presenting this symbolic award, we as students wish to emphasize the importance of academic advising and to express our gratitude to the many professors who are willing to go beyond a regular advising role and take a real interest in students," Miss McCarty said. Among the standards singled out by Miss McCarty as a basis for the selection of the two faculty members were quality of academic advising, availability to students, and making their role as an advisor an active one. Dr. Blues, a native of Detroit, Mich., is associate professor of English, specializing in American Literature. Dr. Stephenson, a native of Staunton, Va., joined the University in September 1966 as an assistant professor of sociology, with a joint appointment in the College of Medicine Department of Behavioral Science.

8. NEW ADMISSIONS PROCEDURES OUTLINED BY DEAN

Six major innovations in University admissions procedures were outlined recently by Dr. Elbert W. Ockerman, dean of admissions and registrar, who said the new procedures were designed "to make the admissions process more meaningful and orderly." The six innovations --which took effect during 1970 fall registration--include: high school transcripts were not required for each incoming freshman; advance registration was required for all continuing students; all new students were required to attend the Summer Advising Conference; transfer students were tentatively accepted for admission on the basis of work already completed, eliminating the delay in withholding acceptance until final records were received; the application for admission deadline was advanced to June 15, and each student was required to confirm his registration by August 1.

Edwin Brand, director of post-admissions, said that beginning with the 1971 Summer Advising Conference, students will be assigned a date to attend the one-day conference rather than having each student select his own date. Brand also stressed the importance of the conference, calling it "an updated, improved prototype of what formerly was Summer Orientation."

9. AWARD 14 MARTIN LUTHER KING SCHOLARSHIPS

Fourteen University students have been awarded Martin Luther King Scholarships, according to Dr. Michael Adelstein, chairman of the committee. The undergraduate students are Cornelia Adams, Eunice Archie, Beverly Benton, Samuel Giles, Pauline Lewis, Lenora Locke, Deborah Mumphrey, Alice Oliver, Nancy Rowe, and Shanon Taylor, all of Lexington. Graduate students are Edward Stevenson, Louisville, L. C. Taylor, Dallas, Tex., and Richard Gentry, Lexington, all of the College of Law, and Lynn Ballard, Chicago, Ill., College of Dentistry. The King committee also has extended emergency loans to Black students lacking funds to pay for fees or books. The loans are made on a non-interest basis. Dr. Adelstein said Mrs. Evelyn Black, secretary-treasurer of the King committee, reported there is little scholarship money left for the spring semester. The King Scholarship Fund was established in April, 1968, to help deserving Black students pay for books and fees. A committee composed mostly of faculty members conducts a fund drive each Spring. Solicitation also has been extended to members of the Lexington community.

10. LATIN AND GREEK NOW IN AUTONOMOUS DEPARTMENT

The University is putting renewed emphasis on the teaching of the classical languages of Latin and Greek, and once again the department has become autonomous. The recently-created Department of Classical Languages and Literatures--Latin and Greek--is headed by Louis J. Swift, who has a Ph.D from John Hopkins University. Dr. Swift arrived in September from the State University of New York, Buffalo. The studies formerly were in the Department of Germanic Languages and Literatures.

11. FELLOWS PROVIDE GIFTS NEARING \$4 MILLION

Recognition of new University Fellows--whose gifts have brought the Fellows' contributions to the University to almost \$4 million in less than four years, were made at an annual dinner on October 9. Certificates were presented by the University to individuals who, since the dinner in the spring of 1969, have provided gifts of \$10,000 or more or have arranged deferred gifts of \$15,000 or more. At the dinner, recognition was given for 23 new gifts from 31 persons, two of them honored in memoriam. Since the Fellows program was set up in December, 1966, by the Development Council and the Senior Associates of the Alumni Association, 91 gifts and commitments totaling \$3,958,671 have been made. At the first Fellows dinner in April 1968, 45 gifts and commitments totaling \$2.4 were reported. At the 1969 dinner, the Fellows project had grown to 68 gifts totaling \$3.5 million. Among the 91 Fellows, 50 are Kentucky residents, 31 live outside the state, and 10 are deceased. Fifty-six are alumni. Albert G. Clay, chairman of the executive committee of the Board of Trustees, a member of the Development Council and one of the Fellows previously recognized, presided at the formal dinner. A brief report on progress of the Fellows program was given by C. Robert Yeager, president of the L. G. Balfour Co. and chairman of the Development Council.

12. ALUMNI GIFTS UP BY MORE THAN 47 PER CENT

Alumni contributions to the University increased by more than 47 per cent last year, says J. Paul Nickell, Lexington, chairman of the 1970 Alumni Fund Drive. During the fiscal year which ended in July, 7,580 alumni contributed a total of \$231,541.13 to various University programs, for an increase of 47.5 per cent over the previous year. Fayette county had the largest number of contributors, 2,013, representing a 36 per cent increase. Nickell said the number of contributors increased by 17 per cent. Several counties experienced a 40 per cent increase in the number of alumni contributors: Christian, Clark, Daviess, Hardin, Jefferson, Jessamine, Kenton, Mason, Pulaski, Scott, Warren and Woodford. The total was broken down by Nickell to these amounts: \$107,716.26 was given as unrestricted gifts to the Alumni Fund. Gifts totaling \$29,505.25 were restricted for academic departments or special projects, and another \$94,319.66 was contributed by alumni directly to UK and community college programs. John R. Crockett ('49), Louisville, will serve as chairman of the 1971 Alumni Fund Drive. Crockett was appointed to the position at the Summer Workshop Meeting of the Alumni Board of Directors. The appeal was begun in mid-September and will continue until June 30. A goal of \$200,000 has been set.

13. MORE EMPHASIS ON SCANDINAVIA AT UNIVERSITY

The University Library has received more than 40 books from the Swedish Institute, Stockholm, Sweden, says Dr. John L. Greenway of the Comparative Literature Program and Honors Program. The books were donated as an effort to further the study of Swedish life and culture in the U.S., adds Mrs. Ingrid Arvidsson, cultural attache for the Royal Swedish Embassy in Washington, D. C. The library has a sizeable collection of Swedish books, built up over the years by Dr. Lawrence S. Thompson, professor of classics. The Department of Germanic Languages and Literatures offers several courses in Scandinavian literature. Swedish was taught here last year by Dr. Greenway. Dr. Thompson is teaching a first semester course in Danish this semester, and Dr. Greenway will teach the second semester during the spring. The University will host the annual convention of the American Society for the Advancement of Scandinavian Study next May, the first time the organization will have met in Lexington.

14. UNDERGRADUATE EDUCATION CONFERENCE DISCUSSES AIMS

Undergraduate Education was the topic of a two-day conference early this month that featured Dr. John R. Silber, former dean of the College of Arts and Sciences at the University of Texas, Student Government President Steve Bright, who explained the various programs and efforts initiated by student committees and groups to improve undergraduate education, President Otis A. Singletary, Vice President for Institutional Planning A. D. Albright, and Drs. John Scarborough of the history department and Michael Adelstein and Tom Blues of the English department. Dr. Charles Deusner, recipient of the Great Teacher award, of the Elizabethtown Community College faculty, also spoke, discussing "Undergraduate Educational Reforms and What the Main Campus Can Learn From the Community College System." Objectives of the conference were: identification and examination of the many elements of the learning process, identification and examination of the many elements of the learning process, identification and evaluation of the ways in which an attempt is made to facilitate that process, and, identification and evaluation of alternative approaches.

15. SPECIAL EDUCATION MATERIALS CENTER BEGINS FIFTH YEAR

Saturday and twice-a-week night service will be provided by the University's Regional Special Education Instructional Materials Center as it begins its fifth year of service to special educators in Kentucky, Tennessee, West Virginia, and North Carolina. The center is a cooperative project of the U. S. Office of Education, Bureau of Education for the Handicapped, and the College of Education. Its primary purpose is to collect, catalogue, store, retrieve and loan instructional materials to professional persons working with handicapped children and youth. The center also is a repository for historical and contemporary research on special education. Staff members can search for and translate this research to professional educators requesting it to solve specific problems.

16. 8700 STUDENTS TAKE PART IN RECREATION PROGRAM

Organized recreation at the University involves 900 teams and 8,700 participants during an academic year. Such sports as tennis, golf, croquet, horseshoes, handball, badminton, basketball, swimming, ping pong, bowling and wrestling are offered as intramural activities for students, faculty and staff by the Office of Campus Recreation. The program has become so complex that David Ravencraft, former coach at Jessie Clark Junior High School, presently is full-time director of intramurals. In addition, recreational activities for faculty and staff members also are a part of Ravencraft's program. This is the first time a full-time director has been named to supervise the entire program. The site of the ROTC Building that burned in May is being converted into a recreation area for students residing in dormitories in that vicinity. Basketball courts and a volleyball court already are available.

17. INGLE SAYS FINANCIAL AID NOT KEEPING UP

"Financial aid for college students is not keeping pace with increased college expenses and enrollment," says Jim Ingle, director of Student Financial Aid. He suggests that parents should start now building a savings account for their children's education. He said parents of pre-school or grade school children, whose income exceeds \$10,000 a year, may expect difficulty in securing Federal aid for their children's college expenses in the future. Last year Ingle's office provided financial assistance to some 1,600 students through Federal aid programs. "To provide financial aid to the same students this year," he said, "would require an additional \$160,000, since costs have risen by \$100 per student." The University received approximately 60 per cent of its request for financial aid. "When we send in our requests for Federal aid, the amount requested is based on estimated needs. The 40 per cent we didn't receive this year means some students were denied financial assistance and therefore were unable to attend the University." Ingle believes the situation should improve this winter, since Congress has provided an additional \$110 million for higher education to what the President originally requested.

18. MED STUDENT GETS FELLOWSHIP

A senior medical student at the University will receive training in Yugoslavia under the Public Health Service International Fellowship Program. Jacob K. Crittenden III was one of 16 junior and senior medical students from 14 American medical schools selected for the fellowship program. His training will concentrate on problems of public health and preventive medicine in addition to clinical medical projects. The program is administered by the Health Services and Mental Health Administration of the U. S. Department of Health, Education and Welfare with the assistance of the Association of American Medical Colleges.

19. TIGHTER RESTRICTIONS ON ADMISSIONS SET BY COLLEGE OF LAW

Applications to the College of Law for the fall term numbered 727, bringing about a need for higher academic entrance requirements, according to the college admissions officer. Prof. W. Garrett Flickinger said the new criteria, which is being forwarded for Senate approval, envisages a minimum score of 575 on the Law School Admission Test (LSAT), and a grade point average of 2.9 on a 4.0 scale. "We are continuing the policy of ordinarily denying admission if the cumulative grade point average is less than 2.5 and the LSAT score is less than 500," Flickinger explained. "However, if any person believes his application presents a special case he can appeal to the admissions committee." The committee, at the request of the faculty, decided to control class size to 150 for the fall class. "The College of Law had a fairly stable student body of about 150, with the exception of the period following World War II when it was high and during the Korean War era when it was low. Entering classes usually numbered from 45 to 60 students and there were relatively few rejections of admission," he said. About the time of the completion of the new law building in 1964, applications and enrollment began to increase, with 358 applications for admission in 1965, 443 in 1966, 504 in 1967 and 520 in 1968. Despite higher standards, entering classes began to reach the 170-180 level by the fall of 1968. Limitations of facilities and faculty has forced a stiffer admissions policy, Flickinger said.

20. COMMUNITY COLLEGE SYSTEM SHOULD INVOLVE PUBLIC--WALL

Dr. Stanley Wall, vice president of the Community College System, speaking at the seventh annual faculty conference of the system, said community colleges should involve business and industry in planning two-year occupational programs. "Much of our future depends on the extent to which we are able to relate the college to the community and involve the community in program development," he said. Dr. Carl Lamar, assistant superintendent for public instruction in the state Division of Vocational Education, warned the delegates meeting in Louisville that there is a danger the system will duplicate efforts of the state's vocational schools. He pointed out that Kentucky has both a community college and vocational school system, while many states have only one or the other. The advisory board of the Community College System, composed of representatives from the boards of each community college, elected officers for the coming year: Hecht Lackey, Henderson, was elected to a third term as president, and Robert C. Wade of Elizabethtown was named vice president.

21. UKRF ANNOUNCES 33 AWARDS IN SEPTEMBER

During the period September 1-30, a total of 33 agreement awards was received by the University of Kentucky Research Foundation amounting to \$763,874.37. Six grants received additional funds amounting to \$2,960, and one other award was received for \$23. One grant was decreased by \$60,000. The total since July 1: \$6,147,872.96.

COLLEGE OF AGRICULTURE

Department of Animal Sciences--D. Olds, Research in Physiology of Reproduction and Dairy Cattle Breeding, Select Sires, Incorporated, \$800.

Department of Plant Pathology--H. E. Wheeler, Pathological Changes in Structure and Function, National Institutes of Health, \$33,545.

COLLEGE OF ARTS AND SCIENCES

Department of Music--H. Henderson, Central Kentucky Youth Orchestra, Central Kentucky Youth Orchestra, \$3,300.

COLLEGE OF EDUCATION

Bureau of School Services--P. Street, Services to Various County School Systems, Letcher County Board of Education, \$4,200.

Department of Curriculum and Instruction--S. Lail, Teacher Corps 2nd Year In-Service Cycle 4, U. S. Office of Education, \$60,000 decrease (this originally was reported as \$111,998 - the correct amount of the award is \$51,998). S. Lail, Teacher Corps - First Year In-Service Cycle V, USOE, \$65,613.

Department of Special Education--A. Levy, Summer Session Federal Traineeships, State of Kentucky, \$19,800.

COLLEGE OF ENGINEERING

Department of Mechanical Engineering--R. C. Birkebak and C. J. Cremers, Preparation for Investigation of the Thermal Radiation Characteristics and Thermal Conductivity of Lunar Material, National Aeronautics and Space Administration, \$7,900.

Department of Metallurgical Engineering--H. Conrad, Metal Deformation Processing, U. S. Department of the Air Force, \$202,500.

Wenner-Gren Laboratory--D. F. McCoy, Study of Discrimination and Generalization of Gravitational Stimuli, NASA, \$44,709.

COMMUNITY COLLEGE SYSTEM

M. Arnold, Consortium of Junior Colleges, Lees Junior College, \$61,968. Henderson Community College.

J. Smith, Cooperative Education Programs - Planning, USOE, \$24,840. Jefferson Community College.

GRADUATE SCHOOL

C. Cabe, Institute of Traffic Engineers Fellowship, Institute of Traffic Engineers, \$3,000.

SCHOOL OF HOME ECONOMICS

J. M. Concon, Investigations of Methods for the Rapid Determination of Critical Amino Acids in Cereal Grains, U. S. Department of Agriculture, Agricultural Research Service, \$4,688.67.

SCHOOL OF SOCIAL PROFESSIONS

C. Wilson and E. F. Witte, Teaching Grant for School of Social Professions, Kentucky Department of Economic Security, \$38,110.

COLLEGE OF DENTISTRY

Office of Administration--E. R. Costich, W. B. Saunders Company, \$200.

Department of Oral Biology--H. C. Bickley, Research Fellowship (R. J. Garrett) - Bioregulation of Collagen Maturation, NIH, \$5,300.

COLLEGE OF MEDICINE

Office of the Dean--W. S. Jordan, College of Medicine Scholarship Fund, Miscellaneous Individuals, \$1,300.* W. S. Jordan, Edwin H. Munich Memorial Fund, Miscellaneous Individuals, \$5.* W. S. Jordan, University of Kentucky College of Medicine Alumni Association Fund, Miscellaneous Individuals, \$40.* W. S. Jordan, Dean's Emergency Fund, Appalachian Regional Hospitals, \$10.*

Department of Anatomy--L. Gillilan, Nervous System Vascular Patterns, NIH, \$8,544.

Department of Biochemistry--D. C. White, Metabolism of Lipids in the Formation of the Microbial Electron Transport System, National Science Foundation, \$39,600.

Department of Community Medicine--M. L. Furcolow, Diagnosis and Treatment of Inpatients and Outpatients with Fungus Disease, State of Kentucky, \$13,000. H. M. Vandiviere, Haitian T. B. Project, Haitian-American Tuberculosis Institute, \$8,493.70.

Department of Medicine--R. Penman, Student Scholarship Fund, Kentucky Tuberculosis and Respiratory Disease Association, \$4,800.

Department of Microbiology--K. Nixdorff, Immunochemical Studies on Salmonella R-Mutants, The Burroughs Wellcome Fund, \$2,000.

Department of Neurology--M. P. McQuillen, Physiological Studies of the Neuromyopathies Associated with Carcinoma, American Cancer Society, Kentucky Division, \$16,579.

*Additional Funds

Department of Pediatrics--J. Calton, Children's Fund,
Miscellaneous Individuals, \$5 (additional funds).

Department of Pharmacology--T. Z. Csaky, Effect of Sugars on
Central Nervous System, NIH, \$27,430. T. Z. Csaky, Combined M.D./
M.S. Pharmacology Program, National Fund for Medical Education,
\$1,600 (additional funds).

Department of Psychiatry--D. H. Loof, The Beattyville Project -
Upper Kentucky River Comprehensive Care Center, Upper Kentucky
River Regional Mental Health-Mental Retardation Board, Incorporated,
\$7,000.

Department of Surgery--W. Brooks, Geographic and Epidemiologic
Survey of Brain Tumors in Kentucky, American Cancer Society, Ken-
tucky Division, \$10,438. L. R. Bryant, Use of Scintillation Scans
in Lung Transplantation, NIH, \$36,792. L. R. Bryant, Pseudomonas
Vaccine in Patients with Prolonged Tracheal Intubation, Parke-
Davis and Company, \$4,400. P. Stull, Serum Levels Attained with
Kanamycin in Patients with Impaired Renal Function, Bristol
Laboratories, \$3,000.

COLLEGE OF PHARMACY

Department of Materia Medica and Pharmaceutical Chemistry--G.
Digenis, Chemistry and Biochemistry of Gramine and Hordenine, NIH,
\$11,442.

Pharmacy Central Supply--P. F. Parker, Guidelines for Practical
Hospital Unit Dose System - Terminal Support, NIH, \$40,682.

COLLEGE OF NURSING

J. W. Fleming, Understanding Hospitalized Children Through
Drawings, American Nurses' Foundation, Incorporated, \$4,200.

SCHOOL OF ALLIED HEALTH PROFESSIONS

Radiation Medicine--J. A. Sayeg, Atomic Energy Commission's
1970-1971 Special Fellowship Program, Atomic Energy Commission,
\$5,000.

OTHER

UK Library Associates

\$23.00

22. SIGNIFICANT ACTIVITIES OF FACULTY AND STAFF

A bibliography of German plays compiled and printed on micro-cards by Dr. Norman H. Binger, associate professor of Germanic Languages and Literatures, has been published by Archon Books.

Dr. Lawrence S. Thompson, professor of classics, has written an introduction to the reprinting of "The Philosophy of Human Nature," by Joseph Buchanan, first published in Richmond (Ky.) in 1812.

Six faculty members have been selected to appear in the 1970 edition of "Outstanding Educators of America." Nominated by University administrators for their performances not only as teachers but as researchers and administrators as well, were Dr. Burt Coody, associate extension professor in human development and family relations; Dr. Wendell DeMarcus, professor of physics; Dr. Holman Hamilton, professor of history; Miss Elizabeth Helton, extension specialist in nutrition and food science; Dr. Margaret Jones, assistant professor in the Department of Spanish and Italian Languages and Literatures, and Mrs. Claudia Wells, assistant professor in nutrition and food science.

Dr. W. W. Ecton, chairman of the Department of Accounting, was honored by the American Institute of Certified Public Accountants meeting in New York City September 20-23.

Dr. Collins W. Burnett, chairman of the Department of Higher Education, has been elected to the Higher Education Colloquium, a national organization consisting of 50 distinguished practitioners engaged in the study, research, and development of higher education.

Dr. Robert D. Murphy, director of the School of Communications, was elected to the Committee on Teaching Standards of the Association for Education in Journalism at the association's recent meeting in Washington.

The first study in book form of one of Spain's most prominent novelists, "The Literary World of Ana Maria Matute," by Dr. Margaret E. W. Jones, assistant professor of Spanish, was published October 17 by the University Press of Kentucky.

Dr. Margaret Lantis, professor of anthropology, was the only woman on any of the seven panels of the Committee on the Alaska Earthquake, which began its work in 1964 soon after the "Good Friday Earthquake," and has contributed a research paper to the second volume of "Human Ecology," a projected eight volumes on the Great Alaska Earthquake of 1964 published by the National Research Council-National Academy of Sciences.

An abstract of a background paper on international education by Dr. Willis H. Griffin, director of the Office of International Education, Center for Developmental Change, appears in the current issue of "Research in Education."

Dr. William E. Lyons, assistant professor of political science, is the author of "One Man--One Vote," published by McGraw-Hill of Canada. The book deals with the problem of constructing election districts for the Federal Parliament in Canada.

Dr. Herbert R. Riley, distinguished professor of botany, is the editor of "Evolutionary Ecology," recently published by the Dickenson Publishing Company of Belmont, Cal. An addition to the Contemporary Thought in Ecological Science series, the book features excerpts from papers by 20 authors published in scientific journals in the U. S., India, England, and South Africa.

Dr. Earl Rankin, professor of education, has been appointed to the editorial board of "Reading Improvement," a professional magazine with subscribers in Europe and Asia as well as in the U. S. and Canada.

Dr. Raymond C. La Charite, associate professor in the Department of French, will be the secretary of the French I--Pre-Revolutionary section for the annual meeting of the South Atlantic Modern Language Association, November 5-7, in Washington, D. C. Dr. La Charite also has been invited to deliver a paper on "Pascal's Relationship to Montaigne," for the Special Commemorative Symposium in honor of the 300th anniversary of the publication of Pascal's "Persees." Dr. Virginia A. La Charite, also an associate professor in the French Department, will read a paper on "Rimbaud and Char: Two Paths to 'la Maison,'" for SAMLA meeting in Washington, but for the French II--Post-Revolutionary section.

Michael Kennedy, of the College of Architecture, and Dr. Martin B. Solomon, director of the Computing Center, are authors of a text book on basic computer science, Ten Statement Fortran Plus Fortran IV, published by Prentice Hall in June. Dr. Solomon and Mr. Kennedy have also produced a set of TV tapes which parallels their text, a series produced by Roger Koonce of the Media Services Department.

The August 31, 1970, issue of the Journal of the American Medical Association features an article entitled "Exercise and Cardiac Death," by Dr. Ernst Jokl, professor of physical education, and Dr. T. J. McCellan, Chairman, Department of Pathology, St. Joseph Hospital, Lexington.

Richard S. Levine of the College of Architecture has been invited to present a paper to the Seventh Annual Architect Researcher's Conference on November 3, in Cincinnati. The paper will deal with "The Grid House: A Prototype Low-Cost Self-Help Housing System," a concrete space frame system utilizing the concepts which are now being developed under the auspices of a research grant from HEW.

Herb Greene, professor of architecture, had an exhibit of his recent paintings and architecture at the Phoenix Gallery, Phoenix, Arizona, from September 22-October 10.

John Strickland, assistant professor of architecture, had a showing of recent paintings at the Claypool-Young Art Gallery, Morehead State University, September 25-October 15.

Dr. Bernd Kratz, associate professor, Department of Germanic Languages & Literatures, has published an article on German linguistics in a recent issue of Zeitschrift fur Dialektologie und Linguistic.

Dean Marcia Dake of the College of Nursing has been elected president of the Kentucky Board of Nursing Education and Nurse Registration. She will serve a one year term.

The Kentucky Veterinary Medical Association presented its annual distinguished service award to Dr. J. H. Drudge, an internationally known authority on animal parasites and chairman of the veterinarian science department in the College of Agriculture, and the author of 45 scientific papers on animal parasites.

Dr. Robert D. Murphy, director of the School of Communications, was elected to the Committee on Teaching Standards of the Association for Education in Journalism at the association's recent meeting in Washington. He was also elected a representative of the American Association of Schools and Departments of Journalism to the American Council for Education in Journalism, the national accrediting agency. During the AEJ session he also chaired a meeting of a special joint committee of the American Newspaper Publishers Association and the AEJ.

Dr. James T. Doluisio, College of Pharmacy, was a recent guest lecturer at the University of Kansas College of Medicine. He discussed pharmacokinetics as a part of their program in Biochemical Pharmacology. Dr. Doluisio was in Ottawa, Canada on October 9 to present a seminar entitled "Some Clinical Applications of Bio-pharmaceutical Parameters" at the Food and Drug Directorate, Department of National Health and Welfare.

Dean Joseph Swintosky of the College of Pharmacy has been selected by the World Health Organization as a special consultant in pharmaceutical education for certain Middle East countries. A multi-nation meeting of Eastern Mediterranean pharmaceutical educators has been arranged by WHO for late October, in Beirut, Lebanon. Dean Swintosky has been asked to provide information about the development and probable future direction of pharmaceutical education in the U. S.

The largest single bibliography for Black Studies in existence has been compiled by a University faculty member and was published October 15 by the Whitson Publishing Co. The compiler, Dr. Lawrence S. Thompson, professor of classical languages and literatures, said the listings--more than 4,000--range from material he picked up as a child in North Carolina 40 years ago to some of the more scarce items in major research libraries.

Dr. P. P. Karan, chairman of the Department of Geography, spent the summer in Sikkim, and Indian protectorate which also borders Tibet. He is writing a book on the impact of Communist China on Tibet during the last 20 years.

Dr. Harry E. Wheeler, professor of plant pathology, was honored in Hot Springs, Arkansas, on October 7 by the American Phytopathological Society. He was named a Fellow of the Society, "in recognition of meritorious contributions to our profession and service to the Society."

Office of the President
October 20, 1970

PR 2

Members, Board of Trustees:

RECOMMENDATIONS OF THE PRESIDENT

I. Quarterly Report on Gifts and/or Grants (See Attachment)

Recommendation: that the report on gifts and/or grants covering the period from July 1, 1970 through September 30, 1970 be accepted and made a matter of record.

Background: The attached report represents the gifts and/or grants accepted by the President on behalf of the Board of Trustees for the period July 1 through September 30, in accordance with the policy adopted by the Board of Trustees on November 19, 1965. Acknowledgment of gifts and/or grants has been made to all donors by the President on behalf of the Board.

II. Appointments and/or Other Staff Changes

Recommendation: that approval be given to the appointments and/or other changes which require Board action and that the report relative to appointments and/or changes already approved by the administration be accepted.

Background: Approval of the Board of Trustees is required for all appointments to the positions with the rank of Associate Professor and above, for promotions, for the granting of tenure, and for salary changes above \$12,000 for non-academic personnel and \$15,000 for academic personnel. All other appointments and/or changes may be made by the President and reported to the Board.

BOARD ACTION

New Appointments

Marvin J. Gold, Visiting Associate Professor, Department of Special Education, College of Education, retroactive to September 1, 1970
Henry J. Holley, Visiting Professor, Department of Electrical Engineering, College of Engineering, retroactive to September 1, 1970
William Walbridge Weigel, Visiting Professor, Department of Geology, College of Arts and Sciences, retroactive to September 1, 1970
Wayne F. Conrad, Assistant Professor of Clinical Pharmacy (Special Title Series), Department of Clinical Pharmacy, College of Pharmacy, retroactive to September 1, 1970 (salary \$15,000 or over)

Robert P. Rapp, Assistant Professor of Clinical Pharmacy (Special Title Series), Department of Clinical Pharmacy, College of Pharmacy, retroactive to September 1, 1970 (salary \$15,000 or over)

Appointments with Waiver of Nepotism Rule

Patricia Ann Breitzer, Lecturer (part-time), Department of English, College of Arts and Sciences, retroactive to August 15, 1970 (wife of Robert Breitzer, Assistant Professor in the Department of English)
Jerome Miller, Associate Professor (part-time), Department of Social Work, College of Social Professions, retroactive to September 1, 1970 (husband of Dorothy Miller, Assistant Professor in the Department of Social Work)
Kathleen Yzenbaard, Lecturer (part-time), Department of Spanish and Italian, College of Arts and Sciences, retroactive to August 15, 1970 (wife of James Yzenbaard, Director of Language Laboratory in the School of Letters and Languages)

Promotion

Peter W. Nixdorff, Department of Political Science, College of Arts and Sciences, from Instructor to Assistant Professor, retroactive to July 1, 1970

Tenure Granted

Ward E. Bullock, Associate Professor, Department of Medicine, College of Medicine, retroactive to July 1, 1970

Reappointment

Adamantios A. Pepelasis, Professor, Department of Economics, College of Business and Economics, retroactive to July 1, 1970

Leaves of Absence

Donald Hubert Graves, Superintendent, Forestry and Wood Technician School, Department of Forestry, College of Agriculture, sabbatical leave at half salary, for the period September 1, 1970 through August 31, 1971
Michael P. McQuillen, Associate Professor, Department of Neurology, College of Medicine, sabbatical leave at half salary, for the period July 1, 1971 through June 30, 1972

ADMINISTRATIVE ACTION

New Appointments

Judith P. Archambo, Assistant Professor, Department of Behavioral Science, College of Medicine
Nitza M. Bennett, Instructor, Department of Pediatrics, College of Medicine
Julius M. Collum, Instructor (part-time), Department of Psychiatry, College of Medicine
*Roger Shannon, Instructor, Department of Physiology and Biophysics, College of Medicine
Harold T. Daniel, Instructor (part-time), Department of Oral Surgery, College of Dentistry
William E. Gray, Instructor, Department of Restorative Dentistry, College of Dentistry
Len W. Morrow, Instructor (part-time), Department of Oral Surgery, College of Dentistry
Robert M. Wild, Instructor (part-time), Department of Restorative Dentistry, College of Dentistry
Margaret Doyle, Assistant Professor, Department of Clinical Nursing, College of Nursing
John A. Koepke, Associate Clinical Professor (Special Title Series), Department of Medical Technology, College of Allied Health Professions (Voluntary Faculty)
Stan Schlacter, Clinical Instructor, Department of Physical Therapy, College of Allied Health Professions (Voluntary Faculty)
Ronnie Lee Edwards, Assistant Extension Professor (Special Title Series), Department of Animal Sciences, College of Agriculture
Mary P. Jones, Instructor, Department of Social Work, College of Social Professions
Mary Louise McDowell, Instructor (part-time), Department of Special Education, College of Education
Frank Reaves, Jr., Adjunct Instructor, College of Law
Richard Walker, Instructor, Department of Social Work, College of Social Professions
Mary Kathleen Adkins, Instructor, Somerset Community College
Yu-Jyi Lin, Instructor, Ashland Community College
Kathleen Rose Lodzinski, Instructor and Nursing Chairman, Madisonville Community College and Hopkinsville Community College
James T. Moore, Instructor and Assistant Director of Student Services, Jefferson Community College

*Limited appointment contingent upon completion of all Ph. D. requirements

Administrative Appointments

Marion A. Carnes, Professor (with tenure), Department of Anesthesiology, College of Medicine, named Acting Chairman of the Department of Anesthesiology, retroactive to October 1, 1970

James Robert Ogletree, Professor (with tenure), Department of Administration and Supervision, College of Education, named Acting Chairman of the Department of Administration and Supervision, retroactive to June 15, 1970

John Thrailkill, Associate Professor, Department of Geology, College of Arts and Sciences, named Assistant Chairman of the Department of Geology, retroactive to September 1, 1970

John C. Feltner, Extension Program Specialist, College of Agriculture, named Assistant Director of Cooperative Extension Service for 4-H Clubs, retroactive to October 1, 1970

Reappointment

Thomas Stoeckinger, Clinical Instructor of Medical Technology, Department of Medical Technology, College of Allied Health Professions (Voluntary Faculty)

Changes in Status

LeRoy Aldon Cantrel, Department of Vocational Education, College of Education, from Instructor to Instructor (part-time)

Erling W. Eng, Department of Psychiatry, College of Medicine, from Instructor (Adjunct Series) to Clinical Instructor (Voluntary Faculty)

Alexander McGregor Gilchrist, from Visiting Librarian, Architecture Library to Librarian IV, Reference Department

Action: Approved X Disapproved Other

Date: October 20 , 1970

GIFT REPORT
OFFICE OF DEVELOPMENT

SUMMARY

July 1, 1970 - September 30, 1970

COLLEGES AND DEPARTMENTS:

Accounting and Research Development	\$ 1,000.00
Alumni Association	3,300.00
Athletic Association	84.00
Civil Engineering	500.00
College of Agriculture	330.00
College of Medicine	40,919.70
College of Pharmacy	1,000.00
Electrical Engineering	10,000.00
Geology	5,000.00
Graduate Fellowship in History	3,500.00
Mechanical Engineering	3,075.00
Metallurgical Engineering	500.00
Neurological Disease Program	400.00
Pediatrics Undergraduate Training Fund	900.00
Radiology	10.00
Special Education	32,000.00
University Hospital	<u>500.00</u>

Sub-total \$ 103,018.70

COMMUNITY COLLEGES

Ashland	6,050.00
Prestonsburg	1,550.00
Somerset	3,937.50
Southeast	<u>1,575.00</u>

Sub-total \$ 13,112.50

UNRESTRICTED

Sub-total \$ 1,900.00

SCHOLARSHIPS AND MEMORIALS

Sub-total \$ 14,147.45

Total Gifts \$ 132,178.65

OFFICE OF DEVELOPMENT

GIFTS AND / OR GRANTS

QUARTERLY REPORT

July 1, 1970 - September 30, 1970

<u>DONOR</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
Alley, Kay Kathleen	\$ 10.00	W. E. Mills Scholarship (Law)
American Cancer Society Kentucky Division	10,438.00	College of Medicine
American Cancer Society Kentucky Division	16,579.00	College of Medicine
American Red Cross (Bourbon Co. Chap.)	500.00	University Hospital
Anderson, Grace	5.00	Olea Sands Memorial (Nursing)
Angelucci, Ralph J.	400.00	Neurological Disease Program
	100.00	Alumni Association
Anonymous	5.00	Olea Sands Memorial (Nursing)
Armour Creameries	60.00	Ky. Dairy Ed. Scholarship
Armco Foundation	1,500.00	Scholarship
	200.00	Unrestricted
Ashland Oil Foundation	1,500.00	Ashland Comm. Coll. Scholarship
	750.00	Ashland Comm. College
Balfour, L. G. (Co.)	1,000.00	Yeager Scholarship
Beatrice Foods Inc.	50.00	Ky. Dairy Ed. Scholarship
Berry, Alonzo Franklin	25.00	W. E. Mills Scholarship (Law)
The Stuart Blazer Found.	3,000.00	String Music Program - Ashland Community College
Bobbitt, James D.	25.00	Haffler Memorial Scholarship
Brodhead Lions Club	200.00	Somerset Comm. Coll. Scholarship
Chamberlain, Leo M.	5.00	Olea Sands Memorial (Nursing)
Ciba Corporation	1,600.00	College of Medicine

Citizen's National Bank	\$ 300.00	Somerset Comm. Coll. Scholarship
Consolidation Coal Co.	500.00	Civil Engineering Scholarship
Cumberland Rotary Club	280.00	Southeast Comm. Coll. Scholarship
Cumberland Women's Club	300.00	Southeast Comm. Coll. Scholarship
Dake, Marcia A.	10.00	Olea Sands Memorial (Nursing)
Davis, Dorothy Bruce	25.00	Haffler Memorial Scholarship
Dawson, R. R.	2,000.00	Dawson Scholarship
Eastin, Charles E. Dr.	15.00	W. A. Seay Scholarship
Ernst & Ernst Foundation	500.00	Accounting Faculty
Ernst & Ernst Foundation	500.00	Accounting Scholarship
Ewell, George W.	200.00	Ewell Scholarship
Ewing, Oscar, Inc.	50.00	Ky. Dairy Ed. Scholarship
Farmers Tobacco Warehouse	150.00	Somerset Comm. Coll. Scholarship
First National Bank (Prestonsburg)	300.00	Prestonsburg Comm. College Scholarship
Fortune, William H.	70.00	Scholarship (Law)
Fleming, Timothy G. Dr.	300.00	Scholarship (Medicine)
Floyd Co. Farm Bureau	400.00	Prestonsburg Comm. College Scholarship
Francis' Store	300.00	Prestonsburg Comm. College Scholarship
Frazier, R. E.	150.00	Southeast Comm. College Scholarship
Guaranty Deposit Bank	150.00	Southeast Comm. College Scholarship
Gulf Oil Foundation	500.00	Scholarship
	100.00	Unrestricted
Gulf Oil Foundation	500.00	Scholarship
	100.00	Unrestricted
Goldman, Alvin	20.00	Scholarship (Law)
Gordon, C. B.	330.00	College of Agriculture

Haitian American TB Inst.	\$8,492.70	College of Medicine
Hamburg, Joseph	10.00	Olea Sands Memorial Scholarship
Hammons, Elizabeth	10.00	Olea Sands Memorial Scholarship
Hancock, Darrell B.	37.50	Dorothy Salmon Scholarship
Henry, Charles B.	25.00	Dorothy Salmon Scholarship
Hill, John W. Foundation	650.00	Scholarship
	50.00	Unrestricted
Hope, Blanche & Thomas	800.00	Ashland Comm. Coll. Scholarship
Hinkle Contracting Corp.	200.00	Scholarship
Hudson, James C.	10.00	Lori Ranta Memorial - Radiology
Hudnall, J. S.	5,000.00	Hudnall Scholarship - Geology
International Brotherhood Electrical Workers (Local 463)	400.00	Somerset Comm. Coll. Scholarship
International Nickel Co.	630.00	Scholarship
	500.00	Metallurgical Engineering
Island Creek Coal Company	750.00	Scholarship
James, Mary Francis	25.00	W. B. Stewart Scholarship
Johnson Diary	50.00	Ky. Dairy Ed. Scholarship
Kelly, Janice	25.00	Haffler Memorial Scholarship
Kelly, Wm. D. (Mr. & Mrs.)	1,000.00	Haffler Memorial Scholarship
Key Club International Kentucky-Tenn. Dist.	250.00	Scholarship
Kiwanis Club of Somerset	300.00	Somerset Comm. Coll. Scholarship
Ky. Concrete Pipe Co.	500.00	H. D. Palmore Scholarship
Kentucky Council of Pharmaceutical Ed.	1,000.00	Scholarship (Pharmacy)
Kentucky Federation of Production Credit Assoc.	200.00	W. A. Seay Scholarship
Kentucky Library Assoc.	1,000.00	Scholarship
Kentucky Utilities Co.	500.00	Scholarship

Kentucky Utilities Co.	\$ 5,000.00	Electrical Engineering
Kentucky Water Service	300.00	Somerset Comm. Coll. Scholarship
Louisville Gas & Elec.	5,000.00	Scholarship (Elec. Eng.)
Lozano, Gloria	12.00	Haffler Memorial Scholarship
Luster, George	300.00	Southeast Comm. Coll. Scholarship
Lynch East Main PTA	150.00	Southeast Comm. Coll. Scholarship
McDowell, R. C.	84.00	Athletic Association
Maytown Woman's Club	50.00	Prestonsburg Comm. College Scholarship
Mead-Johnson Company	900.00	Pediatrics Undergraduate Training Fund
Mitchell, Ann G. (Mrs.)	5.00	R. Warren Memorial - Pediatrics Heart Research
Philip Morris, Inc.	1,500.00 900.00	Scholarship Unrestricted
Music Colvin Motor Inc.	300.00	Prestonsburg Comm. College Scholarship
Mutual Federal Savings	300.00	Somerset Comm Coll. Scholarship
Oberst, Paul	187.36	Scholarship (Law)
Old Mfg. Milk Fund	555.59	Ky. Dairy Ed. Scholarship
Pet Milk Company	220.00	Southeast Comm. Coll. Scholarship
Pirtle, George	1,000.00	Scholarship-Alumni Association
Plaut, Thomas F. (Dr. and Mrs.)	25.00	Southeast Comm. Coll. Scholarship
Powell, Philip W. (Mr. and Mrs.)	5.00	Haffler Memorial Scholarship
Pulaski County Democratic	450.00	Somerset Comm. Coll. Scholarship
Prestonsburg Dairy Queen	200.00	Prestonsburg Comm. College Scholarship
Ray, Edward H.	50.00	Chandler Scholarship & Loan Fund
Reeves, Maury O. (Mrs.)	5.00	Haffler Memorial Scholarship

Republican Women's Club	\$ 300.00	Somerset Comm. Coll. Scholarship
Riester, Robert A. (Mrs.)	10.00	Haffler Memorial Scholarship
Royal Spring Shrine Club	10.00	College of Medicine
Rubin, Idah M.	5.00	Edward H. Munich Memorial
Rupp, Adolph	25.00	Chandler Scholarship & Loan Fund
Sealtest Foods	200.00	Ky. Dairy Ed. Scholarship
Sedler, Robert A.	100.00	Dorothy Salmon Scholarship
	100.00	Scholarship (Law)
Sep-Ko Chemical Inc.	25.00	Ky. Dairy Education Scholarship
Sloan, Earl P.	100.00	Chandler Scholarship & Loan Fund
Somerset Civic Women's Club	150.00	Somerset Comm. Coll. Scholarship
Somerset Business and Professional Women's Club	150.00	Somerset Comm. Coll. Scholarship
Somerset Rotary Club	300.00	Somerset Comm. Coll. Scholarship
Somerset Women's Club	150.00	Somerset Comm. Coll. Scholarship
Southern Belle Dairy	300.00	Somerset Comm. Coll. Scholarship
Sprague, John S. (Mrs.)	10.00	Olea Sands Memorial Scholarship
S & H Foundation	300.00	Scholarship
	150.00	Unrestricted
Swift & Company	150.00	Ky. Dairy Education Scholarship
Tug Valley Pharmaceutical Assoc.	50.00	Scholarship (Nursing)
U. C. Milk Company	50.00	Ky. Dairy Education Scholarship
United States Steel Found.	400.00	Unrestricted
	3,500.00	Graduate Fellowship in History
Union Carbide Co.	300.00	Scholarship
	75.00	Mechanical Engineering
Union Carbide Co.	3,000.00	Mechanical Engineering
Upper Ky. River Mental Health Mental Retarda- tion Center	3,500.00	College of Medicine
Vaughan, Claude M.	5.00	Chandler Scholarship & Loan Fund

Veterans of Foreign Wars	\$ 300.00	Scholarship
Western High School PTA	300.00	Scholarship
WHAS - TV	32,000.00	Special Education
Willard, S. Adolyn (Mrs.)	25.00	Olea Sands Memorial (Nursing)
Winn-Dixie Stores Found.	187.50	Somerset Comm. Coll. Scholarship
Woman's Club of Central Ky.	25.00	Olea Sands Memorial (Nursing)
UK Woman's Club	<u>10.00</u>	F. J. McVey Scholarship
TOTAL GIFTS	\$132,178.65	

OFFICE OF DEVELOPMENT

July 1, 1970 - September 30, 1970

NON-MONETARY GIFTS

DONOR

GIFT

American Red Cross
(Bourbon County Chapter

Medical Supplies-UK Medical
Center

Breehl, Marc.

Beneficiary in Personal Ins.

Brust, Stephen R.

Beneficiary in Personal Ins.

Franklin, Eugene H., III

Beneficiary in Personal Ins.

Hanson, David Robert

Beneficiary in Personal Ins.

Keith, William L.

Beneficiary in Personal Ins.

Pasko, Theodore Frank

Beneficiary in Personal Ins.

Platt, Bruce H. (Mr. & Mrs.)

3 books - Ashland Community
College Library

MODERN COMPUTER CONCEPTS -
memory of Mrs. Bonnie Weddle
BAKERS BIOGRAPHICAL DICTIONARY
OF MUSICIANS - memory of
Mrs. Rivers R. Jones, Jr.
THE LEGAL ENVIRONMENT OF
BUSINESS - memory of Richard
D. Davis

Pocock, William B.

Beneficiary in Personal Ins.

Rogers, Barbara D.

Beneficiary in Personal Ins.

Office of the President
October 20, 1970

PR 4

Members, Board of Trustees:

POLICY CONCERNING POSTSECONDARY VOCATIONAL
EDUCATION PROGRAMS, SERVICES, AND ACTIVITIES

Recommendation: that the Board of Trustees approve the Resolution adopted by the State Board of Education on September 9, 1970 relative to the community colleges participating in the Federal Vocational Funds in support of two-year career-oriented programs.

Background: The Resolution, a copy of which is attached, provides for the State Board of Education, working through the Bureau of Vocational Education, to develop coordinated plans and working relationships with the University of Kentucky Community College System which will maximize the utilization of resources in serving people in all communities of the State who have interest, need, and ability to benefit from postsecondary vocational education. The Resolution requests assurance from the Board of Trustees that the leadership in the Community College System will develop plans for the various colleges to provide vocational education and for consolidating the program plans into a single request to be submitted to the Superintendent of Public Instruction for final approval by the State Board of Education.

Action: Approved X Disapproved Other

Date: October 20 , 1970

State Board of Education Policy Concerning Postsecondary Vocational
Education Programs, Services, and Activities Offered through
Area Vocational Schools and Community Colleges

The State Department of Education, through the Bureau of Vocational Education, shall develop coordinated plans and working relationships with the University of Kentucky Community College System which will maximize the utilization of resources, including personnel and facilities, in serving people in all communities of the State who have the interest, need, and ability to benefit from postsecondary vocational education.

Federal funds used to support postsecondary programs in the area vocational schools will be continued at the level of support provided in FY 1968-69 (assuming continued Federal funding at that level) . State funds in the area vocational schools will be provided through an appropriation from the Legislature to the State Board of Education.

Federal funds (P. L. 90-576, Part B. 15 percent postsecondary) for support of postsecondary programs, services, and activities above the level of support for FY 1968-69 shall be made available to both area vocational schools and the Community College System on the basis of their ability to provide programs, services, and activities efficiently and effectively. These funds shall first be apportioned to the vocational education regions of the State according to the formula in the State Plan for Vocational Education. Funds will then be apportioned to the area vocational schools and community colleges on the basis of approved programs or projects.

The securing of State funds to match Federal funds allocated to the Community College System shall be the continuing responsibility of the University of Kentucky. The same ratio of State funds to Federal funds used to support postsecondary vocational education programs in the area vocational schools shall be maintained in supporting postsecondary vocational education programs in the Community College System. Community colleges shall be eligible to receive Federal funds under other provisions of P. L. 90-576 as is provided by the guidelines for any local educational agency.

Federal funds used to support vocational programs in the Community College System shall be provided by the State Board of Education, upon recommendation of the Superintendent of Public Instruction, through a contractual arrangement with the designated representative of the Community College System.

In determining the programs, services, and activities to be provided by the Community College System, the Board of Trustees of the University of Kentucky shall give assurance that the leadership in the community colleges will develop an annual and five year projected plan for the various colleges on a regional basis, in cooperation with other local educational agencies providing vocational education programs in the respective regions. The Board of Trustees of the University of Kentucky, through its designated

representative, shall have the responsibility for consolidating the program plans of the various community colleges and submitting them as a single request to the Superintendent of Public Instruction, through the Assistant Superintendent for Vocational Education, for his recommendation to the State Board of Education for final approval.

All aspects of program development (including faculty appointments and other provisions) regarding technical and paraprofessional programs which are eligible for Federal financial support under the Vocational Amendments of 1968 shall be done in accordance with the provisions of the Kentucky State Plan for Vocational Education.

All contractual arrangements for postsecondary vocational education programs, services, and activities offered through area vocational schools and community colleges shall be in accordance with the Kentucky State Plan for Vocational Education and other pertinent rules and regulations of the State Board of Education.

Contractual arrangements for vocational-technical education programs, services, and activities offered through other postsecondary institutions, including technical institutes, colleges, and universities, shall be considered in accordance with the Kentucky State Plan for Vocational Education and other pertinent rules and regulations of the State Board of Education on an individual basis.

Office of the President
October 20, 1970

PR 5

Members, Board of Trustees:

1970-71 Budget Revisions

Recommendation: that the following revisions in the 1970-71 budget be authorized and approved.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. <u>Restricted Funds</u>			
1. Income estimates	\$ 3,256,150	\$ 3,295,650	\$ 39,500
2. Expenditures			
Student Aid			
Gifts and Grants for Scholarships	190,000	209,600	19,600
Agriculture Experiment Station			
Administration	-0-	1,500	1,500
Agricultural Economics	-0-	3,500	3,500
Agricultural Engineering	-0-	12,000	12,000
Agricultural Extension Service			
Agricultural Engineering	-0-	1,600	1,600
Engineering			
Metallurgical	6,800	8,100	<u>1,300</u>
			39,500

3. Comments - The proposed additional expenditures will be funded from increased income restricted to the purposes indicated above.

B. Auxiliary Funds

1. Income estimates 9, 543, 700 9, 567, 600 23, 900

2. Expenditures

Fraternity and Sorority Debt Service	195, 300	219, 200	23, 900
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3. Comments - Fraternities and Sororities make payments to the University from which debt service payments on the facilities they occupy are taken. This proposal would provide authorization to make these payments.

C. General Funds

1. Income estimates

Sales and Services	2, 275, 000	2, 283, 200	8, 200
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2. Expenditures

Student Aid Community Col- lege Scholar- ships	43, 100	51, 300	8, 200
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3. Comments - Community College Scholarships are supported from Vending Machine Income, and the proposed expenditure change is based on revised income from this source.

Action: Approved X Disapproved Other

Date: October 20 , 1970

Office of the President
October 20, 1970

PR 6

Members, Board of Trustees:

VICE PRESIDENT FOR BUSINESS AFFAIRS

Recommendation: that Mr. Lawrence Forgy be named Vice President for Business Affairs and Treasurer of the University of Kentucky, effective November 1, 1970.

Background: The recommendation that Mr. Lawrence Forgy be named Vice President for Business Affairs and Treasurer of the University of Kentucky has the unanimous endorsement of an Advisory Committee composed of three members of the Board of Trustees, a faculty member, an academic dean, and a student.

Mr. Forgy is eminently qualified through his experience and training to assume this important administrative position which has been filled on an acting basis since Mr. Kerley's resignation in 1969. It is, therefore, with pleasure that I recommend to the Board of Trustees his appointment as Vice President for Business Affairs and Treasurer of the University of Kentucky.

Action: Approved X Disapproved Other

Date: October 20 , 1970

Lawrence E. Forgy, Jr.
1103 Entrada Drive
Frankfort, Kentucky

Deputy Commissioner of Finance Department, Director of Budget,
Director of Fiscal Management

Former Attorney with the Joint Congressional Committee on Internal
Revenue Taxation

Former Attorney for the Federal Trade Commission

Member of American Bar Association, Federal Bar Association and has
been admitted to practice before the District of Columbia Bar and the
Court of Appeals for the District of Columbia

Graduated Lewisburg High School in 1957

Attended University of Kentucky
Graduate of George Washington University 1960
Majored in Economics and History
L.L.B. degree in 1963 George Washington University
Has completed extensive study for Master of Law in taxation

Born in Lewisburg, Kentucky, August 4, 1939

Married to the former Frances O. Anderson of Baton Rouge, Louisiana

One son, John Lawrence

One daughter, Catherine Anderson

Member of Delta Tau Delta Social Fraternity

Member of Board of Directors, Spindletop Research Center
Lexington, Kentucky

Member of the Baptist Church

Office of President
October 20, 1970

PR 7

Members, Board of Trustees:

LEAVE FOR DR. LYMAN V. GINGER

Recommendation: that the following Resolution be adopted:

RESOLUTION

Recitals:

A. Dr. Lyman Ginger, a member of the tenured faculty of the College of Education, has requested that he be granted a leave of absence without pay, beginning in February of 1971, for the purpose of seeking election to the office of Superintendent of Public Instruction.

B. In February of 1971, Dr. Ginger will have been employed at the University for twenty-seven years and seven months, having joined the faculty on September 1, 1943.

C. The Governing Regulations of the University of Kentucky, as adopted by the Board of Trustees in May, 1970, provide that:

"Like other citizens, faculty members are free to engage in political activities so far as they are able to do so within the law consistently with their obligations as teachers and scholars. When necessary, leaves of absence without pay may be given for the duration of an election campaign or a term of office provided that there has been a timely application for leave, and that the requested leave is limited to a reasonable period of time."

D. Dr. Ginger has requested that his leave of absence be granted for a maximum period of one year and five months from February, 1971, to July, 1972, with the privilege of returning to the faculty within that period of time if he so desires.

Page 2

NOW, THEREFORE, BE IT RESOLVED, that the President of the University is hereby authorized and directed to grant a leave of absence without pay to Dr. Lyman Ginger from February, 1971, until February, 1972, with the proviso that additional leave, not to exceed one year, will be granted to Dr. Ginger upon application.

Action: Approved X Disapproved Other

Date: October 20 , 1970

Finance Committee Report
October 20, 1970

FCR 1

Members, Board of Trustees:

INTERIM FINANCIAL REPORT

Recommendation: that the financial report for the two months ending August 31, 1970 be accepted.

Background: The August 31, 1970 report reflects income of \$24,172,399 for the period of the report; the income figure is 23.4% of the annual income estimate of \$103,083,733.

The expenditure and commitments represent a total of \$16,220,017 for this period of two months, or 15.7% of the expenditure authority of \$103,083,733 approved by the Board.

Action: Approved X Disapproved Other

Date: October 20 , 1970

UNIVERSITY OF KENTUCKY

Lexington, Kentucky

September 24, 1970

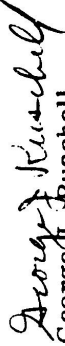
Office of Vice President
Business Affairs and Treasurer

Dr. Otis A. Singletary, President
University of Kentucky
Lexington
Kentucky

Dear Dr. Singletary:

The interim financial report of the University of Kentucky for the two months ended August 31, 1970 is submitted herewith. This is the first such report of the current fiscal year and is intended to set forth a complete and permanent record of the financial affairs of the University for the period covered

Respectfully submitted,


George J. Ruschell
Acting Vice President-
Business Affairs and Treasurer

University of Kentucky
Balance Sheet
August 31, 1970
With Comparative Figures for 1969

ASSETS

	<u>1970</u>	<u>1969</u> (see note)
Current Funds:		
Unrestricted:		
Cash in bank:		
Depository funds	\$ 727,663	\$ 1,080,284
Federal funds	103,674	567,571
Imprest funds	155,069	28,742
Total cash	<u>986,406</u>	<u>1,676,597</u>
State funds- unexpended balances:		
Trust and agency fund	3,051,298	4,696,344
General fund appropriation	4,588,964	3,472,372
Due from other funds and affiliated corporations	4,324,341	2,198,140
Accounts receivable	2,841,176	2,845,518
Notes receivable	71,190	71,190
Inventories	1,424,766	1,230,202
Unrealized income	<u>58,026,636</u>	<u>50,431,480</u>
Total unrestricted	<u>75,314,777</u>	<u>66,621,843</u>
Restricted:		
Cash in bank	455,419	1,199,504
Petty cash advances	339,052	342,311
Investments	6,530,091	5,102,000
Accounts receivable	43,711	166,538
Unrealized income	<u>1,897,547</u>	<u>1,849,739</u>
Total restricted	<u>9,265,820</u>	<u>8,660,092</u>

University of Kentucky
Balance Sheet
August 31, 1970
With Comparative Figures for 1969

LIABILITIES AND FUND BALANCES

	<u>1970</u>	<u>1969</u> (see note)
Current Funds:		
Unrestricted:		
Outstanding encumbrances	\$ 3,480,744	\$ 3,785,814
Accounts payable-county funds	29,188	9,897
Due to Federal government	231,025	195,448
Advance from state for imprest cash fund	650,000	650,000
Deferred income	2,333,315	1,330,397
Unencumbered balance, departmental appropriations	64,318,907	55,286,043
Fund balances allocated:		
Reserve for inventories	1,049,230	987,009
Reserve for notes receivable	71,190	71,190
Workmen's Compensation payments	19,626	
Future operating purposes	1,414,016	974,756
Fund balances-unallocated	<u>1,717,536</u>	<u>3,331,289</u>
Total unrestricted	<u>75,314,777</u>	<u>66,621,843</u>
Restricted:		
Outstanding encumbrances	19,162	24,782
Due to other funds and affiliated corporations	4,681,138	3,466,998
Outstanding check liability	21,560	13,171
Undistributed collections and clearing	1,905,062	2,959,459
Unencumbered balance, departmental appropriations	1,836,657	1,346,343
Fund balances	<u>802,241</u>	<u>849,339</u>
Total restricted	<u>9,265,820</u>	<u>8,660,092</u>

University of Kentucky
Balance Sheet
August 31, 1970
With Comparative Figures for 1969

ASSETS

	<u>1970</u>	<u>1969</u> (see note)
Hospital and clinics:		
Cash in bank-depository funds	\$ 1,459,240	\$ 809,991
State funds-unexpended balances:		
Trust and agency funds	430,156	260,073
Accounts receivable, net of allowance for doubtful accounts	2,367,045	1,601,630
Inventories	348,867	253,246
Unrealized income	<u>10,100,956</u>	<u>8,874,660</u>
Total hospital and clinics	<u>14,706,264</u>	<u>11,799,600</u>
Housing and dining system:		
Cash in bank	36,483	1,836,049
Due from other funds and affiliated corporations	1,226,167	296,628
Accounts receivable	341,900	383,579
Inventories	715,641	636,253
Prepaid expenses	514,569	372,419
Accrued interest income	<u>13,907</u>	<u>14,827</u>
Total housing and dining system	<u>2,848,667</u>	<u>3,539,755</u>
Auxiliary enterprises:		
Cash in bank	14,037	38,110
Due from other funds and affiliated corporations	698,111	852,151
Accounts receivable	38,461	27,824
Inventories	317,714	245,556
Unrealized income	<u>1,710,203</u>	<u>1,624,704</u>
Total auxiliary enterprises	<u>2,778,526</u>	<u>2,788,345</u>
TOTAL CURRENT FUNDS	<u>\$104,914,054</u>	<u>\$93,409,635</u>

University of Kentucky
Balance Sheet
August 31, 1970
With Comparative Figures for 1969

LIABILITIES AND FUND BALANCES

	<u>1970</u>	<u>1969</u> (see note)
Hospital and clinics:		
Outstanding encumbrances	\$ 300,077	\$ 124,953
Due to other funds	53,130	5,488
Unexpended balance, departmental appropriations	11,723,701	9,966,993
Fund balances-allocated:		
Reserve for inventories	366,932	350,686
Reserve for accounts receivable	<u>2,262,424</u>	<u>1,351,480</u>
Total hospital and clinics	<u>14,706,264</u>	<u>11,799,600</u>
Housing and dining system:		
Accrued wages	39,074	78,953
Accounts payable	124,978	162,209
Accrued expenses		8,376
Deferred income	1,308,115	1,999,070
Fund balances:		
Funds for renewals and replacements	1,108,943	916,637
Allocated for future operating purposes	<u>267,557</u>	<u>374,510</u>
Total housing and dining system	<u>2,848,667</u>	<u>3,539,755</u>
Auxiliary enterprises:		
Outstanding encumbrances	163,824	151,651
Unencumbered balance, departmental appropriations	1,914,558	1,996,830
Fund balances:		
Reserve for inventories	317,714	245,566
Funds for renewals and replacements	21,729	
Allocated for future operating purposes	<u>360,701</u>	<u>394,308</u>
Total auxiliary enterprises	<u>2,778,526</u>	<u>2,788,345</u>
TOTAL CURRENT FUNDS	<u>\$104,914,054</u>	<u>\$93,409,635</u>

University of Kentucky

Balance Sheet

August 31, 1970

With Comparative Figures for 1969

LIABILITIES AND FUND BALANCES

	1970	1969 (see note)
Loan Funds:		
Due to other funds	\$ 12,989	\$ 140,725
Federal sponsored loan funds:		
Federal government	4,339,242	3,803,575
University matching funds	392,804	357,637
Accumulated interest income	146,123	101,837
Total Federal sponsored loan funds	<u>4,878,169</u>	<u>4,263,049</u>
University loan funds:		
University student loan funds	42,229	33,632
University special student loan funds	64,795	61,825
United Student Aid loan fund	2,000	2,000
Total University loan funds	<u>109,024</u>	<u>97,457</u>
TOTAL LOAN FUNDS	<u>\$ 5,000,182</u>	<u>\$ 4,501,231</u>
Endowment Funds:		
Funds balances	\$ 814,730	\$ 752,404
TOTAL ENDOWMENT FUNDS	<u>\$ 814,730</u>	<u>\$ 752,404</u>
Plant Funds:		
Unexpended plant funds:		
Outstanding encumbrances	\$ 8,332,022	\$ 11,560,038
Due to Commonwealth of Kentucky	1,986,137	4,291,246
Notes payable	30,410,966	49,500,000
Appropriations-unencumbered balances	11,929,352	25,043,024
University equity in projects	<u>46,491,476</u>	<u>24,346,722</u>
Total unexpended plant funds	<u>\$ 99,149,953</u>	<u>\$ 114,741,030</u>

University of Kentucky
Balance Sheet
August 31, 1970
With Comparative Figures for 1969

ASSETS

	<u>1970</u>	<u>1969</u> (see note)
Retirement of indebtedness funds:		
Cash on deposit with State Treasurer	\$ 379,006	\$ 91,173
Unrealized income	<u>7,113,592</u>	<u>3,034,529</u>
Total retirement of indebtedness funds	<u>7,492,598</u>	<u>3,125,702</u>
Sinking funds:		
Cash on deposit with Trustee	42,629	39,966
Investments held by Trustee	<u>10,311,563</u>	<u>10,449,683</u>
Total sinking funds	<u>10,354,192</u>	<u>10,489,649</u>
Invested in plant:		
Land	5,711,982	5,541,233
Buildings	148,547,550	122,637,876
Equipment	<u>36,071,744</u>	<u>32,650,851</u>
Total invested in plant	<u>190,331,276</u>	<u>160,829,960</u>
TOTAL PLANT FUNDS	<u>\$ 307,328,019</u>	<u>\$ 289,186,341</u>
Agency Funds:		
Cash in bank	\$ 5,954	\$ 1,354
Due from other funds	<u>799,469</u>	<u>1,010,410</u>
TOTAL AGENCY FUNDS	<u>\$ 805,423</u>	<u>\$ 1,011,764</u>

Note: Certain reclassifications have been made with respect to the figures for 1969 for the purpose of comparability.

University of Kentucky
Balance Sheet
August 31, 1970
With Comparative Figures for 1969

LIABILITIES AND FUND BALANCES

	<u>1970</u>	<u>1969</u> (see note)
Retirement of indebtedness funds:		
Unexpended balances, debt service	\$ 7,113,592	\$ 3,046,734
Funds balances	<u>379,006</u>	<u>78,968</u>
Total retirement of indebtedness funds	<u>7,492,598</u>	<u>3,125,702</u>
Sinking funds:		
Bonds payable	4,908,000	5,120,000
Funds balances	<u>5,446,192</u>	<u>5,369,649</u>
Total sinking funds	<u>10,354,192</u>	<u>10,489,649</u>
Invested in plant:		
Notes payable	14,689,034	
Bonds payable	51,853,500	47,138,000
Due to other funds	400,000	400,000
Net investment in plant	<u>123,388,742</u>	<u>113,291,960</u>
Total invested in plant	<u>190,331,276</u>	<u>160,829,960</u>
TOTAL PLANT FUNDS	<u>\$307,328,019</u>	<u>\$289,186,341</u>
Agency Funds:		
Agency funds balances	<u>\$ 805,423</u>	<u>\$ 1,011,764</u>
TOTAL AGENCY FUNDS	<u>\$ 805,423</u>	<u>\$ 1,011,764</u>

University of Kentucky
Statement of Changes in Fund Balances-Current Funds
Two Months Ended August 31, 1970

	Unallocated	Allocated for Future	Operating Purposes	Restricted	Hospital and Clinics	Housing and Dining System Funds for Renewals and Auxiliary Replacements Enterprises
Balances, July 1, 1970	\$1,936,068	\$4,219,416	\$	802,241	\$2,262,424	\$1,155,667
						\$ 979,558
Allocations:						
Current operations			(2,805,400)			
Prior year encumbrances	(219,257)					
Expended						(46,724)
Parking account						(511,855)
Renovation of furniture and fixtures						(107,002)
Adjustments of prior year expenditures - net	725					
Balances, August 31, 1970	\$1,717,536	\$1,414,016	\$	802,241	\$2,262,424	\$1,108,943
						\$ 360,701

University of Kentucky
Summary of Current Funds Revenues and Appropriated Balances
Two Months Ended August 31, 1970
With Comparative Figures for 1969

Two Months Ended August 31, 1969 (see note)				Two Months Ended August 31, 1970			
Estimated for the Year	Realized To Date	%Realized	Fund and Source	Estimated for the Year	Realized to Date	% Realized	
<u>Unrestricted:</u>							
\$ 8,219,900	\$ 2,103,403	25.6	Student fees	\$ 9,424,900	\$ 728,681	7.8	
47,524,036	12,379,026	26.0	State appropriations	53,132,840	14,343,143	27.0	
5,250,610	714,931	13.6	Federal appropriations	5,841,100	672,208	11.6	
707,701	118,241	16.8	County appropriations	776,100	107,850	13.9	
152,400	8,700	5.7	Endowment and trust fund income	181,200	8,700	4.8	
			Gifts and grants (includes grants from affiliated corporations)	2,609,100	40,702	1.6	
2,349,000	29,489	12.1	Sales, services, and other income	2,275,000	312,320	13.7	
2,014,667	433,043	21.5	Unallocated fund balances appropriated	3,024,657	3,024,657	100.0	
2,157,216	2,157,216	100.0	Total unrestricted	77,264,897	19,238,261	24.9	
68,375,530	17,944,049	26.2					
1,916,604	66,865	34.9	Restricted	2,276,239	378,692	16.6	
<u>Hospital and clinics:</u>							
4,383,063	1,153,064	26.0	State appropriations	4,297,160	1,154,257	26.8	
6,723,460	1,078,799	16.1	Hospital earned income- net	9,082,900	2,124,847	23.3	
202,128	202,128	100.0	Unrestricted fund balances appropriated				
11,308,651	2,433,991	21.5	Total hospital and clinics	13,380,060	3,279,104	24.5	
7,332,634	653,926	8.9	Housing and dining system	7,656,193	480,201	6.2	
2,547,351	922,647	36.2	Auxiliary enterprises	2,506,344	796,141	31.8	
<u>TOTAL CURRENT FUNDS REVENUES AND APPROPRIATED BALANCES</u>				<u>\$103,083,733 \$ 24,172,399 23.4</u>			
<u>\$91,480,770</u>	<u>\$ 22,021,478</u>	<u>24.1</u>					

Note: Certain reclassifications have been made to the figures for the two months ended August 31, 1969 for the purpose of comparability.

University of Kentucky
Summary of Current Funds Expenditures
Two Months Ended August 31, 1970
With Comparative Figures for 1969

Two Months Ended August 31, 1969			Two Months Ended August 31, 1970		
Appropriation for the Year	Expended to Date	% Encumbered	Appropriation for the Year	Expended to Date	% Encumbered
Unrestricted:			Unrestricted:		
\$25,980,457	\$ 4,463,349	17.1	\$28,543,556	\$ 4,641,372	16.3
6,173,497	971,960	15.7	6,172,962	943,880	15.3
479,666	577,757	120.4	636,085	605,279	95.1
1,192,317	468,608	39.3	545,512	63,877	11.7
6,236,043	1,452,859	23.3	6,134,309	1,250,304	20.4
1,830,818	757,979	41.4	2,038,022	764,944	37.5
8,016,238	1,314,317	16.4	8,914,893	1,513,076	16.9
4,671,333	1,028,222	22.01	4,688,721	1,225,586	26.1
400,000	80,000	20.	300,000	37,699	12.5
14,433	14,433	100.0			
2,577,256	413,178	16.3	2,839,460	460,861	16.2
2,364,355	408,962	17.3	2,485,361	441,918	17.7
4,379,900	635,418	14.5	4,932,200	590,386	11.9
1,835,823	366,889	19.9	1,961,803	247,438	12.6
116,707	83,999	72.	107,812	61,389	56.9
1,400,000			4,531,100		
206,751	51,557	24.9	808,660	97,981	12.1
499,936			1,624,441		
68,375,530	13,089,487	19.1	77,264,897	12,945,990	16.7
			Total unrestricted		

University of Kentucky
Summary of Current Funds Expenditures
Two Months Ended August 31, 1970
With Comparative Figures for 1969

Two Months Ended August 31, 1969			Two Months Ended August 31, 1970		
Appropriation	Expended or	% Expended	Appropriation	Expended or	% Expended or
for the	Encumbered or Encumbered		for the	Encumbered	Encumbered
Year	to Date	to Date	Year	to Date	to Date
Fund and Function			Fund and Function		
Restricted:			Restricted:		
\$ 361,833	58,946	16.2	Departments of instruction and research	\$ 671,382	\$ 49,958 7.4
87,013	18,446	21.2	Organized research	89,916	20,205 22.5
12,650			Libraries	13,820	9 .1
429,605	165,367	38.5	Extension and public service	323,405	22,883 7.1
1,194	223	18.6	General administration	19,872	814 4.9
56,800			Student services	30,000	
94,840	11,506	12.1	General institutional services	89,016	37,850 42.5
872,669	315,772	36.1	Student aid	1,038,828	307,863 29.6
1,916,604	570,260	29.8	Total restricted	2,276,239	439,582 19.3
11,308,651	1,341,658	11.6	Hospital and clinics	13,380,060	1,656,359 12.4
7,332,634	627,738	8.6	Housing and dining system	7,656,193	586,300 7.7
2,547,351	550,521	21.6	Auxiliary enterprises	2,506,344	591,786 23.6
TOTAL CURRENT FUNDS			TOTAL CURRENT FUNDS		
\$91,480,770	16,179,664	17.7	EXPENDITURES	\$103,083,733	\$16,220,017 15.7

ote: Certain reclassifications have been made to the figures for the two months ended August 31, 1969 for the purpose of comparability.

Schedule of Changes in Unrestricted Fund and
Hospital Estimated Income
For the Two Months Ended August 31, 1970

	Interim		Adjusted
	Original	Adjustments	Budget
Unrestricted Fund:	Budget	August	August 31, 1970
Student fees	\$ 9,415,200	\$ 9,700	\$ 9,424,900
State appropriations	53,132,840		53,132,840
Federal appropriations	5,841,100		5,841,100
County appropriations	776,100		776,100
Endowment and trust fund income	181,200		181,200
Gifts and grants	2,535,400	73,700	2,609,100
Sales, services and other income	2,275,000		2,275,000
Unallocated fund balances appropriated	2,805,400	219,257	3,024,657
Total Unrestricted	<u>\$ 76,962,240</u>	<u>\$ 302,657</u>	<u>\$ 77,264,897</u>
Hospital and Clinics:			
State appropriations	\$ 4,297,160		\$ 4,297,160
Hospital income	<u>9,082,900</u>		<u>9,082,900</u>
Total Hospital and Clinics	<u>\$ 13,380,060</u>		<u>\$ 13,380,060</u>

Schedule of Changes in Unrestricted Fund
and Hospital Expenditure Appropriations
For the Two Months Ended August 31, 1970

Original budget	\$ 90,342,300
Increases as approved by Board of Trustees:	
August	83,400
Allotments for encumbrances (total of \$ 400,000 approved in August)	<u>219,257</u>
Total per Report	<u>\$ 90,644,957</u>

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

	Board Approved	Estimated Project Cost	Alloiment	Expenditures and Encumbrances	Balance of Allotment
Main Campus-					
1. Consolidated Educational Bonds C & D-PR 9- Classroom-Office Building 128 and 129	\$12,700,000	\$12,700,000	\$12,581,302	\$11,918,856	\$ 662,446
Lab Office Bldg-Ag Science II	4,000,000	5,391,679			
Animal Nutrition Barn Improvements-745			5,000	3,720	1,280
Agricultural Sciences-Lab Bldg. No. 2-749			5,386,679	5,136,625	250,054
Subtotal	4,000,000	5,391,679	5,391,679	5,140,345	251,334
Appurtenant Facilities-Parking Structures-916	4,200,000	3,906,009	3,898,872	3,753,679	145,193
Appurtenant Facilities-Utilities	4,050,000	4,916,519			
Medical Center-Relocation of Cooling Tower-302			1,794,413	83,458	1,710,955
Electrical Substation No. 2-Central Campus-919			739,298	702,153	37,145
Cooling Plant No. 2 Central Campus-920			1,242,138	1,184,592	57,546
Central Heating Plant- Aux. Equipment-921			443,774	426,304	17,470
Utility Distribution System-935			382,688	367,284	15,404
Cooling Plant No. 1-Expansion-942			632,625	35,375	597,250
Subtotal	4,050,000	4,916,519	5,234,936	2,799,166	2,435,770
Appurtenant Facilities- UK Phy Ed & Recreation	275,000	253,028	closed project		
Appurtenant Facilities-Ingress & Egress	351,000	167,158	closed project		
Appurtenant Facilities-Permanent Surfacing Parking	185,000	413,214			
Surface Parking, Lighting and Landscaping-936			310,901	291,454	19,447
Surface Parking-Harrison & Euclid Aves. -963			61,468	61,071	397
Subtotal	185,000	413,214	372,369	352,525	19,844
Appurtenant Facilities-Pedestrian Access and Light -937	275,000	345,598	345,598	328,689	16,909
Lab Office & Studio Facilities-University Wide	2,500,000	1,705,800			
Arts Building for Metal Casting- 601			109,828	100,991	8,837
Prefabricated Research Laboratories- Phase I-934			1,595,972	1,546,168	49,804
Subtotal	2,500,000	1,705,800	1,705,800	1,647,159	58,641

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

1. continued	Board Approved	Estimated Project Cost	Allotment Encumbrances	Expenditures and	Balance of
Complete Interior Reconstruction-Memorial Hall-930	\$ 400,000	\$ 458,103	\$ 437,348	\$ 424,494	\$ 12,854
Substantial Interior Reconstruction-Portion Library					
Service Building-924	300,000	472,708	472,708	437,648	35,060
Appurtenant Facilities-Site Preparation	499,000	480,490			
Veterans Administration Hospital Site-Preparation			427,490	414,412	13,078
and Clearance-941			64,028	57,140	6,888
Veterans Administration Hospital-Connecting Bridge-943			491,518	471,552	19,966
Subtotal					
Total	29,735,000	31,210,306	30,932,130	27,274,113	3,658,017
Contingency	2,500,000	4,822,927			
Legal, Administrative & Interest Expense-900	3,891,914	4,923,648	4,923,648	4,923,648	
Clearing-900			2,272,825		2,272,825
Total	36,126,914	40,956,881	38,128,603	32,197,761	5,930,842

Source of Funds:	
Title I Grant	\$ 1,445,356
Title II Grant	1,129,070
Title III Loan (Series C)	4,290,000
Series D Bonds	28,995,000
Special State Capital	
Construction	578,000
State Capital Construction	
Funds	500,000
Veterans Administration	679,544
University Fund Balances	149,000
Interest Earned on Bonds	2,964,931
Housing and Dining	225,980
	<u>\$40,956,881</u>

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

	Board Approved	Estimated Project Cost	Allotment	Expenditures and Encumbrances	Balance of Allotment
Main Campus-					
2. Consolidated Educational Bonds (not assigned) PR 10 and 11-					
Lab Office Building-Biological Sciences-Phase I-940	\$ 10,000,000	\$ 11,378,000	\$ 156,587	\$ 120,625	\$ 35,962
Addition to Margaret I. King Library-928	4,100,000	4,100,000	155,000	132,863	22,137
Computer Facilities (cancelled) -962	2,800,000	9,999	20,500	6,208	14,292
Medical Center-New Construction and Renovation	8,500,000	8,500,000			
Addition of 2 Floors-301			10,000	10,000	
Handicapped Children's Center-939			10,000	10,000	
Patient Care Services- 307			7,000	5,000	2,000
Total	25,400,000	23,987,999	359,087	284,696	74,391

<u>Source of Funds:</u>	
General Obligation Bonds	\$ 359,087
Unissued Bonds and Grants	23,628,912
	<u>\$23,987,999</u>

Other Projects (FCR 2 5/5/70)					
1. Health Physical Education & Recreation Bldg. 968	2,500,000	2,500,000	19,500	6,666	12,834
2. Laboratory-Office Facilities 967	2,300,000	2,300,000	4,000	2,000	2,000
3. Unallocated		1,018,000	1,732,001		1,732,001
Total	4,800,000	5,818,000	1,755,501	8,666	1,746,835

<u>Source of Funds:</u>	
Series D Bonds	\$ 3,327,929
State Capital Construction	200,000
UK Fund Balances	100,000
Old Series B Bonds	400,000
General Obligation	<u>1,790,071</u>
	<u>\$ 5,818,000</u>

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

	Board Approved	Estimated Project Cost	Allotment	Expenditures and Encumbrances	Balance of Allotment
Main Campus-					
3. Non-Recurring Maintenance Items FCR-6-					
Roof Repairs- J. L. Wing Engr. Bldg. -Anderson Hall-922	\$ 42,000	33,764	16,577	15,349	1,228
Air Conditioning-Bowman, Bradley, Breckinridge and Kinkead-138	387,410	387,410	387,410	370,834	16,576
Centrex-Conduit for Medical Center-321	60,000	55,309	55,309	52,071	3,238
Roof and Masonry Repairs-Administration Bldg.		35,923			
Masonry Repairs Administration-965		24,077	24,077	22,391	1,686
Subtotal	60,000	60,000	24,077	22,391	1,686
Roof Repairs-McVey Hall	15,000	15,000			
McVey Hall-Roof Repairs-38404			5,000	5,000	
McVey Hall-Gutter Repairs-38392			10,000	10,000	
Subtotal	15,000	15,000	15,000	15,000	
Acoustic Ceiling-Erikson Hall	15,000	5,000			
Erikson Hall-Tile Ceiling 1st Floor-38439			5,000	5,000	
Subtotal	15,000	5,000	5,000	5,000	
Renovation Taylor Education Bldg. -117	121,000	171,000	26,198	5,677	20,521
Campus Wide Electrical Renovation	210,000	210,000	20,750	20,750	
Electrical-Fine Arts-38444	9,000	9,000	9,000	9,000	
Plumbing-Taylor Education Bldg. -38394	8,000	8,000	8,000	8,552	(552)
Heating-Alumni Gym-38395	3,000	3,000	3,000	1,377	1,623
Plumbing-Reynolds 1 (Sprinkler System)-38396	9,000	9,000	9,000	9,000	
Hardware	20,000	20,000			
Alumni Gym and Taylor Bldg. -38428			10,000	10,000	
Animal Pathology Bldg. & Home Economics Bldg. - 38429			10,000	10,000	
Subtotal	20,000	20,000	20,000	20,000	
Roof Repairs-Administration Annex-969	8,000	16,236	16,236	14,760	1,476
Total	907,410	1,002,719	615,557	569,761	45,796

Source of Funds:

Fund Balances-Special Appropriation	\$ 900,000
Fund Balances-Special Appropriation	300,000
Closed Projects	(197,281)
	<u>\$ 1,002,719</u>

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

Main Campus -
4. State Capital Construction Funds-FCR-3
Agricultural Regulatory Services Facilities-745
Community Medicine Facility-Mycology and
Animal Tuberculosis-322
Renovation of Engineering Quadrangle-III
Development of Intramural Fields-118
Renovation for Neurosurgery-960
Contingency
Undistributed (not allotted to specific projects)-400

Total

Source of Funds:

Board Action FCR-3 \$ 1,853,500
Transferred to Ag. Science
Building II (500,000)
Shown on Community College
Schedule (259,500)
Transferred to New Facilities
from FCR 2 (200,000)

\$ 894,000

	Board Approved	Estimated Project Cost	Allotment	Expenditures and Encumbrances	Balance of Allotment
Canceled					
\$ 100,000 \$	100,000 \$	7,000 \$	6,031 \$	969	
250,000	250,000	25,436	22,567	2,869	
250,000	250,000	40,845	38,900	1,945	
220,000	294,000	280,713	267,226	13,487	
3,500		703,770		703,770	
	823,500	894,000	1,057,764	334,724	723,040

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

	Board Approved	Estimated Project Cost	Allotment	Expenditures and Encumbrances	Balance of Allotment
Main Campus-					
5. Major Improvements-PR 6-Misc. Construction					
Substantial-Interior Reconstruction Portions Agr. Science					
Building-Small Animal Lab to Tobacco Health and					
Research-319	\$ 162,000	\$ 220,813	\$ 255,311	\$ 220,813	\$ 34,498
Substantial Interior Reconstruction Portions Anderson					
Hall (Engr. Quadrangle)-922	136,500	137,769	138,009	137,769	240
Minor Interior Changes & Major Mech & Electrical					
Highway Materials Research Lab (Graham Avenue)-932	150,000	213,060	225,405	215,073	10,332
Subtotal PR 6	448,500	571,642	618,725	573,655	45,070
Purchase of Computer (FCR 2-12/9/69)-103	2,007,344	2,007,344	2,007,344	2,007,344	
Demolition of Houses -107		58,262	58,262	53,700	4,562
Flammable Storage Buildings-101		51,000	50,931	46,607	4,324
Total	2,455,844	2,688,248	2,735,262	2,681,306	53,956

Source of Funds:	
Fund Balances	\$ 1,826,312
General Obligation Bonds	776,527
KRF Grant (Aero Res. Lab)	32,000
USDA Grant	53,409
	<u>\$ 2,688,248</u>

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

	Board Approved	Estimated Project Cost	Allotment	Expenditures and Encumbrances	Balance of Allotment
\$	293,475 \$	293,475 \$	293,475	\$	293,475
		78,962	78,962 \$	72,601	6,361
		48,163	48,163	46,400	1,763
		2,500	2,500	1,000	1,500
		70,000	7,000	7,000	
		56,432	56,432	57,072	(640)
	200,000	200,000	203,500		203,500
	493,475	749,532	690,032	184,073	505,959

Main Campus-
6. Others-
Coldstream Research Feed & Processing Center-746
South Farm Horticulture-Storage and Research-750
Miscellaneous Parking Construction-964
Ag. Service-Agronomy Seed & Lab-928
Closed Circuit TV (Engr. & Commerce Bldgs)-966
Fire Escape-Jewell & Reynolds-905
Construction New Parking Lots-970

Total

Source of Funds:	
Fund Balances	\$ 75,500
General Obligation Bonds	39,661
Auxiliary Services	248,163
State Fire and Tornado Fund	134,932
Transferred from PR-6	11,773
70-71 Renovation Funds	75,000
U. S. D. A. Grants	164,503
	<u>\$ 749,532</u>

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

		Board Approved	Estimated Project Cost	Expenditures and Allotment Encumbrances	Balance of Allotment
Main Campus					
6. Continued					
Property Acquisitions-135					
Source of Funds:					
General Obligation Bonds					
Fund Balances					
Proceeds from Sales					
			\$ 3,179,056	\$ 3,092,466	\$ 86,590
Completed Projects (Medical Center- Hill Burton)			111,513		111,513
Housing and Dining Complex			105,641	49,889	55,752
Minor Construction			1,180,029	644,573	535,456
Undistributed Portion of Fund Balances, etc.			263,943		263,943

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

	Board Approved	Estimated Project Cost	Allotment	Expenditures and Encumbrances	Balance of Allotment
Community Colleges-					
7. Consolidated Education Bonds-Series A & B-Elizabethtown	\$ 1,613,687	\$ 1,613,687			
Elizabethtown (Equipment) -504			\$ 143,062	\$ 141,911	\$ 1,151
Elizabethtown-Preliminary Development Plans-510			9,250	9,025	225
Elizabethtown Academic Facilities-525			1,627,937	1,554,074	73,863
Subtotal	1,613,687	1,613,687	1,780,249	1,705,010	75,239
Jefferson					
Phase I-547	1,236,252	1,391,252	1,365,101		26,151
Phase II-534	3,966,327	3,691,327	3,488,550		202,777
Phase III-535					
Utilities Tunnel-549	427,882	427,882	406,841		21,041
Subtotal	5,689,684	5,630,461	5,510,461	5,260,492	249,969
Henderson-529	1,239,861	1,239,861	1,254,861	1,213,222	41,639
Prestonsburg					
Prestonsburg (Equipment)-505	1,702,199	1,702,199	158,020	157,211	809
Preliminary Development Plans & Restudy			12,897	12,597	300
Academic Facilities-541			2,001,737	1,625,181	376,556
Subtotal	1,702,199	1,702,199	2,172,654	1,794,989	377,665
Hopkinsville					
Academic Facilities-531	774,302	774,302	774,302	743,443	30,859
Subtotal	774,302	774,302	774,302	743,443	30,859
Hopkinsville (Old Series B Bonds)-508	223,620	223,620	1,219,593	1,219,593	
Southeast Educational TV-521			1,000		1,000
Henderson Educational TV-552			1,000		1,000
Prestonsburg Educational TV-553			1,000		1,000

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

	Board Approved	Estimated Project Cost	Allotment	Expenditures and Encumbrances	Balance of Allotment
7. Continued					
Somerset	\$ 837,776	\$ 867,776			
Preliminary Development Plans-512		\$ 9,675	\$ 9,450	\$ 9,450	\$ 225
Academic Facilities-543			837,776	792,853	44,923
Subtotal	837,776	867,776	847,451	802,303	45,148
**	176,380	176,380	907,699	873,958	33,741
Somerset (Old Series B Bond)-506					
Hazard	1,747,560	1,838,786			
Preliminary Development Plans-507			11,427	10,427	1,000
Academic Facilities-527			1,838,786	1,758,983	79,803
Subtotal	1,747,560	1,838,786	1,850,213	1,769,410	80,803
Madisonville-550	12,000	12,000	12,000	11,401	599
Maysville	1,900,379	1,900,379			
Preliminary Development Plans-536			10,100	9,450	650
Academic Facilities-537			1,880,061	1,801,843	78,218
Subtotal	1,900,379	1,900,379	1,890,161	1,811,293	78,868
Southeast	1,010,684	1,010,684			
Preliminary Development Plans-515			10,593	10,593	
Academic Facilities-545			1,018,684	988,367	30,317
Subtotal	1,010,684	1,010,684	1,029,277	998,960	30,317
Ashland Phase I	3,461,770	3,461,770			
Preliminary Development Plans-517			12,436	12,436	
Academic Facilities-523			3,461,770	3,282,492	179,278
Subtotal	3,461,770	3,461,770	3,474,206	3,294,928	179,278
Ashland Phase II-524	7,500	7,500	7,500	5,000	2,500
Movable Buildings-548	677,875	738,230	437,271	420,003	17,268

University of Kentucky
Schedule of Unexpended Plant Funds
For the Two Months Ended August 31, 1970

	Board	Estimated	Project Cost	Allotment	Expenditures and	Balance of
	Approved				Encumbrances	Allotment
\$ 997,295 \$	774,912 \$	774,912 \$	774,912 \$	774,912 \$	774,912	
	1,842,260		505,849		\$	505,849
22,072,572	23,814,807	24,451,659	22,698,917	1,752,742		

7. Continued
Legal, Administrative, & Interest Expenses-500
Community College Bond Issue-500-730

Total

* Total for Phase I and Phase II Utility Tunnel

<u>Source of Funds:</u>	
Title I Grant	\$ 6,370,577
Bonds Series A	12,200,000
Bonds Series B	4,489,000
Est. Interest Earned	240,667
Norton Memorial Hospital	95,063
Madisonville Reserve	12,000
Advance from T & A	7,500
	<u>\$23,814,807</u>

Other Projects:

Educational Television-Community Colleges-518
Dorm Facilities-Wood Utilization Center-Quicksand -109
Somerset Amphitheater-502

Total

Source of Funds:
State Capital Construction Funds \$ 259,500

GRAND TOTAL OF SCHEDULE

\$93,329,715 \$100,171,686 \$74,904,880 \$62,975,528 \$11,929,352

University of Kentucky
Schedule of Retirement of Indebtedness Funds
For the Two Months Ended August 31, 1970

<u>Income:</u>	<u>Estimated</u>	<u>Realized</u>	<u>% Realized</u>
Debt service charged to:			
Unrestricted funds	\$ 5,284,694		
Housing and dining system	1,660,143		
Auxiliary enterprises	<u>188,579</u>	<u>\$ 19,824</u>	<u>10.5%</u>
 TOTAL RETIREMENT OF INDEBTEDNESS FUNDS	 <u>\$ 7,133,416</u>	 <u>19,824</u>	 <u>.3%</u>
	<u>Appropriated</u>	<u>Expended</u>	<u>% Expended</u>
Debt Service:			
Chi Omega	\$ 3,288		
Alpha Delta Pi	15,411		
Dorms A, B, C, D, E, and F.	39,175		
Dorms G, H, I, J, K. and L.	51,495		
Phi Delta Theta	8,310		
Delta Delta Delta	6,225		
Alpha Tau Omega	8,430		
Consolidated Educational Buildings-Series A	504,796		
Community Colleges Educational Buildings-Series A	1,085,000		
Consolidated Educational Buildings-Series C	295,021		
Consolidated Educational Buildings-Series D	2,693,112		
Consolidated Educational Buildings-Series B	463,427		
Alpha Gamma Rho and Sigma Chi	16,245		
Community Colleges Educational Buildings-Series B	243,337		
Student Housing Bonds of 1964	40,000	\$ 19,824	49.6%
Housing and Dining System Revenue Bonds-Series A-I	<u>1,660,144</u>		
 TOTAL RETIREMENT OF INDEBTEDNESS FUNDS	 <u>\$ 7,133,416</u>	 <u>\$ 19,824</u>	 <u>.3%</u>

University of Kentucky
Schedule of Sinking Funds
August 31, 1970

Housing and Dining System Bond and Interest Fund	\$ 1,701,641
Housing and Dining System Repair and Maintenance Reserve	752,487
Bowman, Keeneland, Cooperstown, Blazer and Student Union Future Interest Fund	1,180,325
Consolidated Educational Buildings-Series A-Bond and Interest Fund	603,218
Consolidated Educational Buildings-Series B-Bond and Interest Fund	602,190
Community Colleges Educational Buildings-Series A-Bond and Interest Fund	83,130
Community Colleges Educational Buildings-Series B- Bond and Interest Fund	56,099
Housing Bond of 1960-Debt Service Reserve	41,294
Housing Bond of 1960-Maintenance Reserve	17,082
Student Housing Bonds of 1964-Debt Service Reserve	90,110
Community Colleges Educational Buildings-Series A-Bond and Interest Fund-Escrow Account	120,720
Community Colleges Educational Buildings-Series B- Bond and Interest Fund-Escrow Account	138,670
Consolidated Educational Buildings-Series C-Bond and Interest Fund	<u>59,226</u>
 TOTAL SINKING FUNDS	 <u>\$ 5,446,192</u>

University of Kentucky
Summary of Other Funds Transactions
For the Two Months Ended August 31, 1970

	<u>Balances</u>		<u>Receipts</u>	<u>Expenditures</u>	<u>Balances</u>
<u>Loan Funds:</u>	July 1, 1970				August 31, 1970
Federal sponsored loan funds:					
Federal government	\$ 4,279,205	\$	60,037		\$ 4,339,242
University of Kentucky	391,415		1,389		392,804
Accumulated interest income	141,199		4,924		146,123
University loan funds:					
University student loan funds	40,730		1,499		42,229
University special student loan fund	64,380		415		64,795
United Student Aid. loan fund	2,000				2,000
	<u>\$ 4,918,929</u>	<u>\$</u>	<u>68,264</u>		<u>\$ 4,987,193</u>
TOTAL LOAN FUNDS					
<u>Endowment Funds:</u>					
	<u>\$ 814,716</u>	<u>\$</u>	<u>14</u>		<u>\$ 814,730</u>
TOTAL ENDOWMENT FUNDS					
<u>Agency Funds:</u>					
	<u>\$ 758,331</u>	<u>\$</u>	<u>1,354,021</u>	<u>\$ 1,306,929</u>	<u>\$ 805,423</u>
TOTAL AGENCY FUNDS					

Finance Committee Report
October 20, 1970

FCR 2

Members, Board of Trustees:

Authorization for Cremation of Paid Bonds and Coupons

Recommendation: that the Board of Trustees authorize Mr. Clay Maupin, Assistant Treasurer, and Mr. Henry Clay Owen, Controller, to check the attached list of paid and cancelled bonds and coupons returned from Paying Agents from January 1, 1970, through June 30, 1970, to destroy these documents by burning in the incinerator of the Medical Center and to certify as to the correctness of the list and as to its incineration.

Background: the attached schedule lists University of Kentucky Revenue Bonds and Coupons returned from Paying Agents from January 1 through June 30, 1970. Since these have been paid and cancelled, they should be destroyed and the certificate of incineration placed on file.

Action: Approved X Disapproved Other

Date: October 20 , 1970

University of Kentucky
Revenue Bond
Issues
Paid and Cancelled Bonds, Interest Coupons
and Revenue Bond Anticipation Notes-Returned from Paying Agents
January 1, 1970 through June 30, 1970

MATURITY DATE	PRINCIPAL BONDS	Numbered	INTEREST COUPONS ON BONDS (inclusive)
<u>University Building Revenue Bonds</u>			
<u>Dated September 1, 1938 (2nd PWA)</u>			
<u>Dormitory Revenue Bonds-1946</u>			
<u>Bowman Hall</u>			
	304-320	47	304-430
			(304-421); (427-430)
		48	422-426
			304-430
<u>Auditorium -Field House</u>			
<u>Revenue Bonds-1948</u>			
<u>Library -Service Building</u>			
<u>Revenue Bonds-1948</u>			
<u>Stadium Addition Revenue Bonds</u>			
<u>April 1, 1949</u>			
<u>Dormitory Revenue Bonds</u>			
<u>October 1, 1950-456 Rose Street</u>			
		37	94
	94	38	94; 95-98; 100-106; 110-113;
		39	116-119;
			95-109; 114-115; 125-144;
<u>Journalism Building Revenue Bonds</u>			
<u>January 1,1950</u>			
January 1, 1970	214-225	40	214-225
<u>Dormitory Revenue Bond</u>			
December 1, 1950		37	46; 69; 45
476 Rose Street	41-43	38	42-44; 46-51; 53-76; 41; 45; 52
June 1, 1969		39	44; 47-49; 52-68; 70; 74-76
December 1, 1969			
<u>476 Rose-Second Series</u>			
	1	1	16;
June 1, 1969		2	1-26
December 1, 1969		3	2-26

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>Numbered</u>	<u>INTEREST COUPONS ON BONDS (inclusive)</u>
<u>Dormitory Revenue Bond of 1953</u>			
<u>Dormitories A-E</u>			
<u>May 1, 1953</u>			
<u>Maturity Date</u>			
May 1, 1968		30	471
November 1, 1968		31	471
May 1, 1969		32	413; 471;558
November 1, 1969		33	358-359;
	282-305		388-391; 413; 470-471;
			522-523; 558; 570-571
			585-586; 600
		34	282-343; 349-357; 360-369;
			374-412; 414-419; 425-470;
			472-521; 524-553; 557
			559-569; 572-710
<u>Dormitory Revenue Bond of 1954</u>		27	134-137; 176-177; 234-236;
<u>Keeneland Hall</u>			239; 243; 256-257; 259-261;
<u>May 1, 1954</u>			291-298; 308-312; 349-358
		28	134-447
		29	148-447
		30	148-256; 258-260; 262-447
		31	163-233; 237-256; 258-260
	134-175		262-447
		32	228-233; 238; 240-242; 244-255;
			258; 262-279; 290; 210-224;
			163-175; 178-198; 313-332;
			338-348; 359-447
<u>Dormitory Revenue Bond of 1955</u>			
<u>Cooperstown Apartments</u>			
<u>June 1, 1955</u>		27	1419-1420; 1698; 1906-1907;
			1980; 2341
		28	1038-1042; 1217-1218;
			1419-1420; 1613-1622;
			1698; 1906-1907; 1980;
			2078-2080; 2341; 1128;
			1946-1947;
			1628-1632; 1963-1970;
			1978-1979

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>Numbered</u>	<u>INTEREST COUPONS ON BONDS (inclusive)</u>
Cooperstown (continued)		29	633-667; 574-578; 738-742; 749-753; 592-599; 600-606; 774-780; 798-799; 820; 824-835; 839-846; 874-888; 912; 925-927; 975-984; 1023-1042; 1048-1062; 1102-1104; 1165-1169; 1177-1180; 1185-1187; 1190-1193; 1195; 1214-1218; 1253; 1301-1324; 1329-1339; 1379; 1393-1394; 1359- 1377 1398-1399; 1787-1797; 1411-1415; 1419-1420; 1434-1436; 1461; 1470-1481; 1487-1499 1500-1511; 1522-1531; 1539-1545; 1624-1627; 1658-1662; 1683-1687 1693-1699; 1700 1718-1722; 1749-1772; 1843-1844; 1846-1850; 1856-1859; 1861-1863; 1882-1887; 1902-1907; 1980; 1986-1988; 2040; 2042; 2047; 2052-2053; 2067-2070; 2078-2082; 2093; 2146-2170; 2200; 2219-2268; 2318; 2323-2327; 2336-2341; 2391-2399; 2400-2415; 2436- 2440; 2494-2499; 2589-2598; 2602-2616; 2619-2646; 2657-2671; 2749-2753; 2738-2743; 2756-2783; 2744-2748; 2789-2792; 678-682; 1105; 1109; 1119-1128; 1194; 1269-1273; 1325-1328; 1448-1452; 1462-1463; 1512-1521; 1688-1692; 1775; 1860; 1946-1950; 2006-2010; 2045-2046; 2048- 2051; 2071- 2075; 2139-2145; 2203-2207; 2214-2218; 2296-2299; 2300-2304; 2500-2505 589; 1423-1429; 1464-1469; 1628-1632; 1702; 1777-1786; 1798-1802; 1908-1911; 1963- 1970; 1978-1979; 1981-1985; 2038-2039; 2043-2044; 2083; 2085-2092

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>Numbered</u>	<u>INTEREST COUPONS ON BONDS (inclusive)</u>
Cooperstown (continued)		29	2208-2345; 1418; 1422; 1446-1447; 1482-1486; 2056; 2506; 1355; 1556; 1671-1672 1888-1889; 1891; 1937; 2054- 2055; 2057; 1613-1622; 2342; 2582-2586; 1421; 1703-1706
	574-588 590-629	30	2113-2138; 2171-2175 2178-2179; 2182-2199; 2201-2202; 2209-2213; 2219-2295; 2305-2322; 2328-2335; 2338-2340; 2346-2399; 2400-2493; 2507-2581; 2589-2598; 2602; 2609-2616; 2633-2638; 2640-2645; 2677-2699; 2700-2730; 2732-2743; 2749-2753; 2756-2778; 2784-2788; 2793-2795 579-588; 590-599; 600-677; 683-692; 698- 699; 700; 703-737; 743-747; 754-763; 769-797; 800-819; 821-823; 836-838; 847-873; 884-899; 900-909; 930-990; 993-999; 1000-1007; 1013-1022; 1028- 1037; 1043-1052; 1063-1099; 1100-1102; 1106-1108; 1113-1118; 1129-1174; 1177-1180; 1200-1213; 1219-1243; 1248; 1254-1268; 1274-1299; 1300-1324; 1329-1354; 1360-1374; 1378; 1380-1387; 1395-1398; 1400-1409; 1411-1416; 1419-1420; 1430-1433; 1437- 1444; 1457; 1460; 1470-1481; 1487-1499; 1500-1511; 1537-1555; 1557-1595; 1601-1612; 1633-1660; 1663-1670; 1678-1682; 1693- 1698; 1708-1774; 1776-1786; 1793-1797; 1803-1840; 1846-1850; 1859; 1861-1863; 1892-1899; 1900-1901; 1906-1907; 1912-1936; 1938-1945; 1951-1960; 1971-1977; 1991-2005; 2011-2036; 2040; 2042; 2058-2066; 2076-2077; 2084; 2094-2099; 2100-2112

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>Numbered</u>	<u>INTEREST COUPONS ON BONDS (inclusive)</u>
Cooperstown (continued)		30	2156-2170; 2180-2181; 2203- 2204; 2208; 2214-2218; 2323-2327; 2494-2499; 2504- 2505; 2599-2601; 2603-2607; 2617-2618; 2646-2676; 2731; 2754-2755; 2779-2783; 574-578; 589; 742; 749-753; 820; 879-883; 913-925; 928-929; 991-992; 1023-1027; 1053-1062; 1103-1104; 1119- 1127; 1187; 1196-1199; 1214-1218; 1269-1273; 1325-1328; 1388-1392; 1434-1436; 1448-1452; 1469; 1512-1521; 1532-1536; 1623-1627; 1661-1662; 1683-1692; 1699; 1700; 1787-1792; 1841-1842; 1864- 1881; 1885-1886; 1948; 1961-1962; 1980; 2038-2039; 2047; 2067-2070; 2078-2082; 2093
	589	30	693-697; 701; 1105; 1175-1176; 1181; 1183-1184; 1190-1193; 1195; 1244-1247; 1249-1251; 1418; 1446-1447; 1462-1463; 1468; 1673-1677; 1843- 1844; 1856-1858; 1950; 1963-1970; 1978-1979; 2045-2046; 2048- 2051; 2139-2143; 2200; 2207; 2296-2299; 2300-2304; 2744-2748 2796-2800
<u>Dormitory Revenue Bond of 1956</u>			
<u>338 Clifton Avenue</u>			
<u>December 1, 1956</u>	21-25	21	85-89
		22	26-28; 36-37; 71-74; 80-89; 124-128
		23	21-150
		24	23-150
		25	23-150
		26	26-123; 129-150

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>Numbered</u>	<u>INTEREST COUPONS ON BONDS (inclusive)</u>		
<u>Dormitory Revenue Bond of 1956</u>					
<u>Dormitories G-L</u>					
<u>December 1, 1956</u>	121-150	19	152; 191-192; 312		
		20	191-192		
		21	191-192; 212; 312		
		22	156-158; 182-183; 191-192; 201-205; 212; 315-319; 409-417; 528; 532-536; 563-564; 566; 584-602; 648-657; 659-660; 662; 757; 762-764; 830-834; 841-850; 855; 883-897		
		23	121-564; 566; 568-824; 830-853; 855-900		
		24	136-564; 566; 568-853; 855-900;		
		25	136-562; 568-824; 830-853; 855-900		
		26	151-190; 193-408; 418-460; 463; 466-531; 537-562; 568-761; 765-824; 830-853; 855-900		
		<u>Dormitory Revenue Bond of 1957</u>			
		<u>468 Rose Street</u>			
<u>November 1, 1957</u>	41-48	20	83-84; 87		
		21	41-100		
		22	41-100		
		23	45-100		
		24	45-100		
		25	49-100		
<u>Dormitory Revenue Bond of 1958</u>					
<u>342 Clifton Avenue</u>					
<u>June 1, 1958</u>	18-23	16	119; 132; 143		
		17	119; 132; 143		
		18	48; 114-119; 132-143		
		19	22-26; 30-38; 48; 89-93; 98-103; 114-132; 143-145;		
		20	18-150		
		21	21-118; 120-131; 133-142; 144-150		
		22	21-118; 120-131; 133-142; 144-150		
		23	24-118; 120-131; 133-142; 144- 150		
		<u>Housing Bond of 1960</u>			
		<u>460 Clifton and 710 Woodland</u>			
<u>Alpha Gamma Rho and Sigma Chi</u>					
<u>April 1, 1970</u>	33-37	20	33-300		

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>Numbered</u>	<u>INTEREST COUPONS ON BONDS (inclusive)</u>
<u>Consolidated Educational Buildings</u>			
<u>Revenue Bonds</u>			
<u>Series A-1960</u>			
		17	4481-4485; 4547-4551; 5560; 5651-5654; 5657; 5664; 5667-5670; 7553-7557;
		18	1776-2470; 2491-4615; 4621-5059; 5061-7553; 7557-8000
<u>Housing and Dining Hall Bond of 1961-Blazer Hall</u>			
	79-144	14	79-100
		15	100-167
		16	100-167
		17	122-167
		18	122-167
<u>Student Union Bonds of 1962</u>			
<u>January 1, 1969</u>			
		13	598
		14	478-482; 528-531; 548-557; 590-594; 598-603; 641-650;
		15	141-598; 604-646; 648-650
<u>Consolidated Educational Buildings</u>			
<u>Revenue Bonds-Series B 1963</u>			
		9	2956
		10	2956; 1571-1574
		11	2301-2310; 2956;
		12	1571-1574; 1590 2301-2310; 2426-2440; 2744-2748; 2806- 2808; 2956
		13	1516-2753; 2755-2774; 2779-2880; 2891-2935; 2941-3013; 3019-3445; 3456-7500; 1036-1515

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>Numbered</u>	<u>INTEREST COUPONS ON BONDS (inclusive)</u>
<u>Community Colleges Educational Buildings</u>			
<u>Revenue Bonds -Series A</u>			
<u>May 1, 1963</u>			
Maturity Date			
11/1/68		11	511-515
11/1/69		12	511-515; 756-780; 786-787
		13	166-205; 206-415; 416-510; 521-615; 616-765; 781-785; 788-799; 800-899; 900-999; 1000-1050; 1053-1099; 1100-1130; 1141-1200; 511-520; 766-780; 786-787; 1131-1140;
	166-295	14	166-755; 766-786; 788-1050; 1053-1200
<u>Community Colleges Educational Bldgs. Revenue Bonds</u>			
<u>Series B</u>			
<u>May 1, 1964</u>			
November 1, 1968		9	347-348; 596
May 1, 1969		10	347-348; 596
		11	111-336; 347-350; 353-513; 515-582; 596-657; 668-753; 764-1000
<u>Student Housing Bond-1964</u>			
<u>March 1, 1964</u>			
<u>Housing and Dining System Revenue Bonds-</u>			
<u>Series H</u>			
<u>June 1, 1965</u>		8	862; 1011-1020; 1339
		9	211-1337; 1339-1380
<u>Housing and Dining System Revenue Bonds-Series H</u>			
<u>June 1, 1965</u>			
<u>Housing and Dining System Revenue Bonds-Series I</u>			
<u>June 1, 1965</u>			
		8	652
		9	11-2400
<u>Consolidated Educational Bldgs. Revenue Bonds,</u>			
<u>Series C and Series D (Anticipation Notes)</u>			
<u>December 12, 1969</u>			
	1-58		
	60-87		
	91-371		
	372-409		
	410-441		
	442-494		

<u>MATURITY DATE</u>	<u>PRINCIPAL BONDS</u>	<u>Numbered</u>	<u>INTEREST COUPONS ON BONDS (inclusive)</u>
<u>Community College Educational Building Revenue Bonds Series A & B (Anticipation Notes)</u>			
<u>April 1, 1970</u>	1-183		

Finance Committee Report
October 20, 1970

FCR 3

Members, Board of Trustees:

RESIDENCE HALLS ACTIVITY FEE

Recommendation: that the Board approve an activity fee of \$10 per year to be used to support student management programs in the residence halls.

Background: For the past several years an activity fee has been collected to support the internal programs for the purchase of magazines for the residence hall lounges and other student management programs in the residence halls. The collection has been made by the residence halls program staff at the time the student checks into the residence hall. This change will make this fee an official part of the payment schedule for residents in University housing. It will be collected with the second payment and distributed to the appropriate account for distribution. The expenditure will be made under the supervision of the student affairs staff.

Action: Approved X Disapproved Other

Date: October 20 , 1970

FCR 4

Members, Board of Trustees:

ROOM AND BOARD RATES, 1971-72

I. Adjustment of Room and Board Rates--Undergraduate Residence Halls--
Regular Semester

Recommendation: That the semester room and board rates be adjusted to \$515.00 for the three meal plan, to \$458.00 for the two meal plan of breakfast and dinner, and to \$488.00 for the two meal plan of breakfast or lunch and dinner effective the Fall Semester, 1971.

Background: The present room and board rate (\$490.00 for the three meal plan, \$437.00 for the breakfast and dinner plan, and \$465.00 for the optional two meal plan) is insufficient to meet the higher operating costs and financial demands of the Housing and Dining System. The proposed adjustment results primarily from increased labor and food costs. These rates cover debt service, all operating costs, and funds for replacement of furniture and equipment.

II. Adjustment of Room Rates--Undergraduate Residence Halls--Summer
School

Recommendation: That the Summer School room rates be adjusted to \$130.00 for double occupancy and \$165.00 for single occupancy effective the 1972 summer session.

Background: The present room rate is \$125.00 for double occupancy and \$155.00 for single occupancy. The summer rate is based upon the same weekly rate as the regular semester, with the single rate being 125% of the double occupancy rate. The calculation is based upon a 16 week semester and an eight week summer session.

III. Adjustment in Guest Rates for High School Students

Recommendation: That room rates for high school students be adjusted from \$1.50 to \$2.00 per night effective summer, 1971.

Background: These rates for short term summer occupancy are calculated to cover basic costs. The rates include charges for linen. This rate was last changed in 1964.

Action: Approved X Disapproved Other

Date: October 20 , 1970

Finance Committee Report
October 20, 1970

FCR 5

Members, Board of Trustees:

ACCEPTANCE OF AUDIT FOR THE
UNIVERSITY OF KENTUCKY FOR 1969-70

Recommendation: that the Board of Trustees accept the financial statements of the Housing and Dining System for the fiscal year ended June 30, 1970.

Background: The Finance Committee of the University of Kentucky has reviewed the audit report and related statements submitted by the firm, Peat, Marwick, Mitchell & Co. in conjunction with the administration of the University of Kentucky. The Finance Committee presents this report to the Board for its acceptance.

(A copy of the audit report is in the files of the meeting but is not included as a part of the Minutes.)

Action: Approved X Disapproved Other

Date: October 20 , 1970

Finance Committee Report
October 20, 1970

FCR 6

Members, Board of Trustees:

ACTIONS RELATING TO MADISONVILLE COMMUNITY COLLEGE

Recommendation: that the Board approve the amended Resolution (attached) relative to the acceptance of title to land for the Madisonville Community College, accept the comprehensive Physical Development Plan for Madisonville Community College, and authorize the Vice President - Business Affairs to proceed with the necessary actions for employment of an architect to design the initial building.

Background: The Board of Trustees on December 10, 1968, adopted a Resolution to accept title to land for use as the site for Madisonville Community College. One condition was a fee simple deed for approximately 150 acres. Such deed can be obtained on only approximately 120 acres. Complications in securing mineral rights for a 30.21 acre tract prevents fee simple deed on the total 150 acre site. The 30.21 acre tract is on the backside of the site and is not in an area on which development is planned in the foreseeable future.

The plat is attached indicating outstanding easements. The initial deed submitted indicated eleven easements. Only one affects the proposed site. This one exception, the Texas Gas Transmission Line, also relates to numerical exceptions 1, 2, 4, 6, 8, 10 and 11. The Texas Gas Transmission Line, originally constructed by Missouri-Kansas Pipeline Company in 1930, was later purchased by Texas Gas Transmission Line.

With respect to the remaining exceptions, numbers 3 and 7 are for farm gas taps some distance north of the proposed site. Number 9, a right of ingress and egress reserved by the Mangums, crosses the lower southeast corner of the site, but would appear to present no problem because of new and improved access routes. Number 5, a 30-foot roadway leading to the Mitchell Graveyard (which is located east of the proposed site), crosses the permanent right-of-way easement extending from U.S. 41 to the site.

However, it does not substantially affect the University's easement to the proposed site because of new and improved access routes.

The initial deed also included three year reverter clauses by plat. The Foundation has been requested to obtain deed corrections so that development on any area of the site fulfills this condition in the Deed.

The University has been informed that the easement for the entrance road and the annexation by the city (both requirements set by the Board as conditions for acceptance of title) have been met.

At the same time the Resolution related to acceptance of title was approved, the Board authorized the employment of an architect firm to prepare a Physical Development Plan for Madisonville Community College. The firm of Bennett and Tune was employed, and the plan has been completed. The building program will be based upon the development.

The Deed includes a reverter clause based upon development within three years. Thus it is important for the University to proceed with the initial building. This authorization permits the University to proceed with plans for that building. Before proceeding with construction, Board approval on the funding and final plans will be obtained.

(Map and Development Plan are in the official files of the meeting of October 20, 1970)

Action: Approved X Disapproved Other

Date: October 20 , 1970

RESOLUTION OF THE BOARD OF TRUSTEES OF
THE UNIVERSITY OF KENTUCKY AMENDING A
HERETOFORE ADOPTED RESOLUTION AUTHOR-
IZING ACCEPTANCE FROM THE MADISONVILLE
COLLEGE FOUNDATION, INC., OF CERTAIN
LAND SITUATED IN HOPKINS COUNTY, KENTUCKY,
FOR THE PURPOSE OF ESTABLISHING THE UNI-
VERSITY OF KENTUCKY MADISONVILLE COMMU-
NITY COLLEGE.

WHEREAS, the Board of Trustees, at its meeting on December 10, 1968, authorized the acceptance of a certain 150-acre tract of land, and accompanying permanent easement of access, in Hopkins County, Kentucky, from the Madisonville College Foundation, Inc., said tract of land to be used as the site of the Madisonville Community College, and,

WHEREAS, said acceptance was conditioned upon the following:

1. That the Madisonville College Foundation, Inc., make available to the University a property abstract indicating that a General Warranty Deed from the Madisonville College Foundation, Inc., to the Commonwealth of Kentucky, for the use and benefit of the University of Kentucky, will vest the Commonwealth with a free, clear and unencumbered fee simple title.
2. That the accompanying permanent easement of access be of sufficient length and width to permit the construction of an appropriate roadway and necessary utility connections from U.S. Alternate 41 (State Route 1751) to the eastern boundary of the Community College site proper.
3. That the Community College site be annexed to, and made a part of, the City of Madisonville, Kentucky.

and,

WHEREAS, in order to fully protect the interests of the University, it is now deemed advisable by the Vice President-Business Affairs and Treasurer, upon advice of legal counsel, to amend the resolution of the Board of Trustees adopted on December 10, 1968, and,

WHEREAS, it is also desirous to cause the appointment of an architect to design the initial Madisonville Community College building;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the University of Kentucky that the resolution of the Board of Trustees, adopted on December 10, 1968, be, and is hereby, amended to read as follows:

1. That the University of Kentucky, by and through the Commonwealth of Kentucky, accept from the Madisonville College Foundation, Inc., title to a certain 150-acre tract of land, and accompanying permanent easement of access, in Hopkins County, Kentucky, to be used as the site of the Madisonville Community College, provided the following conditions are met:

a. That the Madisonville College Foundation, Inc., make available to the University a property abstract indicating that a General Warranty Deed from the Madisonville College Foundation, Inc., to the Commonwealth of Kentucky, for the use and benefit of the University of Kentucky, will vest the Commonwealth with a free, clear and unencumbered fee simple title, but excepting the following:

- (1) Mineral rights underlying a 30.21-acre tract comprising the southern-most portion of the 150-acre tract.
- (2) Oil and gas rights underlying a 3.70-acre tract comprising the extreme northeast corner of the 150-acre tract.
- (3) Any portion of a 30-foot roadway leading to what is known as the Mitchell Graveyard reserved in a deed of record in the Hopkins County Court Clerk's Office.
- (4) Easement(s) to Texas Gas Transmission Corporation crossing the southern-most edge of the 150-acre tract.
- (5) A reversionary interest in minerals underlying certain portions of the 150-acre tract, which, unless construction of facilities for the operation and maintenance of a community college is initiated within a period of three years from the date of the deeds conveying the mineral rights to the Foundation, are to revert and revest in the Foundation's grantors.

- b. That the accompanying permanent easement of access be of sufficient length and width to permit the construction of an appropriate roadway and necessary utility connections from U. S. Alternate 41 (State Route 1751) to the eastern boundary of the Community College site proper.
- c. That the Community College site be annexed to, and made a part of, the City of Madisonville, Kentucky.
- d. That the permanent access easement to the Community College site from U. S. Highway 41 be approved by the Commonwealth's Department of Highways.
- e. That the Madisonville Community College Foundation provide, at no cost to the University, utilities by installing same up to, and to the edge of, the 150-acre tract.

2. That the Vice President-Business Affairs and Treasurer is hereby authorized to cause the appointment of an architect for the preparation of a comprehensive physical development plan for the Madisonville Community College.

3. That the Vice President-Business Affairs and Treasurer is hereby authorized to appropriate \$12,000.00 from available funds to cover costs of the comprehensive physical development plan.

4. That the Vice President-Business Affairs and Treasurer is hereby authorized to employ an architect to design the initial Community College building.

5. That the Board of Trustees expresses its thanks and appreciation to the Madisonville College Foundation, Inc., for its significant contribution to the educational progress of the Commonwealth of Kentucky.

Finance Committee Report
October 20, 1970

FCR 7

Members, Board of Trustees:

RESOLUTION AUTHORIZING REISSUE OF
SERIES D BOND ANTICIPATION NOTES

Recommendation: that the Board approve a revision of the Resolution authorizing Series D Bonds and related bond anticipation notes presently outstanding in the amount of \$28,800,000; and authorizing the solicitation of bids on the sale of notes to redeem the present notes. (The revised resolution will be mailed to Board members prior to the meeting on October 20, 1970.)

Background: The present bond anticipation notes mature on December 14, 1970. It has been determined that the present bond market dictates reissue of notes rather than the sale of bonds.

Action: Approved X Disapproved Other

Date: October 20 , 1970

Re: University of Kentucky
Lexington, Kentucky
\$28,100,000 "Revenue Bond Anticipation Notes of 1970,"
to be dated December 11, 1970, and to mature December 14, 1971

INVITATION TO SUBMIT PROPOSAL

_____, 1970

Gentlemen:

You have been determined to be a "responsible lender" within the meaning of Section 56.513 of the Kentucky Revised Statutes, and as such you are among a limited number of lenders who have been provided tentative drafts of an "Official Statement" and other information relative to the prospective sale by the Board of Trustees of the University of Kentucky (the "Board"), acting through its duly authorized Executive Committee (the "Executive Committee"), and the State Property and Buildings Commission of Kentucky (the "Commission") of the "Revenue Bond Anticipation Notes of 1970" (the "1970 Renewal Notes"), which are identified as above.

You are advised that the Executive Committee will convene in the Board Room, in the Administration Building at the Main Campus of the University in Lexington, Kentucky, on the 17th day of November, 1970, at the hour of 2:00 P.M., Eastern Standard Time, for the purpose of considering proposals for the purchase of all of the 1970 Renewal

Notes, or permissible blocks thereof, upon the terms and conditions hereinafter set forth. You are invited to submit one or more proposals, which may be

- (a) wholly in writing, and complete in all details, or
- (b) in writing over your signature, but containing blanks which you may complete by telegraphic communication, or
- (c) in writing over your signature, but containing blanks which you may complete by telephone providing your authorized representative is identified to the satisfaction of the Commissioner of Finance of Kentucky, or his deputy, or
- (d) wholly by telephone, providing your authorized representative is identified to the satisfaction of the Commissioner of Finance of Kentucky, or his deputy.

You may arrange, in advance, a satisfactory means of identification, if such is your pleasure.

In any event, the Board, its Executive Committee, and the Commissioner of Finance, will undertake no responsibility for your completion, or delivery, of your proposal by the specified time, notwithstanding failure or delay in the mail, or failure in any other form of communication.

Proposals will be received for the entire \$28,100,000 of the 1970 Renewal Notes, or for blocks thereof in amounts not less than \$100,000 each, and in a multiple of \$5,000, and in your proposal you may state whether or not you are willing to accept, on the same terms, an additional amount of the 1970 Renewal Notes, up to a stated limit, if necessary to effect a sale of all of the 1970 Renewal Notes.

The Executive Committee reserves the right to waive informalities and irregularities which it may deem to be immaterial (with respect to time or otherwise), to reject any or all proposals for any reason which it may deem to be sufficient, and to award to any bidder less than all of the 1970 Renewal Notes offered to be purchased (but not less than \$100,000 in any case).

All of the 1970 Renewal Notes will be dated as of December 11, 1970, and delivery will be tendered to all successful purchasers on the date of the 1970 Renewal Notes, or as soon thereafter as circumstances may permit, at a financial institution in New York, New York, to be selected by the Commissioner of Finance. The time and place of delivery will be furnished to all purchasers as soon as determinable. If, despite efforts to deliver on the date of the 1970 Renewal Notes, there should be an unavoidable delay, the purchasers will be required to pay accrued interest to delivery. All 1970 Renewal Notes will mature December 14, 1971, without privilege of prior redemption by the Board or the Commission.

Each purchaser shall make payment in New York Clearing House Funds by means of a check certified by a bank or trust company satisfactory to the Commissioner of Finance, or by a cashier's, treasurer's or official check of such a bank or trust company, payable to the Treasurer of the Commonwealth of Kentucky.

Each proposal shall contain an offer to purchase a permissible block of the 1970 Renewal Notes, shall offer to pay therefor not less than ninety-nine and three-fourths per cent (99.75%) of the face amount, and shall stipulate an interest rate, or more than one interest rate, each a multiple of one-hundredth (1/100) of one (1) per cent. If more than one interest rate is stipulated, the amount of 1970 Renewal Notes to bear each rate should be made clear. By reason of legislation adopted by the General Assembly of Kentucky at its Regular Session of 1970, there is no limitation of the interest rate which may be proposed.

Each proposal may contain a nomination of a bank or trust company in New York, New York, or Chicago, Illinois, and it is the purpose of the Board to designate the nominee of the purchaser awarded the greatest dollar amount of the 1970 Renewal Notes, the same to be named as the place of payment of all of the 1970 Renewal Notes.

Each proposal may stipulate how many 1970 Renewal Notes are desired, and the denominations desired, in multiples of \$5,000 each. A proposal will not be deemed incomplete if denominations are omitted, and will not be disqualified by reason of this omission. However, upon being advised that 1970 Renewal Notes have been awarded, each successful bidder will be required to furnish desired denominations within such time as the Commissioner of Finance may allow; otherwise 1970 Renewal Notes will be tendered in the denomination of \$5,000 each.

Comparison of proposals will be upon the basis of interest cost to the Board; and the Board intends to accept the best proposal or proposals to the full amount of the 1970 Renewal Notes therein offered to be purchased; thereafter, the next best to the full amount thereof, and so on until all the 1970 Renewal Notes are awarded--but subject, nevertheless, to the reserved right to reject purchase proposals.

If a bidder is awarded less than the amount of 1970 Renewal Notes offered to be purchased, the stipulated purchase price will be prorated; and if a single proposal contains an offer to purchase stated amounts of 1970 Renewal Notes at different interest rates, the Board expressly reserves the right to accept the offer to the extent one or more rates are stipulated, while rejecting the proposal in other respects.

It is the opinion of Bond Counsel that, according to statutes, regulations and administrative rulings prevailing at this time, these 1970 Renewal Notes are exempt from ad valorem taxation by the Commonwealth of Kentucky and all of its political subdivisions; and the interest thereon, in the hands of private holders, is exempt from all present federal and Kentucky income taxation. The approving legal opinion of Bond Counsel, hereinafter named, will contain a statement of their opinion in these respects, and purchase proposals may be so conditioned.

If you do not desire to submit a proposal, advance notice to the Commissioner of Finance will be appreciated.

All communications will be held in the strictest confidence, no matter how submitted, until the hour hereinabove stated.

Proposals, if in writing or by telegraph, should be addressed as follows:

Mr. G. J. Ruschell
Vice President for Business Affairs and Treasurer
University of Kentucky
Lexington, Kentucky 40506

Proposals submitted or completed by telephone may be placed as follows (but at the risk of the bidder as to availability of circuits, prior calls, etc.):

Mr. G. J. Ruschell
Vice President for Business Affairs and Treasurer
University of Kentucky
Lexington, Kentucky
Area Code 606
Telephone: 257-1841

Your proposal may be submitted with the understanding that if any of the 1970 Renewal Notes are awarded to you, there will be delivered to you at the time of delivery thereof, without expense on your part, the unqualified legal opinion of Grafton, Ferguson, Fleischer & Harper, Bond Counsel, Louisville, Kentucky, to the effect (a) that all proceedings preliminary to the issuance of the 1970 Renewal Notes have been conducted and completed according to the Constitution and laws of the Commonwealth of Kentucky by all parties required to act in that connection; (b) that the 1970 Renewal Notes are in due form of law and are valid and legally binding in accordance with the import thereof; (c) that the Consolidated Educational Buildings

Revenue Bonds, Series D, referred to in the 1970 Renewal Notes, have been lawfully and properly authorized and may be issued within the conditions and restrictions prescribed in the Resolution adopted by the Board of Trustees of the University of Kentucky on September 20, 1960, and (d) that at the time of delivery of the 1970 Renewal Notes such Bond Counsel is unaware of any visible impediment to the issuance, sale and delivery of said Bonds, other than the ordinary hazards of marketability.

Yours very truly,

/s/ Albert Christen

Albert Christen
Commissioner of Finance of Kentucky,
Acting for the State Property and Buildings
Commission of Kentucky and the Board of
Trustees of the University of Kentucky

OFFICIAL STATEMENT

Relating to the Issuance and Sale of
\$28,100,000

BOND ANTICIPATION NOTES

Dated December 11, 1970

Relative to

\$28,995,000

UNIVERSITY OF KENTUCKY

CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS

Dated November 1, 1967

. \$28,100,000

BOND ANTICIPATION RENEWAL

Notes of 1970

Relative to

\$28,995,000

UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS

Series D

Dated December 11, 1970

Due: December 14, 1971

NOT SUBJECT TO PRIOR REDEMPTION

Principal and interest (December 14) payable at _____
Notes issuable in various denominations
as specified by the purchaser, non-registrable.

INTEREST EXEMPT, IN THE OPINION OF BOND COUNSEL, FROM PRESENT
FEDERAL INCOME TAXES, KENTUCKY INCOME TAXES, AND KENTUCKY AD
VALOREM TAXES, UNDER EXISTING STATUTES, REGULATIONS, AND COURT
DECISIONS.

LEGAL OPINION: Grafton, Ferguson, Fleischer & Harper, Attorneys,
Louisville, Kentucky.

PRINCIPAL AMOUNT OFFERED: The University presently has outstanding
\$28,800,000 of its Revenue Bond Anticipation (Second Renewal) Notes issued
in anticipation of the sale of its Consolidated Educational Building
Revenue Bonds, Series D. Said Bonds were authorized by the Executive
Committee of the Board of Trustees of the University of Kentucky to
provide funds (to the extent not otherwise provided) for the erection or
reconstruction of buildings with necessary appurtenances on the main
campus of the University at Lexington, Kentucky.

The University does not intend to issue notes in excess of the face amount
of \$28,995,000 of the Series D Consolidated Educational Buildings Revenue
Bonds hereinafter described in an Official Statement attached hereto and
made a part hereof. The Board has determined that its cash requirements
for completion of the aforesaid undertakings will be satisfied by the re-
newal of \$28,100,000 of notes now outstanding, and, accordingly, the
University proposes to sell in whole or in parts all of an issue of \$28,100,000
Bond Anticipation Notes of 1970.

SECURITY: The principal amount of these Notes is payable solely from the
proceeds received from the sale of the University's Consolidated Educa-
tional Buildings Revenue Bonds or proceeds received from other renewal
notes.

In the event the Notes cannot be redeemed for any reason, interest shall
accrue subsequent to the scheduled date of maturity at 7% per annum on all
unpaid principal and interest.

As further security for these Notes, the University is now paying into a Special Note Sinking Fund an amount each year equal to the interest and principal requirements on the proposed Series D Bonds as if they had been issued at an interest coupon rate of 7% per annum. The amounts paid into the special fund shall be used for interest and, to the extent available, for retiring principal of the Renewal Notes of 1970 in the event they are not redeemed at their maturity date or for interest and principal retirement of new notes issued for retirement of these Renewal Notes of 1970.

Upon receipt of the proceeds of the Renewal Notes of 1970 there shall be deposited from such proceeds or from interest earned on investments and other funds available to the University in an account styled "Special Renewal Notes of 1970 - Proceeds Account" whatever amount shall be required to provide for payment of the principal of the outstanding Second Renewal Notes. These funds may be invested and income from these investments, together with surplus student fees pledged to the Consolidated Educational Buildings Project, may be used for the payment of interest on notes where it is not otherwise provided.

AUTHORITY: These Notes are being issued pursuant to the provisions of KRS 56.513 and resolutions of the Board of Trustees of the University of Kentucky adopted on November 27, 1967 and October 20, 1970.

THE SERIES D BONDS: These Notes are being issued in anticipation of the sale of the University's Consolidated Educational Buildings Revenue Bonds, Series D, in the amount of \$28,995,000, to be sold at an interest rate to be determined by the best bidder at a public advertised sale. Considerations as to market conditions will determine the exact date of the sale of these Bonds. In the event the sale takes place after May 1, 1971, the date of the first schedule maturity of the Bonds, the issue will be reduced by \$270,000, the amount of said maturity, and the University will, if necessary, make available from other funds such amount for note retirement.

For a further description of the Series D Bonds and a general description of the University and its Consolidated Educational Buildings Project, see the Official Statement related to this issue which constitutes a part of this Statement and is attached hereto.

UNIVERSITY OF KENTUCKY

Chairman or Vice Chairman
Board of Trustees

ATTEST:

Lucile T. Blazer, Secretary
Board of Trustees

OFFICIAL STATEMENT

Relating to the Issuance and Sale of

\$28,995,000

UNIVERSITY OF KENTUCKY

CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS

SERIES D

Dated November 1, 1967

Due May 1, 1971-2007, Inclusive

\$28,995,000

UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS

SERIES D

Dated November 1, 1967

Due May 1, 1971-2007, Inclusive

Bonds maturing 1971 to 1980 inclusive will not be subject to redemption prior to maturity. Bonds maturing May 1, 1981 and thereafter will be subject to redemption prior to maturity in inverse order of their maturities (less than a single maturity to be selected by lot) on May 1, 1980 or on any interest payment date thereafter at prices set forth in the following schedule together with accrued interest to the date of redemption.

<u>If Redeemed</u>	<u>Redemption Price (% of Principal Amount)</u>
May 1, 1980 and prior to May 1, 1985	103%
May 1, 1985 and prior to May 1, 1990	102%
May 1, 1990 and prior to May 1, 1995	101%
May 1, 1995 and prior to May 1, 2000	100 1/2%
May 1, 2000 and prior to final maturity	Par

Issuable as coupon bonds, registrable as to principal only, in the denomination of \$5,000. Principal and interest (May 1 and November 1 - all coupons maturing prior to delivery of the bonds will either be detached and cremated or will not be printed) payable at First Security National Bank and Trust Company of Lexington, Kentucky, as Trustee, or at the option of the holder, at the principal office of the Chemical Bank, New York, New York.

INTEREST EXEMPT, IN THE OPINION OF BOND COUNSEL, FROM PRESENT FEDERAL INCOME TAXES, KENTUCKY INCOME TAXES, AND KENTUCKY AD VALOREM TAXES, UNDER EXISTING STATUTES, REGULATIONS, AND COURT DECISIONS.

These \$28,995,000 Educational Buildings Revenue Bonds, Series D, are being issued to provide a major portion of the funds necessary for the construction of new buildings and appurtenant facilities, aggregating a project of \$43,546,335, as more fully described herein. The remainder of the funds required for completion of the project are currently available to the University from proceeds of the sale of its Series C Bonds to the United States Department of Health, Education, and Welfare, from federal grants and from other University funds. The bonds are being issued pursuant to the provisions of Section 162.340, et seq., of the Kentucky Revised Statutes and in accordance with the provisions of a Resolution of the duly authorized Executive Committee of the Board of Trustees of the University of Kentucky on November 27, 1967, as amended on October 20, 1970, pursuant to the terms of a Basic Resolution adopted by said Board as amended on September 20, 1960, which created the "Consolidated Educational Buildings Project." These Series D Bonds, together with the Series A, Series B, and Series C Bonds now outstanding and such additional parity bonds that may hereafter be issued under the terms of the Basic Resolution, are secured by the terms of the Basic

Resolution and the Series Resolution supplemental thereto and are payable from and constitute a paramount charge on the Revenues of the Consolidated Educational Buildings Project of the University of Kentucky created and established under the Basic Resolution. The Revenues of the Project are derived through the imposition and collection of a Student Registration Fee from all students attending the University as herein set forth. As further security for the Bonds and the coupons appertaining thereto, a statutory mortgage lien upon the Project is created and granted by Sections 162.350 and 162.200 of the Kentucky Revised Statutes.

Under the terms of the November 27, 1967 Resolution and subsequent amendments, which authorized the Consolidated Educational Building Revenue Bonds, Series C and Series D Bonds, the Board was authorized to provide interim financing for the Project by issuing its Revenue Bond Anticipation Notes. The Board subsequently issued \$33,200,000 of its Notes and provided for retirement at maturity of \$4,400,000 of such Notes from the proceeds of the sale of its Series C Bonds to the United States Department of Health, Education, And Welfare and from other funds available to the University. The \$28,800,000 of notes remaining outstanding were retired from the proceeds of a second renewal note issue in like amount dated December 11, 1969. The proceeds of these Series D Bonds will be used to retire these second renewal notes, or renewal thereof, at maturity.

AMOUNTS AND MATURITIES

<u>Amount</u>	<u>May 1</u>	<u>Amount</u>	<u>May 1</u>	<u>Amount</u>	<u>May 1</u>
-	-	\$470,000	1983	\$ 850,000	1996
\$270,000	1971	490,000	1984	1,125,000	1997
285,000	1972	515,000	1985	1,180,000	1998
295,000	1973	540,000	1986	1,235,000	1999
310,000	1974	565,000	1987	1,295,000	2000
325,000	1975	590,000	1988	1,355,000	2001
340,000	1976	615,000	1989	1,420,000	2002
355,000	1977	645,000	1990	1,485,000	2003
370,000	1978	675,000	1991	1,555,000	2004
390,000	1979	710,000	1992	1,625,000	2005
410,000	1980	745,000	1993	1,705,000	2006
425,000	1981	775,000	1994	1,795,000	2007
445,000	1982	815,000	1995		

The issuance of these Bonds and all legal matters incident thereto are subject to approval by Grafton, Ferguson, Fleischer & Harper, Attorneys, Louisville, Kentucky.

OFFICIAL STATEMENT
of
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY
relating to its
UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS
SERIES D

Lexington, Kentucky
October 20, 1970

With reference to \$28,995,000 University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D (the Series D Bonds), as described on the cover page, and preceding pages, which are considered a part hereof, this Official Statement is being distributed by the Board of Trustees of the University of Kentucky (the Board of Trustees or the Board) to furnish pertinent information to all who may become purchasers of such Bonds.

THE UNIVERSITY OF KENTUCKY

The University of Kentucky (the University) located at Lexington, Fayette County, Kentucky, began as a part of Kentucky University under a cooperative plan authorized by the legislature in 1865. The purpose of this plan was to unite sectarian and public education under one organization and this experiment was tried for a number of years. In the meantime, federal funds authorized under the Morrill Act were used to develop agriculture and mechanic arts in Kentucky University. In 1878, when the people of Kentucky decided to establish a state institution of higher learning, the College of Agriculture and Mechanic Arts was separated from Kentucky University and reestablished on land given by the City of Lexington and the County of Fayette. In 1908 the legislature changed the name of the institution to the State University of Kentucky and gave it additional financial support. In 1916 the name was changed to the University of Kentucky, and additional maintenance was arranged by legislative act. The University is a land-grant college, established by the Morrill Act of 1862, and receives federal assistance under provisions of this and subsequent laws relating to the teaching of agriculture and the mechanic arts and the provision of agricultural experiment stations and extension services in agriculture and home economics.

The governing body of the University is the Board of Trustees of the University of Kentucky, consisting of the Governor of the Commonwealth, the State Superintendent of Public Instruction, and the State Commissioner of Agriculture, ex officio, twelve members appointed by the Governor, three of whom are alumni of the University, two non-voting members of the teaching faculty and one non-voting member of the student body. The government of the University is vested in the Board, and the Board has general supervision of lands, buildings, and other properties of the University and, subject to the statutes of the Commonwealth of Kentucky, control of all expenses therefor.

The major function of the University is that of instruction. For the performance of this function it is organized into the College of Arts and Sciences, the College of Agriculture and Home Economics, the College of Engineering, the College of Law, the College of Education, the College of Business and Economics, the College of Pharmacy, the College of Medicine, the College of Nursing, the College of Dentistry, the Graduate School, and Extended Programs. The academic year of the University is divided into two semesters of approximately eighteen weeks each and a summer session of eight weeks.

The University plant, valued at more than \$155,000,000 includes some 82 major buildings on the 315 acre campus at Lexington, eight farms having a total of 17,575 acres, and thirteen Community Colleges outside of Fayette County, each offering two years of college work. A recently completed General Development Plan made by and for the University indicates a proposed expansion of the main campus to about 641 acres in coming years. Total income of the University, including Community Colleges, for the fiscal year ended June 30, 1970, amounted to \$92,038,317 and was realized from the following sources:

State Appropriations	\$52,687,819
Federal Appropriations	6,435,143
Student Fees	9,369,238
Gifts, Grants and Investment Income	3,866,538
Hospital and Clinics	7,272,675
Student Aid	939,579
Sales and Services	2,176,445
Housing, Dining and other Auxiliary Operations	9,290,880

ENROLLMENT

The following schedule indicates the Fall Semester full time equivalent enrollment at the campus in Lexington for each of the academic years 1959-60 through 1970-71:

<u>Academic Year</u>	<u>Fall Semester Full Time Equivalent Enrollment</u>
1959-60	7,021
1960-61	6,791
1961-62	7,568
1962-63	8,525
1963-64	8,928
1964-65	9,855
1965-66	11,095
1966-67	11,835
1967-68	13,364
1968-69	13,834
1969-70	14,913
1970-71	16,251

As indicated in the schedule, the University has experienced an extended period of enrollment growth. An increase in the birth rate during and after World War II, together with emphasis upon higher education as a part of national policy, indicates that the trend of enrollments at the University will continue upward during the next decade and a half. Using regional and national surveys of future college age population and historic enrollment data as bases, the University has projected estimated Fall Semester full-time equivalent enrollment at its Lexington campus for the academic years 1971-72 through 1976-77, as shown in the tabulation below. In estimating future enrollments at the University, consideration has been given to the need for additional classroom, dormitory and dining facilities necessary to meet such enrollment increases. The physical plant of the University is being rapidly expanded, and it is planned that such expansion will continue during the next several years. The six-year enrollment projection for the University is set forth in the following tabulation:

<u>Academic Year</u>	<u>Estimated Full-Time Equivalent Enrollment at Lexington Campus</u>
1971-72	17,158
1972-73	18,101
1973-74	19,096
1974-75	20,146
1975-76	21,254
1976-77	22,422
(Figures Projected at 5.5%)	

Approximately 17.5% of the students enrolled in the University are non-residents of Kentucky, and it is anticipated that the percentage of non-resident enrollments will remain at this level in future years.

CONSOLIDATED EDUCATIONAL BUILDINGS PROJECT

There are located on the campus of the University some 82 buildings which house the activities of the University. These buildings include educational and administrative facilities, athletic facilities, dormitories, and student center and recreation facilities. In 1960 the Board of Trustees determined that the anticipated increased enrollment in the University would require the continued expansion of the physical plant of the University over the course of the next several years, particularly the expansion of facilities for educational and administrative purposes. The Board further determined that the erection of such facilities for educational and administrative purposes would require the borrowing of money by the issuance of bonds payable solely from the revenues of buildings thereafter erected and the educational buildings then located on the Lexington campus of the University. For the purpose of securing bonds issued to finance the erection from time to time of needed educational buildings in these categories, the Board by Resolution on September 20, 1960, established and created a Consolidated Educational Buildings Project (the Project) consisting of all educational buildings and necessary appurtenances theretofore erected and located on the property of the University in Fayette County, Kentucky, and all educational buildings and necessary appurtenances thereafter erected upon such property from available funds of the Board or from the sale of Bonds, excluding all housing buildings and facilities of the University, and all buildings and facilities exclusively for athletics, as distinguished from those which are, or may be wholly or principally for physical education.

Pursuant to the provisions of said Resolution and the Series A Resolution, also adopted on September 20, 1960, the Board has heretofore issued \$8,000,000 of its Consolidated Educational Buildings Revenue Bonds, Series A, to provide funds for the erection of the Chemistry-Physics Buildings and for the erection of a new Library Building. Erection of the Chemistry-Physics Building and the Library Building have been completed and such buildings are now part of the Consolidated Educational Buildings Project. \$7,500,000 Series B Bonds, pursuant to the September 20, 1960 Resolution and the Series B. Resolution adopted on April 26, 1963, were issued to provide funds for the erection of a new College of Education Building, a nuclear accelerator as an appurtenance to the existing Chemistry-Physics Building, a Law Building, Engineering Building, and Commerce Building, and such buildings are now also a part of the Consolidated Educational Buildings Project. Series C Bonds in the amount of \$4,290,000 were issued pursuant to the September 20, 1960 Resolution and the Series C and Series D Resolution adopted on November 27, 1967, and were sold to the U.S. Department of Health, Education, and Welfare to provide funds, in part, for the construction of the College of Arts and Sciences classroom-office Building which constitutes a portion of this project.

PROPOSED FACILITIES: The University is expanding its Consolidated Educational Buildings Project by the erection of the facilities listed below. By Resolution adopted on October 20, 1970, the Executive Committee of the Board of Trustees amended its Resolution authorizing the Series C and Series D bonds as approved on November 27, 1967, to include the

Health, Physical Education and Recreation Building and the Laboratory Office Facilities as shown in the listing below. Funds for this added construction have been made available from earnings from the investment of construction funds and from other University funds and do not require the issuance of additional bonds.

Classroom Office Building - College of Arts & Sciences . . .	\$12,700,000
Laboratory Office Building - Agricultural Science.	5,391,679
Appurtenant Facilities Parking Structures.	3,906,009
Appurtenant Facilities Utilities	4,916,519
Appurtenant Facilities Physical Education Facilities	253,028
Appurtenant Facilities Ingress and Egress.	167,158
Appurtenant Facilities Surface Parking	413,214
Appurtenant Facilities Pedestrian Access and Lighting . . .	345,598
Laboratory Office and Studio Facilities.	1,705,800
Memorial Hall Reconstruction	458,103
Library Service Building Reconstruction	472,708
Site Preparation	480,490
Health, Physical Education and Recreation Building	2,500,000
Laboratory Office Facilities	2,300,000
Contingencies.	1,787,682
	<u>\$37,797,988</u>

AVAILABLE FUNDS:

Federal Grants & Reimbursements	\$3,253,970	
Series C Bonds	4,290,000	
University Funds	<u>7,007,365</u>	<u>\$14,551,335</u>
		23,246,653
Estimated Legal, Financial and Administrative, Capitalized Interest & Bond Discount		<u>5,748,347</u>
TOTAL SERIES D BONDS		<u>\$28,995,000</u>

AUTHORITY FOR ISSUE AND SECURITY

These Bonds are being issued pursuant to the provisions of Sections 162.340, et. seq., of the Kentucky Revised Statutes, and a Series C & D Resolution adopted by the Board of Trustees on November 27, 1967, as amended, pursuant to the provisions of a Resolution adopted by the Board on September 20, 1960. The Board by Resolution adopted September 16, 1969 authorized the sale of its Series C Bonds and have subsequently sold said Bonds to the United States Department of Health, Education, and Welfare. These Series D Bonds will be secured pursuant to the terms of the Resolution whereunder the First Security National Bank & Trust Company of Lexington, Kentucky, previously named as Trustee for the holders of the Series D Bonds for the purpose of securing the payment of both the principal of and interest on the Bonds and to secure the faithful performance of the covenants and provisions contained in the Resolutions.

Said Bonds, together with the Series A, Series B, and Series C Bonds and additional parity bonds hereafter issued and outstanding under the terms of the Resolution and subsequent Series Resolutions, are payable from and constitute a paramount charge upon the Revenues to be derived by the University of Kentucky, at Lexington, Kentucky, from the operation of its Consolidated Educational Buildings Project. The fee imposed upon and collected from all students of the University at Lexington, Kentucky, as an incident to registration at the beginning of each semester of the

regular academic year and each summer session is designated as the source of revenues of the Consolidated Educational Buildings Project. Such fee is known as the Student Registration Fee (the Registration Fee) and the Board of Trustees covenants that the same will be fixed (and if necessary revised and increased from time to time) at such rates as may be required to pay the interest on and principal of the Bonds as they respectively mature, to provide reserves therefor and to pay the operating costs of the Project to the extent they are not otherwise provided. All collections of the Student Registration Fee are to be set aside, as received, into the Consolidated Educational Buildings Project Revenue Fund and are made subject to a first lien and paramount charge for the security and source of payment of the Consolidated Educational Buildings Revenue Bonds.

As further security for the Bonds and the coupons appertaining thereto, there is created and granted by Sections 162.350 and 162.200 of the Kentucky Revised Statutes a statutory mortgage lien upon the Consolidated Educational Buildings Project.

Certain pertinent provisions of the Resolutions are summarized in subsequent sections of this Official Statement.

Application of Revenues: There is created and established a special fund to be known as the Consolidated Educational Buildings Project Revenue Fund (the Revenue Fund) in the custody of the Treasurer of the Board of Trustees, separate and apart from other funds of the University. Such Revenue Fund shall be maintained so long as any of the Bonds are outstanding and unpaid as a trust fund in one or more banks which shall be members of the Federal Deposit Insurance Corporation and shall be expended and used by the Treasurer only in the manner and order specified in the Resolutions. Upon the issuance and delivery of any Bonds pursuant to the Resolutions, all Revenues derived from the Consolidated Educational Buildings Project shall be deposited as collected in the Revenue Fund to be held and administered by the Treasurer of the Board and shall be paid out and applied for the uses and purposes set forth below.

There is created and established a special account to be known as the Consolidated Educational Buildings Project Bond and Interest Sinking Fund (the Bond Fund) to be maintained by and in the custody of the Trustee so long as any Bonds are outstanding and unpaid. The Bond Fund shall be used by the Trustee to pay interest on the Bonds as the same becomes due from time to time and to pay and retire the Bonds as they become due, or as otherwise provided in the Resolutions. From and after the issuance of any Bonds and thereafter commencing on May 1 of each year the Treasurer shall transfer from the Revenue Fund and deposit to the credit of the Bond Fund all the Revenues as and when the same are received and deposited into the Revenue Fund until there has been so deposited and paid into the Bond Fund an amount equal to the total interest and principal becoming due on or prior to the succeeding May 1 on all Bonds then outstanding plus such amount as may be provided in a pertinent Series Resolution to be deposited in the Bond Fund during such year to provide for the retirement of Bonds scheduled to mature on May 1 on all Bonds then outstanding plus such amount as may be provided in a pertinent Series Resolution to be deposited in the Bond Fund during such year to provide for the retirement of Bonds scheduled to mature on May 1, of any subsequent year.

For the purpose of creating and maintaining a reserve in the Bond Fund equal to the maximum Aggregate Principal, Interest and Bond Fund Charges, as such term is defined below, the amounts to be set aside into the Bond Fund shall be 125% of the amounts to be set forth above until such reserve is so accumulated and thereafter the same shall be resumed and continued whenever and so long as required to restore and maintain such reserve. Aggregate Principal, Interest and Bond Fund Charges is defined "as of any particular date of computation and with respect to a particular twelve month period, an amount of money equal to the aggregate of the amounts required by the provisions of the Resolution and all Series Resolutions to be paid into the Bond Fund in such twelve month period for account of the interest on all outstanding Bonds becoming due during such twelve month period and to accomplish the retirement of the principal of all outstanding Bonds at or prior to the maturity thereof."

The amounts by which the above payments exceed the Aggregate Principal, Interest and Bond Fund Charges in any particular twelve month period shall be held in the Bond Fund as a reserve. Moneys in the Bond Fund in excess of the Aggregate Principal, Interest and Bond Fund Charges and the prescribed reserve may be used to purchase or redeem Bonds in advance of maturity.

Whenever all required payments into the Bond Fund have been made in any particular twelve month period ending May 1, any moneys remaining in the Revenue Fund may be used by the Board to pay the operating costs of the Project to the extent that such costs are not otherwise provided or may be used for any other lawful purpose including the purchase or retirement of Bonds in advance of maturity.

Application of Bond Proceeds: Any amounts received upon delivery of the Series D Bonds in payment of accrued interest thereon shall be deposited by the Treasurer into the Bond Fund to be applied to the payment of interest coupons next becoming due on Series D Bonds.

The Board will apply a sufficient portion of the balance of the proceeds of the Series D Bonds to the retirement of its "Revenue Bond Anticipation Notes" (or renewals thereof), which were issued in anticipation of the sale of Series C and Series D Bonds.

There is established in the State Treasury of the Commonwealth a construction account to be designated University of Kentucky Consolidated Educational Buildings Project - Bond Proceeds Series C & D Construction Account (Construction Account). The proceeds of the Board's Revenue Bond Anticipation Notes" issued December 11, 1967 in anticipation of the sale of Series C and D Bonds were transmitted by the Treasurer of the Board to the Treasurer of the Commonwealth for deposit in the Construction Account. Moneys in the Construction Account shall be disbursed by the Treasurer of the Commonwealth according to such inspection, audit and disbursement procedures as may from time to time be provided by law for the purpose of paying the costs (to the extent not otherwise provided) of erecting and completing the educational buildings and necessary appurtenances as described herein, in accordance with approved plans and specifications therefor, and only upon certification, as to each disbursement, that the amount thereof has been duly earned by and is payable to the designated party or parties for materials, services, and/or labor furnished pursuant to contracts duly awarded for the erection of the buildings.

Any balance remaining in the Construction Account after erection and completion of the educational buildings and appurtenances herein described and the payment of all costs in connection therewith shall be deposited in the Bond Fund; provided, however, that if proceedings are then pending or imminently contemplated for the construction or completion of one or more additional educational buildings which are or will be financed by the issuance of bonds under the Resolutions, the balances may be taken into account in determining the amount of bonds to be authorized therefor, or may otherwise be applied to the proper costs thereof.

ADDITIONAL BONDS

The Board covenants and agrees that it will not hereafter create or permit the creation of or issue any bonds which will have a priority over the charge on the Revenues or the payments to be made into the Bond Fund.

Additional bonds ranking on a parity with these Bonds may be issued only for the purpose or erecting and completing educational building or buildings and necessary appurtenances, provided:

1. that at the time of the issuance of the additional bonds there is no deficiency in the amounts required to be paid into the Bond Fund.
2. that the average annual Revenues from the Project for the two fiscal years immediately preceding the issuance of the additional bonds, as indicated in a statement by the Treasurer of the Board to be filed with the Trustee, was equal to not less than 1.25 times the maximum Aggregate Principal and Interest and Bond Fund Charges in any succeeding twelve month period ending May 1 on the Bonds then outstanding and the additional bonds proposed to be issued. For the purpose of computing average annual Revenues, the Treasurer shall make an adjustment in the amount of annual Revenues to reflect any increase or decrease in the Student Registration Fee being imposed at the time for the services of the Project.

The issuance of such additional bonds shall be pursuant to the terms of an appropriate Series Resolution adopted by the Board in accordance with the provisions of the Resolution.

COVENANTS OF THE BOARD OF TRUSTEES

The Board of Trustees covenants with the holders of the Bonds, among other things, the following:

1. that it will establish, maintain and collect, so long as any Bonds are outstanding, such Student Registration Fees for the services of the Project as may be necessary (1) to pay the interest on and principal of the Bonds as they respectively mature, to provide reserves therefor and (2) to pay the operating costs of the Project to the extent they are not otherwise provided. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in Revenues the Board further covenants and agrees to establish, maintain and

collect such Student Registration Fees as will produce Revenues in each twelve month period ending May 1, equal to at least 110% of the current Aggregate Principal, Interest and Bond Fund Charges.

2. that while any of the Bonds are outstanding it will, except as hereinbefore set forth under "Application of Revenues", pay the current operating costs of the Project from available funds other than the Revenues derived from the Project.

3. that it will procure and maintain to the extent available, fire and extended coverage insurance on the Project in amounts sufficient to provide for not less than full recovery whenever the loss from causes covered by such insurance does not exceed 80% of the full insurable value of the Project.

4. that unless provision is otherwise made by law for disposition by the Commonwealth of Kentucky of claims made against the University for bodily injury and/or death which may arise from operations of the Board, it will, if such insurance is not already in force, procure and maintain public liability insurance with limits of not less than \$500,000/\$100,000 to protect the Board from claims for bodily injury and/or death which may arise from the operation of the Board, including any use or occupancy of its grounds, structures, and vehicles.

5. that it will keep accurate financial records and proper books relating to the Project; that such records and books shall be open to inspection by the bondholders and their agents and representatives; and, that not later than 90 days after the close of each fiscal year it will furnish to the Trustee, and to any bondholder who shall request the same in writing, copies of audit reports prepared by an independent certified public accountant or a firm of such accountants, who shall be satisfactory to the Trustee, or by an appropriate State auditing official, reflecting in reasonable detail the financial condition and record of operation of the University, the Project, and the pledged Revenues during the preceding fiscal year.

6. that it will at all times maintain, preserve and keep the Project and every part thereof in good condition, repair and working order, and will from time to time make all needful and proper repairs, replacements, additions, betterments and improvements so that the operations and business of the Project shall at all times be conducted efficiently, properly and advantageously.

7. that whenever any portion of the Project shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Board will procure and install substitutes of at least equal utility and efficiency, so that the value and efficiency of the Project will at all times be fully maintained.

8. that it will faithfully observe, do and perform all of its agreements and obligations provided for by the Bonds and the Resolutions.

ESTIMATED INCOME

Student Registration Fee: The Board of Trustees with approval of the Kentucky Council on Public Higher Education has established a schedule of Student Registration Fees to be imposed, charged and collected for the services of the Project from all students attending the University. The present schedule of fees which became effective September 1, 1970, not including non-pledged Student Center and Activity Fees, are as follows:

Registration Fee Full-Time Students

All Colleges of the University except the
College of Dentistry and the College of Medicine

Semester Registration Fee for Resident Students	\$ 146.75
Semester Registration Fee for Non-Resident Students	496.75
Summer School Registration Fee for Resident Students	90.00
Summer School Registration Fee for Non-Resident Students	269.00

College of Dentistry and College of Medicine

Annual Registration Fee for Regular Academic Year of 2 Semesters - Resident Students	673.50
Annual Registration Fee for Regular Academic Year of 2 Semesters - Non-Resident Students	1,538.50

Revenues of Project: The proceeds received by the University from the imposition and collection of the Student Registration Fee for each of the years 1964-65 through 1969-70 are set forth in the tabulation below. The tabulation does not include the proceeds derived from a variety of "incidental and miscellaneous fees" charged and collected from students attending the University. No part of the proceeds of any "incidental and miscellaneous fees" are pledged as Revenues of the Project or to the security of the bonds.

SUMMARY OF INCOME FROM STUDENT REGISTRATION FEE

<u>Academic Year</u>	<u>Total of Registration Fees Collected</u>
1964-65	\$2,396,342
1965-66	3,491,375
1966-67	4,595,683
1967-68	4,981,410
1968-69	5,764,109
1969-70	6,358,475

On the basis of the Student Registration Fee which became effective September 1, 1970, it is estimated that the proceeds to be derived from the Registration Fee (which will be the Revenues of the Project) for each of the academic years 1970-1971 through 1974-75 will be as set forth in the following tabulation:

ESTIMATED COLLECTIONS OF STUDENT REGISTRATION FEE
(Revenues of the Project)

<u>Academic Year</u>	<u>Estimated Total of Collections of Registration Fee</u>
1970-71.	\$7,138,600
1971-72.	7,495,500
1972-73.	7,870,300
1973-74.	8,263,800
1974-75.	8,677,000
1975-76.	9,110,850

COVERAGE OF DEBT SERVICE REQUIREMENTS

This tabulation of coverage of debt service requirements as set forth below is based on the schedule of annual debt service for the Consolidated Educational Buildings Project Bonds as shown on Page 12.

Estimated Maximum Annual Debt Service Requirement (1972)	\$3,494,531.25
1969-70 Project Revenues (As Adjusted)	6,893,858.00
Times Maximum Debt Service Covered	1.97x
1970-71 Estimated Project Revenues	7,138,600.00
Times Maximum Debt Service Covered	2.04x

Calculation for Parity Bonds*

(Minimum Allowable Coverage 1.25)

Average of Revenues 1968-69/1969-70 (As Adjusted). . .	6,571,653.00
Estimated Maximum Annual Debt Service Requirement (1972)	3,494,531.25
Times Maximum Debt Service Covered	1.88x

*Certified by the Treasurer of the University.

SCHEDULE OF ANNUAL AGGREGATE PRINCIPAL

INTEREST AND BOND FUND CHARGES

The following schedule sets forth the estimated requirements for principal and interest on \$28,995,000 Consolidated Educational Buildings Revenue Bonds, Series D, together with the annual debt service requirements on the outstanding Consolidated Educational Buildings Revenue Bonds, Series A, Series B and Series C.

Year Ending May 1	Debt Service Requirements Series A, B, & C	Series D		Total Estimate Debt Service All Series
		Principal Due May 1	Interest @ 7%	
1971	\$1,202,223.75	\$ 270,000	\$1,014,875*	\$2,487,098.75
1972	1,198,781.25	285,000	2,010,750	3,494,531.25
1973	1,201,506.25	295,000	1,990,800	3,487,306.25
1974	1,203,381.25	310,000	1,970,150	3,483,531.25
1975	1,209,406.25	325,000	1,948,450	3,482,856.25
1976	1,204,393.75	340,000	1,925,700	3,470,093.75
1977	1,208,681.25	355,000	1,901,900	3,465,581.25
1978	1,216,550.00	370,000	1,877,050	3,463,600.00
1979	1,218,200.00	390,000	1,851,150	3,459,350.00
1980	1,217,918.75	410,000	1,823,850	3,451,768.75
1981	1,221,531.25	425,000	1,795,150	3,441,681.25
1982	1,223,887.50	445,000	1,765,400	3,434,287.50
1983	1,224,987.50	470,000	1,734,250	3,429,237.50
1984	1,229,441.25	490,000	1,701,350	3,420,791.25
1985	1,232,430.00	515,000	1,667,050	3,414,480.00
1986	1,228,360.00	540,000	1,631,000	3,399,360.00
1987	723,000.00	565,000	1,593,200	2,881,200.00
1988	721,370.00	590,000	1,553,650	2,865,020.00
1989	234,050.00	615,000	1,512,350	2,361,400.00
1990	233,500.00	645,000	1,469,300	2,347,800.00
1991	232,800.00	675,000	1,424,150	2,331,950.00
1992	231,950.00	710,000	1,376,900	2,318,850.00
1993	230,950.00	745,000	1,327,200	2,303,150.00
1994	234,800.00	775,000	1,275,050	2,284,850.00
1995	233,350.00	815,000	1,220,800	2,269,150.00
1996	231,750.00	850,000	1,163,750	2,245,500.00
1997	-	1,125,000	1,104,250	2,229,250.00
1998	-	1,180,000	1,025,500	2,205,500.00
1999	-	1,235,000	942,900	2,177,900.00
2000	-	1,295,000	856,450	2,151,450.00
2001	-	1,355,000	765,800	2,120,800.00
2002	-	1,420,000	670,950	2,090,950.00
2003	-	1,485,000	571,550	2,056,550.00
2004	-	1,555,000	467,600	2,022,600.00
2005	-	1,625,000	358,750	1,983,750.00
2006	-	1,705,000	245,000	1,950,000.00
2007	-	1,795,000	125,650	1,920,650.00

* Six months interest, November 1, 1970, to May 1, 1971

OUTSTANDING BONDS AND BOND ANTICIPATION NOTES
OF THE UNIVERSITY

Name of Issue	Year of Issue	Amount of Issue	Amount Outstanding 6-30-70	Year of Final Maturity
<u>Fraternity and Sorority Dormitory Bonds</u>				
Dormitory Revenue Bonds	1950	\$ 74,500	\$ 27,500	1980
Dormitory Revenue Bonds	1950	76,000	33,000	1980
Dormitory Revenue Bonds of 1953	1953	710,000	405,000	1983
Dormitory Revenue Bonds	1956	900,000	734,000	1996
Dormitory Revenue Bonds	1956	150,000	122,000	1996
Dormitory Revenue Bonds	1957	100,000	52,000	1982
Dormitory Revenue Bonds	1958	150,000	124,000	1998
Housing Bonds of 1960	1960	300,000	263,000	2000
Student Housing Bonds of 1964	1964	640,000	603,000	2004
Dormitory Revenue Bonds (Rose Street)	1969	130,000	125,000	1994
TOTAL			\$ 2,488,500	
<u>Educational Buildings*</u>				
Consolidated Educational Buildings				
Revenue Bonds - Series A	1960	8,000,000	\$ 5,960,000	1986
Consolidated Educational Buildings				
Revenue Bonds - Series B	1963	7,500,000	6,230,000	1988
Consolidated Educational Buildings				
Revenue Bonds - Series C	1969	4,290,000	4,185,000	1996
Revenue Bond Anticipation Notes (In anticipation of Series D)	1969	28,800,000	28,800,000	1970
TOTAL			\$45,175,000	
<u>Community Colleges*</u>				
Revenue Bond Anticipation Notes	1970	\$16,300,000	\$16,300,000	1971
TOTAL			\$16,300,000	
<u>Housing and Dining System Revenue Bonds*</u>				
Housing and Dining Bonds - Series A	1965	\$ 1,000,000	\$ 850,000	1990
Housing and Dining Bonds - Series B	1965	275,000	275,000	1994
Housing and Dining Bonds - Series C	1965	955,000	845,000	1995
Housing and Dining Bonds - Series D	1965	1,835,000	1,625,000	1996
Housing and Dining Bonds - Series E	1965	1,580,000	1,415,000	1997
Housing and Dining Bonds - Series F	1965	1,155,000	1,155,000	2001
Housing and Dining Bonds - Series G	1965	1,375,000	1,375,000	2002
Housing and Dining Bonds - Series H	1965	6,900,000	5,550,000	2005
Housing and Dining Bonds - Series I	1965	20,000,000	19,900,000	2005
TOTAL			\$32,990,000	

* In addition to the above, the University has outstanding certain old issues of Dormitory and Dining Bonds and of Community Colleges Bonds now advance refunded with full principal and interest on deposit and escrowed.

All of the foregoing descriptions or statements of provisions of the Resolutions, the Kentucky Revised Statutes, the Bonds, and other documents of the University are made subject, respectively, to all provisions thereof, to which reference is hereby made for further information, and do not purport to be complete statements of such provisions.

UNIVERSITY OF KENTUCKY

/s/ Albert Clay
Chairman or Vice Chairman
Board of Trustees

ATTEST:

/s/ Lucile T. Blazer
Secretary of the Board of Trustees

A RESOLUTION OF THE
BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY
AUTHORIZING THE ISSUANCE, JOINTLY WITH THE STATE
PROPERTY AND BUILDINGS COMMISSION OF KENTUCKY,
AND SUBJECT TO THE APPROVAL AND CONCURRENCE OF
SAID COMMISSION, OF ITS \$28,100,000 "REVENUE BOND
ANTICIPATION NOTES OF 1970" ACCORDING TO AUTHORITY
OF KRS 56.513, PAYABLE AS TO PRINCIPAL AND INTEREST
SOLELY AS HEREINAFTER PROVIDED, AND NOT CONSTITUTING
GENERAL OBLIGATIONS OF THE UNIVERSITY, THE BOARD,
OR THE COMMONWEALTH; AND REQUESTING APPROVAL AND
CONCURRENCE OF THE SAID COMMISSION.

WHEREAS, at a meeting held on November 27, 1967, the statutory
Executive Committee of the Board of Trustees of the University of
Kentucky (the "Executive Committee") acting under proper authority
from the Board of Trustees of the University of Kentucky (the "Board"),
adopted a certain resolution (the "Series C and Series D Resolution"),
which is identified by its title or caption, as follows:

"A RESOLUTION AUTHORIZING THE ISSUANCE OF \$4,393,000
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS,
SERIES C, AND \$29,250,000 CONSOLIDATED EDUCATIONAL
BUILDINGS REVENUE BONDS, SERIES D, OF THE BOARD OF
TRUSTEES OF THE UNIVERSITY OF KENTUCKY

AND

IN ANTICIPATION OF THE ISSUANCE OF SAID BONDS,
AUTHORIZING THE ISSUANCE, JOINTLY WITH THE STATE
PROPERTY AND BUILDINGS COMMISSION OF KENTUCKY, AND
SUBJECT TO THE APPROVAL AND CONCURRENCE OF SAID
COMMISSION, OF REVENUE BOND ANTICIPATION NOTES IN
THE MANNER AUTHORIZED BY KRS 56.513, THE SAME TO BE
PAYABLE (A) AS TO PRINCIPAL SOLELY FROM THE PROCEEDS
OF THE CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE
BONDS, SERIES C AND SERIES D, HEREIN AUTHORIZED, WHEN
SAID BONDS ARE SOLD AND DELIVERED (OR FROM THE PRO-
CEEDS OF RENEWAL NOTES), AND (B) AS TO INTEREST FROM
THE SOURCES HEREIN PROVIDED THEREFOR; AND REQUESTING
APPROVAL AND CONCURRENCE OF THE SAID COMMISSION."; and

WHEREAS, with the approval, concurrence and authorization of the State Property and Buildings Commission of Kentucky (the "Commission") and pursuant to KRS 56.513 and the aforesaid Series C and Series D Resolution (a) there were duly authorized, sold and delivered certain "Revenue Bond Anticipation Notes" (the "Notes") in the principal amount of \$31,400,000, being the joint obligations of the Board and of the Commission, the same being dated December 11, 1967, maturing on December 13, 1968, (b) the same have been renewed from time to time as permitted by KRS 56.513, (c) at the proper time the "Consolidated Educational Buildings Revenue Bonds, Series C," were sold and delivered in the principal amount of \$4,290,000, and the proceeds thereof (together with \$103,000 provided by the University from available funds in lieu of the issuance of \$103,000 of said Series C Bonds which had matured and could not be issued) were duly applied in reduction of the outstanding Notes, as promised and agreed, and (d) there are outstanding at the time of adoption of this resolution \$28,800,000 "Revenue Bond Anticipation (Second Renewal) Notes," dated December 11, 1969, maturing December 14, 1970 (the "Second Renewal Notes"), bearing interest at the respective rates provided therein (such interest being payable at maturity), and in connection with the issuance of said Second Renewal Notes deposit was made with Chemical Bank, New York, New York, as the Paying Agent designated therein, of the sum of \$1,881,701.25, representing interest on said Second Renewal Notes from date to maturity, the same to be held, invested and reinvested from time to time, by said Paying Agent; and

WHEREAS, construction has not yet been completed, and KRS 56.513 authorizes further renewal of said Notes at the option of the Board and the Commission; and it has been determined by the Board of Trustees of the University of Kentucky (subject to the approval and authorization of the Commission, as hereinafter requested) that there shall be a renewal evidenced by the issuance of \$28,100,000 principal amount of "Revenue Bond Anticipation Notes of 1970" (the "1970 Renewal Notes"), to be issued as joint obligations of the Board and of the Commission, as hereinafter provided; said 1970 Renewal Notes to be dated December 11, 1970, to be issued and delivered on said date, and to mature as to principal on December 14, 1971, with provision that said 1970 Renewal Notes, and the interest thereon, shall be payable solely from the respective sources hereinafter set forth, and shall not constitute an indebtedness of the University of Kentucky, or of the Board, or of the Commission, or of the Commonwealth of Kentucky; and

WHEREAS, it has been caused to appear that insofar as authorization of the "Consolidated Educational Buildings Revenue Bonds, Series D," is concerned, certain details of the aforesaid "Series C and Series D Resolution" have been overtaken by intervening events; and it is in order that updating amendments be adopted and made effective at this time, inasmuch as the said Series D Bonds have not been sold or issued; and

WHEREAS, the Board of Trustees is duly aware of all of the foregoing; has received the advice of its Fiscal Agent, Dupree & Company, Inc., Lexington, Kentucky, and of Bond Counsel; has consulted with the Commissioner of Finance of the Commonwealth of Kentucky; and is properly advised,

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY HEREBY RESOLVES, AS FOLLOWS:

PART ONE

AMENDMENTS OF THE "SERIES C AND SERIES D RESOLUTION" TO UPDATE AUTHORIZATION OF THE "CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES D," AS PREVIOUSLY AUTHORIZED THEREIN.

Section I. Acknowledgment of Change in State Legislative Policy; Amendment (as to the Series D Bonds) to Conform Thereto.

A. It is recognized and acknowledged that when the aforesaid "Series C and Series D Resolution" was adopted and made effective [on November 27, 1967], the issuance and public offering of the Board's "Consolidated Educational Buildings Revenue Bonds," of any Series, was limited by law to a maximum interest rate of six per cent (6%) per annum, which constituted a limitation not only upon the maximum coupon rate which might be established and made applicable to any Bond but also a limitation upon the average effective interest rate made applicable to all Bonds of any Series, taking into consideration any discount which might be permitted in connection with the offering and sale thereof. It is further recognized and acknowledged that

subsequent to the adoption of the aforesaid "Series C and Series D Resolution," there was a substantial adverse trend in financial conditions over a substantial period of time, and that by reason thereof, the General Assembly of Kentucky saw fit (i) at its Regular Session of 1968, to increase such permissible interest rate limitation to six and one-half per cent (6-1/2%) per annum, and (ii) at its Regular Session of 1970, to remove and eliminate all interest rate limitations affecting public financing. It thus appears that the interest rate limitation applicable to the "Consolidated Educational Buildings Revenue Bonds, Series D," appearing in the text of Section 2.07 of the aforesaid "Series C and Series D Resolution," and again in Section 2.15 thereof, is inconsistent with the public policy of the Commonwealth as established and declared by the General Assembly; and that in view of the fact that the Series D Bonds have not been sold or issued at this time, the Board is constrained to amend its proceedings to conform thereto.

B. Accordingly, the Board hereby amends the text of the aforesaid Series C and Series D Resolution (specifically insofar as the same makes reference to the interest rate limitation controlling the public offering and issuance of the "Consolidated Educational Buildings Revenue Bonds, Series D") by deleting, altogether, in Section 2.07 of the aforesaid Series C and Series D Resolution, and in Section 2.15 thereof, and in any and all other applicable places therein, any conditions, provisions and requirements which in any way limit the

rate of interest which may be established and made applicable to the aforesaid Series D Bonds, whether by limitation of coupon rates, average effective rates, or otherwise.

Section II. Events Have Overtaken Projections; Recognition and Acknowledgment Thereof.

A. It is recognized and acknowledged that at the time of the adoption of the aforesaid Series C and Series D Resolution [on November 27, 1967], the Board, in its contemplation of the then foreseeable needs with reference to educational buildings and appurtenant facilities in the expansion of the Board's "Consolidated Educational Buildings Project," deemed that it would be necessary to construct three (3) parking structures having estimated capacity to accommodate 2,000 motor vehicles. The Board has caused two (2) of such parking structures to be erected, having the capacity to accommodate parking of approximately 1,450 vehicles, but in the exercise of its judgment, has seen fit to abandon the projected third parking structure, and in lieu thereof to expand surface parking facilities to an extent approximately making up the difference. In view of the fact that the Board's "Consolidated Educational Buildings Revenue Bonds" are payable solely from the pledged Revenues of the "Consolidated Educational Buildings Project," which Revenues consist solely of Student Registration Fees (and do not include any pledge of prospective parking revenues), it has been caused to appear to the Board that its determination to reduce the number of parking structures from three to two, and to increase surface parking facilities to make up part of the difference, have no detrimental effect upon the security or source of payment of the

Board's "Consolidated Educational Buildings Revenue Bonds," whether presently issued and outstanding, or contemplated to be issued in the future; and accordingly it is the determination of the Board that its decisions in these respects do not in any way impair the security or source of payment of the aforesaid "Consolidated Educational Buildings Revenue Bonds."

B. It is recognized and acknowledged that at the time of the adoption of the aforesaid Series C and Series D Resolution [on November 27, 1967], and in listing at that time the educational buildings and appurtenant facilities intended to be financed in whole or in part from the proceeds of the Series D Bonds, the Board did not include, by reason of what it conceived to be its inability to finance the same, (i) a planned and necessary Health, Physical Education and Recreation Building, estimated to cost \$2,500,000, and (ii) a Laboratory-Office Building, estimated to cost \$2,300,000. It has now been caused to appear to the satisfaction of the Board that the erection, completion and equipment of said necessary and long-contemplated educational buildings and appurtenant facilities can be financed and brought about as parts of the overall "Undertaking" which was described and otherwise identified with particularity in Section 2.06 of the aforesaid Series C and Series D Resolution, by reason of the fact that there has been realization of substantial interest earnings resulting from investment and reinvestment of the proceeds of interim financing from time to

time, and by reason of the ability of the Board to supplement such investment earnings from monies which are available to the Board from other sources. Inasmuch as said buildings and appurtenant facilities will constitute parts of the Board's "Consolidated Educational Buildings Project," and inasmuch as the costs thereof can be paid from the proceeds of the Series D Bonds, supplemented by interest earned upon interim investments and reinvestments of the proceeds of Notes which have been issued from time to time in anticipation of the issuance of the Series D Bonds, and further supplemented by monies which the Board is able to supply from other sources, -- the Board of Trustees of the University of Kentucky hereby elects and determines (a) that the aforesaid new building for Health, Physical Education and Recreation facilities, and the aforesaid new building for Laboratory-Office facilities, shall be erected, completed and equipped through application of interest earnings realized from investments of the proceeds of Notes, as supplemented by monies available to the Board from other sources (and hereby appropriated and made available for such purposes to whatever extent may be necessary), and (b) that said identified new and additional buildings and appurtenant facilities shall constitute and become parts of the Board's "Consolidated Educational Buildings Project" as the same was established and defined in the Board's Resolution, adopted September 20, 1960, referred to and identified in the caption of this Resolution.

In order to conform to the recitations and determinations which have been made and announced in the foregoing text, the Board of Trustees of the University of Kentucky hereby amends **Section 2.06** of the Series C and Series D Resolution by striking the entire text thereof, and by substituting in lieu thereof, the following text:

[AMENDED AND SUBSTITUTED TEXT OF SECTION 2.06
OF THE SERIES C AND SERIES D RESOLUTION]

"Section 2.06. Said Series D Bonds are being issued for the purpose of paying the costs (to the extent not otherwise provided) of erecting and completing educational buildings with necessary appurtenances upon the property of the University in Fayette County, Kentucky, consisting of the aforesaid new classroom, faculty and administration office building for the College of Arts and Sciences (referred to in Section 2.02 hereof); a new laboratory-office building for the Agricultural Sciences program; two parking buildings to provide approximately 1450 parking spaces required as appurtenances to the heart of the Academic Campus and the Medical Center; three new buildings to provide office, laboratory and studio space and facilities suitable for use in expanding programs of the Colleges of Arts and Sciences, Fine Arts, Medicine, Pharmacy and Engineering; complete interior reconstruction of Memorial Hall; substantial interior reconstruction of a portion of the Library Service Building to accommodate the central accounting, purchasing and personnel functions of the University, and in part to accommodate the University's Physical Development Division; a new Health, Physical Education and Recreation Building; a new Laboratory-Office Building; and substantial appurtenant facilities which are made necessary by the expansion of the Consolidated Educational Buildings Project at the Main Campus of the University in Fayette County, Kentucky, consisting principally of (a) a cooling plant and chilled water distribution system to provide a central source and distribution system for air-conditioning in a certain area of the Main Campus, to supersede window air-conditioning units and other inefficient present installations, (b) an expansion of the recently completed chilled water plant in the area of the Medical and Agricultural Science Centers, (c) replacement of the present obsolete and overloaded electrical distribution system which serves the central part of the Main Campus, (d) substantial reconstruction of the present steam distribution system and addition of auxiliary equipment to

existing heating plants, (e) certain outdoor facilities appurtenant to the physical education program, necessary to replace similar facilities on the sites of academic buildings which are under construction or are planned for the immediate future, (f) surfacing of an access roadway to provide ingress and egress for the southern area of the Main Campus, including the Medical Center and two of the new parking buildings, hereinabove referred to, (g) surfacing of a parking area to accommodate approximately 1100 motor vehicles, necessary to serve the physical education and recreation complex, (h) construction and installation of a pedestrian mall and related lighting facilities urgently needed for access and security purposes, and (i) surfacing of such roadways in the area of the Medical Center and Agricultural Science Center as are urgently required by reason of the aforesaid expansion of the Consolidated Educational Buildings Project, all of which, when erected and completed, will become and constitute parts of the Consolidated Educational Buildings Project of said University."

[End of Amended Text of Section 2.06 of the
Series C and Series D Resolution]

Section III. Direction to the Secretary of the Board that
a Proper Notation be made in the Board's Minutes, in order that Public
Notice may be given with regard to the Herein-authorized Amendments
of the Series C and Series D Resolution.

The Board recognizes the fact that the aforesaid "Series C and Series D Resolution" appears as a matter of permanent record in the official minutes of meetings of the Board, and of its duly authorized Executive Committee; and acknowledges that reasonable steps should be taken and reasonable notice be given, that the aforesaid "Series C and Series D Resolution" has been amended according to this resolution, in order that future misunderstandings may be avoided. Accordingly, after the adoption of this resolution, the Secretary of the Board of Trustees of the University (and of the Executive Committee of said Board) is hereby directed to review the officially recorded minutes

of the Board of Trustees, and of the Executive Committee of the Board, and to inscribe in the margin of such minutes, wherever appropriate, -- adjacent to the title or caption of the aforesaid "Series C and Series D Resolution," as the same appears in such minutes, a notation substantially, as follows:

"Note: This resolution authorizing the University's 'Consolidated Educational Buildings Revenue Bonds, Series, Series C and Series D,' has been amended in certain respects -- see minutes of October 20, 1970.

Secretary
Board of Trustees".

PART TWO

AUTHORIZATION OF REVENUE BOND ANTICIPATION NOTES OF 1970; DISPOSITION OF PROCEEDS; ADDITIONAL MONIES APPROPRIATED FROM OTHER SOURCES

Section 2.01. Authorization of Revenue Bond Anticipation

Notes of 1970. With the approval, concurrence and participation of the State Property and Buildings Commission of Kentucky (the "Commission"), it is hereby determined that interim financing shall be effected through the issuance of "Revenue Bond Anticipation Notes of 1970" (the "1970 Renewal Notes") under authority of KRS 56.513. Such 1970 Renewal Notes are hereby authorized to be issued in anticipation of the later issuance, at a proper time, of the Consolidated Educational Buildings Revenue Bonds, Series D, which were authorized by a certain resolution which was adopted by the Statutory Executive

Committee of the Board at a meeting held on November 27, 1967, which is identified in the preamble hereof, and which is amended in certain respects in PART ONE of this resolution. The 1970 Renewal Notes shall be dated the 11th day of December, 1970; shall be issued in the aggregate principal amount of Twenty-eight Million One Hundred Thousand Dollars (\$28,100,000); shall be in such denominations as may be requested by the purchaser or purchasers thereof in their purchase proposals or within three (3) days after the 1970 Renewal Notes are awarded to purchasers thereof, as hereinafter provided; shall mature on the 14th day of December, 1971; and shall bear interest until maturity at such rate or rates as may be established in a supplemental resolution awarding the 1970 Renewal Notes; and if for any reason the 1970 Renewal Notes, or any of them, are not paid in full, both principal and interest, at maturity, then such 1970 Renewal Notes, and the interest at that time due and unpaid, shall thereafter bear interest at the uniform rate of seven per cent (7%) per annum until payment thereof in full, both principal and interest. The 1970 Renewal Notes shall be payable as to both principal and interest at the principal office of a bank or trust company, acceptable to the Commissioner of Finance, in the City of New York, State of New York, or in the City of Chicago, Illinois, nominated by the purchaser to which the greatest dollar amount of the 1970 Renewal Notes may be awarded.

Section 2.02. The 1970 Renewal Notes shall not be subject to redemption by the Board, or by the Commission, prior to the maturity date thereof.

Section 2.03. Each 1970 Renewal Note shall be executed on behalf of the Board by an authorized facsimile reproduction of the signature of the Chairman, and a facsimile of the seal of the Board shall be reproduced thereon, attested by the manual signature of the Secretary of the Board. Upon approval and concurrence by the Commission, it is requested that the Commission join in the 1970 Renewal Notes as a party thereto and provide that each 1970 Renewal Note shall be executed on behalf of the Commission by an authorized facsimile reproduction of the signature of its Chairman, attested by the manual or authorized facsimile reproduction of the signature of its Executive Director.

Section 2.04. The 1970 Renewal Notes shall be in substantially the following form:

(FORM OF REVENUE BOND ANTICIPATION NOTES OF 1970)

COMMONWEALTH OF KENTUCKY
BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY
AND
STATE PROPERTY AND BUILDINGS COMMISSION OF KENTUCKY
REVENUE BOND ANTICIPATION NOTE OF 1970
IN CONNECTION WITH THE ISSUANCE BY THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF KENTUCKY OF ITS "CONSOLIDATED
EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES D"

No. _____ \$ _____

The Board of Trustees of the University of Kentucky, a public body corporate, and an educational institution and agency of the Commonwealth of Kentucky, situated at Lexington, Fayette County, Kentucky

the "Board"), acting under authority of Section 162.340, et seq., and Section 56.513 of the Kentucky Revised Statutes, and the State Property and Buildings Commission of Kentucky, a public body corporate and an independent agency of the Commonwealth of Kentucky (the "Commission"), acting under authority of pertinent provisions of Chapter 56 of the Kentucky Revised Statutes (including Section 56.513 thereof), for value received hereby jointly promise to pay to bearer the principal sum of _____ Thousand Dollars (\$_____) on the 14th day of December, 1971, and to pay interest on said principal sum at the rate of _____ per cent (____%) per annum payable at maturity. The obligations of the Board and the Commission for the principal of this 1970 Renewal Note, and interest hereon, are limited to payment from the proceeds of the Board's Revenue Bonds, herein identified, when said Bonds are sold and delivered and such proceeds are received and are available, except to the extent provision shall previously have been made for payment from the proceeds of other renewal notes, as authorized and permitted by law, or from interest derived from investment of the proceeds hereof, pending disbursement, or from the pledge (hereinafter made) of revenues of the Board's Consolidated Educational Buildings Project, to the extent such revenues are surplus to requirements of the Board's Consolidated Educational Buildings Revenue Bonds. The principal of this 1970 Renewal Note, and interest hereon, are payable in New York Clearing House Funds in

lawful money of the United States of America at the principal office of _____, in the City of _____, _____.* If for any reason this 1970 Renewal Note is not paid in full, both principal and interest, at the specified maturity date, it is agreed that from and after such failure of payment, interest on the principal amount of this 1970 Renewal Note, and upon the amount of interest then due and unpaid, shall accrue at the rate of seven per cent (7%) per annum until payment of this 1970 Renewal Note in full, both principal and interest.

The Board represents to the bearer of this 1970 Renewal Note that it has taken all proper steps to initiate an Undertaking consisting of the erection or reconstruction of one or more buildings, with necessary appurtenances, at the main campus of the University of Kentucky in Lexington, Kentucky, to be used for educational purposes, the same to constitute parts of the Board's "Consolidated Educational Buildings Project," heretofore established, and that it has made of record a determination that the same shall be financed (to the extent funds are not otherwise provided) through the issuance of the Board's "Consolidated Educational Buildings Revenue Bonds, Series C and Series D," which will constitute a part of its issue of "Consolidated Educational Buildings Revenue Bonds" heretofore authorized, which Revenue Bonds will not constitute an indebtedness of the Board, or of

*To be supplied by supplemental proceedings

the Commission, or of the Commonwealth of Kentucky, but will be payable solely from the defined Revenues derived and to be derived from said Consolidated Educational Buildings Project; and that it has duly adopted a "Series C and Series D Resolution" initially authorizing said Revenue Bonds in the aggregate amount of \$33,643,000.

The Series C Bonds have been sold and delivered in the principal amount of \$4,290,000 and the proceeds thereof (supplemented by \$103,000 provided by the University from other sources in lieu of said Series C Bonds in that amount which had already been sold and could not be issued) have been duly applied in accordance with said "Series C and Series D Resolution." The Series D Bonds were initially authorized in the principal amount of \$29,250,000, but this amount has been reduced to \$28,995,000 by reason of overtaken maturities, and the amount of such reduction has been supplied by the University from other sources.

The Board further represents that it has provided to the Commission all documentation required to be furnished by the Board according to Section 56.513 of the Kentucky Revised Statutes, and in accordance with the Commission's requirements thereunder as conditions precedent to interim renewal financing in anticipation of the issuance of said identified Series D Revenue Bonds.

The Commission represents to the bearer of this 1970 Renewal Note that it has received from the Board all documentation required by Section 56.513 of the Kentucky Revised Statutes, and by the Commission's requirements thereunder, in connection with the initiation of

such Undertaking and the proposal of the Board that the same be financed (to the extent funds are not otherwise provided) through the issuance of the aforesaid Series D Revenue Bonds by the Board; that the Commission has approved the documentation so furnished by the Board; and that the Commission and the Board have made all such determinations as are required preliminary to interim financing in anticipation of the Board's issuance of such Series D Revenue Bonds.

The Board covenants with the bearer of this 1970 Renewal Note that at a proper time or times during the construction of said Undertaking, or upon completion thereof (to be determined in the discretion of the Commission), the Board will take all proper and necessary action under existing statutory authority and in accordance with previous proceedings creating its issue of "Consolidated Educational Buildings Revenue Bonds," to offer at public sale, issue and deliver the Series D Revenue Bonds hereinabove identified, in an amount not less than \$28,100,000, which is an amount estimated to be the aggregate of all costs of said Undertaking (to the extent funds are not otherwise provided), including provision for payment from the proceeds of said Series D Revenue Bonds, and from Revenues of the Consolidated Educational Buildings Project, of the principal of and interest on this 1970 Renewal Note as herein provided, unless interest shall previously have been paid, or provisions for payment thereof have been duly made from other sources, as herein provided.

The Commission covenants with the bearer of this 1970 Renewal Note that the Commission has approved the Board's authorization and

later issuance of said Series D Revenue Bonds as required by the applicable provisions of Chapter 56 of the Kentucky Revised Statutes, and that the Board is authorized to offer the same at public sale and thereafter issue and deliver the same.

The Board and the Commission jointly covenant with the bearer of this 1970 Renewal Note that when the proceeds of said Series D Revenue Bonds are received, the same (together with monies from the Revenues of said Project, in any amount which may be required), will be deposited in a special escrow account with the financial institution hereinabove named as the place of payment of principal and interest, upon such terms as will provide that the escrow agent shall pay from said deposited funds to the respective bearers of all of the 1970 Renewal Notes issued as constituting the series herein referred to the principal amount thereof, together with interest as herein provided, as a first charge upon said deposited funds; and thereafter to remit any unrequired balance of said deposited funds to the Commonwealth of Kentucky for disposition in accordance with the provisions of the proceedings pursuant to which said Revenue Bonds have been authorized to be issued.

This 1970 Renewal Note is one of a series of 1970 Renewal Notes in the authorized principal amount of \$28,100,000, bearing interest at various rates, but otherwise of the same tenor and effect and alike as to date of maturity, issued by the Board with the approval and concurrence of the Commission in anticipation of the issuance of said Series D Revenue Bonds and for the purpose of providing interim

funds to be applied solely toward payment of similar Renewal Notes previously issued, with interest thereon (to any extent not otherwise provided), the costs of construction of said Undertaking, and proper expenses; all being done under and in strict conformity with the Constitution and applicable statutes of the Commonwealth of Kentucky, particular reference being made to Section 162.340, et seq., and Chapter 56 of the Kentucky Revised Statutes, now in full force and effect.

Neither this 1970 Renewal Note, nor the interest hereon, shall constitute or evidence an indebtedness of the Commonwealth of Kentucky, or of the University of Kentucky, or of the Board, or of the Commission, but the same are payable solely from the proceeds of the above-identified Series D Revenue Bonds and from the pledged Revenues of said Project, or from the proceeds of other renewal notes, or from other sources, as aforesaid. Pursuant to the statute authorizing the issuance hereof, this 1970 Renewal Note, and the receipt of interest hereon, are exempt from all taxation by the Commonwealth of Kentucky and all of its subdivisions, municipalities and taxing authorities.

The Board and the Commission covenant and agree that the proceeds of the 1970 Renewal Notes, together with monies available to the Board from other sources in whatever amount may be necessary, will be deposited in a special fund or account which has been designated the "Revenue Bond Anticipation Notes of 1970 - Proceeds Account," from which disbursements will be made solely for payment of similar

obligations previously issued and proper costs of the above-mentioned Undertaking; and that as additional sources of payment of interest on the 1970 Renewal Notes the Board (with the concurrence and approval of the Commission) has pledged (i) all interest income which may be realized from investment and reinvestment of monies set aside and deposited in the aforesaid "Revenue Bond Anticipation Notes of 1970 - Proceeds Account," pending proper and authorized disbursements therefrom and (ii) to any extent which may be necessary, the defined Revenues of the Board's Consolidated Educational Buildings Project, as created and established by the Resolution, but only insofar as the said Revenues are surplus to the requirements prescribed in the resolutions authorizing the Series A Bonds, the Series B Bonds, and the Series C Bonds for the security, source of payment, benefit and protection of the holders of the Board's outstanding "Consolidated Educational Buildings Revenue Bonds, Series A, Series B, and Series C," heretofore issued.

The Board (with the concurrence and approval of the Commission) has also pledged for the payment of the interest on and principal of the 1970 Renewal Notes, certain amounts which are provided to be paid into a Special Note Sinking Fund, in the custody of the Trustee for the Consolidated Educational Buildings Revenue Bonds, such amounts to be computed and to be paid from time to time by the Board to said Trustee, from the Revenue Fund of the Board's Consolidated Educational Buildings Project, in such manner and in such amounts from time to time as will make it possible for the Trustee to pay, from said Special

Note Sinking Fund, the interest on and principal of the Board's "Consolidated Educational Buildings Revenue Bonds, Series D," as and when such interest and principal will become due and payable, based upon the heretofore established schedule for the principal maturities of said Series D Bonds, and assuming with respect to said Series D Bonds the accrual of interest at a rate equivalent to the average of the interest rates established and made applicable to the 1970 Renewal Notes.

The Board and the Commission hereby covenant and agree that in the event that the Board's "Consolidated Educational Buildings Revenue Bonds, Series D," are sold and delivered so that the proceeds thereof become available more than ninety (90) days prior to December 14, 1971, the Board and the Commission will solicit tenders of the outstanding 1970 Renewal Notes for purchase and cancellation at a price or prices not exceeding the face amount thereof together with accrued interest to the date of surrender and payment; and that to the extent tenders may be received upon such terms, the proceeds of the Series D Bonds which have been sold and are so scheduled for delivery and payment will be applied to the payment of such 1970 Renewal Notes. Solicitation of tenders in this respect will be addressed by ordinary mail to the original purchasers of the 1970 Renewal Notes, and to any subsequent transferee thereof if the name and address of such transferee has been filed with the Paying Agent designated herein, and not otherwise. Nevertheless, in the event such tenders are solicited from the known holders of the outstanding 1970

Renewal Notes, the Board and the Commission will entertain tenders from the holder or holders of any of the outstanding 1970 Renewal Notes, if received in accordance with the conditions set forth in the solicitation of tenders.

It is agreed by the Board and the Commission that the proceeds or purchase price of this 1970 Renewal Note shall be paid by the purchaser hereof to the Commonwealth of Kentucky in New York Clearing House Funds by means of a check certified by a bank acceptable to the Commissioner of Finance of the Commonwealth, or by a cashier's, treasurer's or official check issued by a bank acceptable to said Commissioner of Finance, the same to be payable to the Treasurer of the Commonwealth of Kentucky and delivered to said Commissioner of Finance. The purchaser of this 1970 Renewal Note shall be controlled by this agreement and shall make payment herefor according to the foregoing; and such payment shall discharge the purchaser of all obligations to the Board and to the Commission for the purchase hereof.

It is hereby certified, recited and declared by the Board and by the Commission that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance and delivery of this 1970 Renewal Note, do exist, have happened and have been performed according to law; that neither the principal of or interest on this 1970 Renewal Note shall constitute an indebtedness of the Commonwealth of Kentucky, or of the University

of Kentucky, or of the Board, or of the Commission; and that provision has been made for payment of interest hereon and the payment of principal hereof from the proceeds of the above-identified Series D Revenue Bonds, or from the proceeds of other renewal notes, or from other sources as hereinabove recited; in each instance as a first charge thereon, as aforesaid.

IN TESTIMONY WHEREOF, the Board has caused this 1970 Renewal Note to be executed in its name and on its behalf by the authorized facsimile reproduction of the signature of its Chairman, and has caused a facsimile reproduction of its seal to be printed hereon, attested by the manual signature of its Secretary; and the Commission has caused this 1970 Renewal Note to be executed in its name and on its behalf by the authorized facsimile reproduction of the signature of its Chairman, attested by the manual or authorized facsimile reproduction of the signature of the Commissioner of Finance as its Executive Director; all being done as of the 11th day of December, 1970.

(FACSIMILE
OF SEAL)

ATTEST:

(Manual Signature)
Secretary

ATTEST:

(Manual or Facsimile Signature)
Commissioner of Finance and Executive
Director of the Commission

BOARD OF TRUSTEES OF THE
UNIVERSITY OF KENTUCKY
Lexington, Kentucky

By (Facsimile Signature)

STATE PROPERTY AND BUILDINGS
COMMISSION OF KENTUCKY

By (Facsimile Signature)
Governor of the Commonwealth
and ex officio Chairman of
the Commission

Section 2.05. Disposition of the proceeds of the 1970

Renewal Notes shall be made as provided in this Section. The Board (with the approval and concurrence of the Commission) hereby creates and establishes a special fund or account, which is hereby designated the "Revenue Bond Anticipation Notes of 1970 - Proceeds Account" (for convenience hereinafter sometimes referred to as the "Special 1970 Renewal Notes Proceeds Account") which is established in the custody of Chemical Bank, New York, New York, in its capacity as the Paying Agent which was designated for the outstanding Second Renewal Notes, for the renewal of which the 1970 Renewal Notes are issued.

Upon receipt of the proceeds of the 1970 Renewal Notes (or as soon thereafter as may be feasible, but not later than December 14, 1970), the Commissioner of Finance of the Commonwealth shall cause the entire amount thereof to be deposited in said Special 1970 Renewal Notes Proceeds Account; and additionally, from the Special Note Sinking Fund mentioned in Section 2.07 hereof, from income earned from investments, or from other available resources of the Board and the University, such a sum as shall cause the total amount so deposited in said Special 1970 Renewal Notes Proceeds Account to be equal to the principal amount of the Second Renewal Notes; and said Chemical Bank is hereby authorized and directed (a) to use and apply the monies deposited with said Bank in the said Special 1970 Renewal Notes Proceeds Account, on and after December 14, 1970, for payment of the principal of the outstanding Second Renewal Notes in the principal

amount of \$28,800,000 which are scheduled to mature on said date, and (b) to use and apply in payment of interest on said Second Renewal Notes becoming due and payable on December 14, 1970, the monies which the Board and the University caused to be deposited (from the proceeds of the aforesaid Second Renewal Notes) in a certain "Revenue Bond Anticipation (Second Renewal) Notes - Interest Account" (the "Special Second Renewal Notes Interest Account"), the same being the total amount of interest which will be due, at maturity, with respect to the Board's issued and outstanding \$28,800,000 "Revenue Bond Anticipation (Second Renewal) Notes."

The Board acknowledges that in its resolution which was adopted October 21, 1969, authorizing the issuance of the Board's \$28,800,000 "Revenue Bond Anticipation (Second Renewal) Notes," the Board established and created its "Revenue Bond Anticipation (Second Renewal) Notes - Interest Account" (for convenience referred to as the "Special Second Renewal Notes Interest Account") in the custody of Chemical Bank, New York, New York, in its capacity as Paying Agent of the Second Renewal Notes, and caused to be deposited therein, from the proceeds of the aforesaid Second Renewal Notes, a sum equal to the amount of interest on the Board's said \$28,800,000 Second Renewal Notes, accruing from the date thereof to the date of maturity thereof [December 14, 1970].

The Board further acknowledges that in accordance with certain covenants and commitments which the Board made and set forth in its

resolution of October 21, 1969, authorizing the issuance of the aforesaid \$28,800,000 Revenue Bond Anticipation (Second Renewal) Notes, the Board created and established a certain "Special Note Sinking Fund," in the custody of First Security National Bank and Trust Company of Lexington, Lexington, Kentucky (the Trustee designated in connection with all of the Board's "Consolidated Educational Buildings Revenue Bonds"); and that in accordance with the Board's covenants and commitments in connection therewith, the Board has caused to be deposited or will cause to be deposited in said Special Note Sinking Fund, from the Revenue Fund of the Board's "Consolidated Educational Buildings Project," the sum of \$2,409,675 comprising the aggregate of (a) \$255,000 in principal amount of the Series D Bonds which were scheduled to mature on May 1, 1970, in accordance with the provisions of the Series C and Series D Resolution, and (b) the total amount of interest which would have become due and payable with respect to the Series D Bonds.

Inasmuch as the Board has heretofore deposited with Chemical Bank, New York, New York, the sum of \$1,881,701.25 (the total amount of interest on the Board's Revenue Bond Anticipation (Second Renewal) Notes from the date thereof to the maturity thereof); and inasmuch as the Board has deposited in its aforesaid Special Note Sinking Fund an amount from the Revenue Fund of the Consolidated Educational Buildings Project to accomplish the same purpose, -- it is hereby

determined that \$862,383 is the amount of interest on the aforesaid outstanding Second Renewal Notes, from July 1, 1970 to December 14, 1970; and that such interest is properly payable from the Revenues of the aforesaid Project, notwithstanding the fact that such interest was previously capitalized and deposited with the Paying Agent.

The Board hereby determines that such interest on the outstanding Second Renewal Notes, from July 1, 1970 to December 14, 1970, together with the \$255,000 of by-passed maturity of the Series D Bonds, ought to be paid and shall be paid, from the Revenues of the said Project. From the balance on hand in the Special Note Sinking Fund, it is hereby determined that \$700,000 shall be used for principal retirement of Second Renewal Notes (being \$445,000 over and above the reduction of \$255,000 promised to be made), and the balance thereafter remaining in the Special Note Sinking Fund shall be held therein for payment of the interest on and principal of the 1970 Renewal Notes. Any surplus in the custody of Chemical Bank, New York, New York, after all of the above payments, shall be transferred by Chemical Bank to the Treasurer of the Commonwealth of Kentucky, as constituting an additional source of payment of the costs of the "Undertaking" of the Board for additions and improvements to the Board's "Consolidated Educational Buildings Project" according to the "Series C and Series D Resolution," as the same has been amended in Part One of this resolution.

As and for additional security for the payment of interest on the 1970 Renewal Notes becoming due at the maturity thereof, the

Board has heretofore pledged (i) all interest income which may be realized from investments made for account of a certain Special Second Renewal Notes Proceeds Account, pending disbursement thereof as hereinafter provided, and (ii) to any extent which may be necessary, the defined Revenues of the Board's Consolidated Educational Buildings Project, but only to the extent that such Revenues are in excess of the deposits required to be made from such Revenues for the security, source of payment, and protection of the holders of the Board's heretofore issued Consolidated Educational Buildings Revenue Bonds, Series A, Series B, and Series C, according to the terms and provisions of the Resolution which was adopted by the Board on September 20, 1960, creating and establishing the Board's Consolidated Educational Buildings Project.

The Commissioner is authorized to make payment from said previously established Special Proceeds Account of the contractual fee of the Fiscal Agent for advice, services and expenses undertaken by the Fiscal Agent in connection with the issuance of the 1970 Renewal Notes. Any balance remaining thereafter in the said previously established Special Proceeds Account is hereby declared to be available for application to the costs of constructing the Undertaking for which the Board's Consolidated Educational Buildings Revenue Bonds, Series C and Series D, were previously authorized. Confirming instructions previously given, the Board and the Commission shall cause to be prepared by the Architects and/or Engineers having supervision of the construction of the various elements of the aforesaid Undertaking, an

up-dated schedule of projected dates and amounts anticipated to be required for disbursement from the previously established Special Proceeds Account in payment of the costs of constructing said Undertaking, and the undisbursed portions of the balances from time to time existing in the said previously established Special Proceeds Account shall be invested and reinvested in accordance with the directions of the Commissioner of Finance of the Commonwealth, but only in interest-bearing obligations of the United States Government, or obligations fully guaranteed as to principal and interest by the United States Government, or in Certificates of Deposit meeting the conditions hereinafter prescribed, maturing in such manner as that cash shall be available for projected disbursements for construction purposes in accordance with the aforesaid schedule or projection prepared by the Architects and/or Engineers. All interest income realized upon the diminishing balances of monies so invested and reinvested for the said previously established Special Proceeds Account shall be paid over into the same, and shall be held, invested and reinvested therein as additional security for the payment of interest on the Renewal Notes, and is hereby expressly pledged for that purpose.

As further security for the payment of interest on the 1970 Renewal Notes, as recited in the "Form of Revenue Bond Anticipation Note of 1970," appearing in Section 2.04 hereof, the Board hereby further pledges the Revenues of the Board's Consolidated Educational

Buildings Project, but only to the extent that such Revenues are and shall be in excess of the requirements and pledges heretofore made for the security, benefit and protection of the holders of the Board's heretofore issued and outstanding Consolidated Educational Buildings Revenue Bonds, Series A, Series B, and Series C. Upon payment of interest on the 1970 Renewal Notes, when due, from any or all of the sources herein pledged for that purpose, the aforesaid pledge of surplus Revenues of the Consolidated Educational Buildings Project shall automatically become a nullity, without further affirmative action on the part of the Board or the Commission, in order that the existence of such pledge shall not thereafter serve as an impediment to the issuance by the Board of additional Series of its Consolidated Educational Buildings Revenue Bonds under authority of the Resolution of September 20, 1960, and as therein contemplated.

The amounts, if any, deposited from the proceeds of the 1970 Renewal Notes, or from other sources, in the aforesaid previously established Special Proceeds Account or in the Series C and Series D Bonds - Bond Proceeds Account, heretofore established, are intended to be applied from time to time toward the costs of the aforesaid Undertaking for which the Board's "Consolidated Educational Buildings Revenue Bonds, Series C and Series D," have been authorized, and for which the Series C Bonds have already been issued. Disbursements for such purposes shall be made from said previously established Special Proceeds Account or from said previously established Series C and

Series D - Bond Proceeds Account according to the same procedures, and upon certification by the Architects or Engineers in the same manner as is prescribed in Section 2.16 of the Series C and Series D Resolution with reference to similar disbursements from the "Bond Proceeds Series C and Series D Construction Account."

Section 2.06. As provided in the "Form of Revenue Bond Anticipation Note of 1970," hereinabove prescribed, the Board and the Commission hereby covenant and agree with the holders of the 1970 Renewal Notes that in the event the Board's "Consolidated Educational Buildings Revenue Bonds, Series D," are sold and delivered in such manner that the proceeds thereof will be available more than ninety (90) days prior to December 14, 1971, the Board and the Commission will solicit tenders of the outstanding 1970 Renewal Notes, to the amount of the monies so made available for purchase and retirement thereof, such tenders to be upon terms not exceeding the face amount of the 1970 Renewal Notes with interest at the rate or rates respectively applicable thereto, to the date of surrender and payment. Such solicitation of tenders will be addressed by ordinary mail to the original purchasers of the 1970 Renewal Notes, and to any subsequent transferee thereof if the name and address of such transferee has been filed with the Paying Agent designated therein, and not otherwise. Nevertheless in the event such tenders are solicited from the known holders of the outstanding 1970 Renewal Notes, the Board and the Commission will entertain tenders from the holder or holders of any of the outstanding

1970 Renewal Notes, if received in accordance with the conditions set forth in the solicitation of tenders.

Section 2.07. In view of the authority set forth in KRS 56.513 for the renewal of Revenue Bond Anticipation Notes (if necessary), it has previously been deemed to be wise and provident to make present provisions relating thereto. Accordingly, in the Board's resolution which was adopted on October 21, 1969, authorizing the issuance of the Second Renewal Notes, a Special Note Sinking Fund was created and established in the custody of First Security National Bank and Trust Company of Lexington, Lexington, Kentucky, theretofore designated as the Trustee for all of the issued and outstanding Consolidated Educational Buildings Revenue Bonds, and in particular as Trustee for the Series C and Series D Bonds; the monies from time to time deposited therein to be available for the payment of renewal Notes (if any should be issued, from time to time), and otherwise for payment of the principal of and interest on Consolidated Educational Buildings Revenue Bonds of any Series, or for application to the costs of constructing and completing the Undertakings which are intended to be financed by the Series C and Series D Bonds. Beginning as of December 14, 1970 [when the outstanding Second Renewal Notes will be paid] and ending April 30, 1971 (and in each year thereafter, so long as Revenue Bond Anticipation Notes, or renewals thereof, shall be outstanding in anticipation of the issuance of the Series D Bonds),

the Treasurer of the University shall deposit in said Special Note Sinking Fund, from the Revenue Fund established and maintained in connection with the Board's Consolidated Educational Buildings Revenue Bonds, the same amounts from time to time as would be required to be deposited in the said Bond Fund if the Series D Bonds had in fact been issued, such deposits to be computed upon the maturity schedule of the Series D Bonds, as provided and set forth in PART ONE of the Series C and Series D Resolution, in like manner as if the said Series D Bonds had actually been issued and delivered, bearing interest at the rate or rates applicable to the 1970 Renewal Notes, payable semiannually.

Section 2.08. The Board acknowledges that by reason of its previously declared purpose to undertake a substantial program of construction and reconstruction of buildings and necessary appurtenant facilities on the main campus of the University at Lexington, Kentucky, to finance the same (to the extent funds are not otherwise available) through the issuance of one or more Series of its Consolidated Educational Buildings Revenue Bonds, and, if necessary or desirable, to provide interim financing in anticipation of the issuance of such Revenue Bonds (as set forth in a certain resolution which was adopted by the Board on January 20, 1967), the Commission, acting through the Commissioner of Finance of the Commonwealth as its duly authorized member and agent, has complied with the requirements of Section 56.513 of the Kentucky Revised Statutes by soliciting proposals for the interim

financing herein authorized from at least three (3) responsible lenders; and that the Commission, in the exercise of its discretion, has designated said Commissioner to join with the Board or its Executive Committee in selecting from among the proposals received those which are deemed the best thereof, consistent with sound financial practices. The Board hereby ratifies, confirms and adopts the actions and procedures so taken on its behalf.

Section 2.09. Upon the Board's issuance of the Series D Bonds which have heretofore been authorized, all interest coupons appurtenant to said Series D Bonds and which are past due at that time shall be detached and cancelled by the Trustee; or, as a permissible alternative, the printer may be instructed not to prepare such then past due interest coupons, in which event the printer shall be required to furnish to the Trustee its certificate to that effect.

Section 2.10. Wherever in the Series C and Series D Resolution, or herein, references are made to investment of monies in Certificates of Deposit, the same shall be eligible for such investment only (a) if issued by a bank or trust company which is a member of Federal Deposit Insurance Corporation, and (b) if secured by a valid pledge of obligations of, or fully guaranteed as to principal and interest by, the United States Government, having at all times an aggregate market value, exclusive of accrued interest, at least equal to the face amount of each certificate; provided, however, the requirement that security be given may be waived in the case of

Certificates of Deposit issued by banks or trust companies having combined capital and surplus exceeding Fifty Million Dollars (\$50,000,000), according to the most recent financial report required by supervisory authorities.

ADOPTED October 20, 1970.

(SEAL)

Chairman or Vice-Chairman
Board of Trustees
University of Kentucky

ATTEST:

Secretary

CERTIFICATION

The undersigned, Secretary of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, hereby certifies that the foregoing is a true and complete copy of a resolution duly adopted by the said Board of Trustees at a meeting held on the 20th day of October, 1970, and that the same is in full force and effect.

WITNESS my signature and the seal of said Board, this ____ day of October, 1970.

(SEAL)

Secretary, Board of Trustees
University of Kentucky

A. RESOLUTION AUTHORIZING THE ISSUANCE OF \$4,393,000 CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES C, AND \$29,250,000 CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES D, OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY

AND

IN ANTICIPATION OF THE ISSUANCE OF SAID BONDS, AUTHORIZING THE ISSUANCE, JOINTLY WITH THE STATE PROPERTY AND BUILDINGS COMMISSION OF KENTUCKY, AND SUBJECT TO THE APPROVAL AND CONCURRENCE OF SAID COMMISSION, OF REVENUE BOND ANTICIPATION NOTES IN THE MANNER AUTHORIZED BY KRS 56.513, THE SAME TO BE PAYABLE (A) AS TO PRINCIPAL SOLELY FROM THE PROCEEDS OF THE CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES C AND SERIES D, HEREIN AUTHORIZED, WHEN SAID BONDS ARE SOLD AND DELIVERED (OR FROM THE PROCEEDS OF RENEWAL NOTES), AND (B) AS TO INTEREST FROM THE SOURCES HEREIN PROVIDED THEREFOR; AND REQUESTING APPROVAL AND CONCURRENCE OF THE SAID COMMISSION.

WHEREAS, the Board of Trustees of the University of Kentucky, by Resolution entitled:

"A RESOLUTION creating and establishing a Consolidated Educational Buildings Project of the University of Kentucky; creating and establishing an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of the University of Kentucky; providing for the issuance from time to time of said bonds; providing for the payment of the principal of and interest on said bonds and repealing all resolutions or parts of resolutions in conflict with this resolution."

adopted September 20, 1960 (hereinafter referred to as the "Resolution") has created and established an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of the University of Kentucky (the "Bonds"); and

WHEREAS, the Resolution authorizes the issuance by said Board of said Bonds in one or more Series pursuant to a resolution authorizing

such Series; and by a certain resolution adopted on September 20, 1960 (the "Series A Resolution") said Board authorized the issuance of the initial Series, being \$8,000,000 "Consolidated Educational Buildings Revenue Bonds, Series A," dated November 1, 1960 (the "Series A Bonds"), and the same were thereafter sold and delivered; and by a certain resolution adopted April 26, 1963 (the "Series B Resolution") said Board authorized the issuance of \$7,500,000 of such Bonds, Series B, dated May 1, 1963, and the same were thereafter sold and delivered; and at the time of adoption of this resolution authorizing issuance of the Series C Bonds and Series D Bonds there remain outstanding and unpaid such Series A Bonds in the amount of \$6,725,000, and such Series B Bonds in the amount of \$6,905,000, without default, and without deficiency in amounts required by the Resolution and the Series A Resolution and the Series B Resolution to be paid into the "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (the "Bond Fund"); and

WHEREAS, the Board has determined that it is in the best interests of the Board to undertake the erection, reconstruction or completion of educational buildings with necessary utility and other appurtenances, all of which will become and constitute parts of the Consolidated Educational Buildings Project; at an aggregate estimated cost (including payments to contractors, the fees of architects and engineers and other necessary incidental costs, an adequate allowance for unforeseen contingencies, etc.) of \$35,402,914; and the Board proposes to provide such aggregate sum from the following sources:

(a) a sum estimated to be \$1,759,914 from the proceeds of various grants from an agency of the United States Government,

(b) the sum of \$4,393,000 to be obtained pursuant to a Loan Agreement with the United States Department of Health, Education and Welfare (such amount to be represented by the Series C Bonds hereinafter authorized and which are in due course to be offered at public sale subject to the terms and conditions of said Loan Agreement); and

(c) the remainder from the net proceeds of the Series D Bonds hereinafter authorized (taking into account the discount hereinafter allowed for purchase bids relating thereto) which are to be offered at public sale without any purchase guarantee from any governmental agency; and

WHEREAS, it has been ascertained that the average of the annual Revenues from the Consolidated Educational Buildings Project (the "Project"), for the two Fiscal Years immediately preceding the proposed issuance of the Series C Bonds and the Series D Bonds, as adjusted in the authorized manner, was equal to more than 1.25 times the maximum Aggregate Principal, Interest and Bond Fund Charges (a defined term), in any succeeding twelve-month period ending May 1, on the Series A Bonds, the Series B Bonds, and the Series C Bonds and Series D Bonds, hereinafter authorized (it being arbitrarily assumed for the purposes of such computation that the Series C Bonds, when sold and issued, will bear interest at a rate or rates not exceeding an average of 3% per annum as provided in said HEW Loan Agreement; and

that the Series D Bonds, when sold and issued, will bear interest at the maximum statutory rate of 6% per annum), and a statement to that effect will be filed with the Trustee by the Treasurer of said Board prior to the time of issuance of the Series C Bonds and the Series D Bonds, and prior to the issuance of the Revenue Bond Anticipation Notes hereinafter authorized, thereby complying with the conditions and restrictions set forth in Section 7.10 of the Resolution permitting the issuance of Bonds ranking on a basis of parity and equality with the Series A Bonds and the Series B Bonds as to security and source of payment, and in all other respects; and

WHEREAS, according to the terms and provisions of KRS 56.513 (Chapter 137, Acts of the General Assembly, Regular Session of 1966), the Board of the University is authorized, with the approval and sanction of the State Property and Buildings Commission of Kentucky (the "Commission"), to obtain interim financing through the issuance of Revenue Bond Anticipation Notes (the "Notes"); and said Commission has determined that such Notes shall be issued jointly by the Board of the University and the Commission, each making commitments and representations within its own proper areas of responsibility, all as provided in PART TWO of this Series C and Series D Resolution; and

WHEREAS, the Board of the University has adopted certain resolutions determining that a need exists for undertaking, among other things, the construction of new buildings and the substantial reconstruction, enlargement or completion of existing buildings at the Main

Campus of the University at Lexington, Kentucky, all of which, when completed, will constitute parts of the Consolidated Educational Buildings Project (or continue to constitute parts thereof in the cases of buildings to be substantially reconstructed, enlarged or completed), and that the same should be financed from time to time (to the extent funds are not otherwise available and provided) through the issuance of one or more Series of the Board's Consolidated Educational Buildings Revenue Bonds, (and, as appropriate, through interim financing under authority of KRS 56.513, as hereinafter provided); and copies of said resolutions, together with certain descriptive Schedules attached to, referred to in, and constituting parts thereof, have been filed with and approved in principle by the Commission, and the same include reference to all of the buildings and appurtenant facilities which are hereinafter authorized to be financed in whole or in part through the issuance of the Consolidated Educational Buildings Revenue Bonds, Series C and Series D, hereinafter authorized; and

WHEREAS, the Board has heretofore authorized its statutory Executive Committee to take all necessary action,

NOW, THEREFORE, the Executive Committee of the Board of Trustees of the University of Kentucky hereby resolves, as follows:

PART ONE

AUTHORIZATION OF THE SERIES C BONDS AND THE SERIES D
BONDS; PUBLIC SALE; DISPOSITION OF PROCEEDS

ARTICLE I - Definitions and Authority.

Section 1.01. This resolution (hereinafter referred to as the "Series C and Series D Resolution") is adopted in accordance with Article II, Section 2.03, of the Resolution.

Section 1.02.

(A) All terms which are defined in Article I of the Resolution shall have the same meanings, respectively, in this Series C and Series D Resolution as such terms are given in said Article of the Resolution.

(B) In this Series C and Series D Resolution, Series C Bonds and Series D Bonds shall mean the Bonds authorized by Article II of this Series C and Series D Resolution.

Section 1.03. This Series C and Series D Resolution is adopted pursuant to the provisions of Section 162.340, et seq., of the Kentucky Revised Statutes and the Resolution.

ARTICLE II - Authorization of Series C Bonds and Series D Bonds.

Section 2.01. Pursuant to the provisions of the Resolution there is hereby authorized to be issued by the Board of Trustees of the University of Kentucky, in its corporate capacity, a series of Bonds in the aggregate principal amount of Four Million Three Hundred Ninety-three Thousand Dollars (\$4,393,000). Such Bonds shall be designated as "University of Kentucky Consolidated Educational Buildings Revenue Bonds,

Series C." Said Series C Bonds are hereby declared to have been authorized under the Resolution and in conformity with the provisions of Section 7.10 of the Resolution. The Board hereby represents that the conditions prescribed in Section 7.10 of the Resolution will have been complied with before the time of the issuance of the Series C Bonds, and prior to the time of issuance of any of the Revenue Bond Anticipation Notes which are authorized in PART TWO of this Series C and Series D Resolution; and that the Series C Bonds are issued on a basis of parity with the Series A Bonds, the Series B Bonds, and the Series D Bonds hereinafter authorized.

Section 2.02. Said Series C Bonds are being issued for the purpose of paying the costs (to the extent not otherwise provided) of erecting and completing a new educational building with necessary appurtenances upon the property of the University in Fayette County, Kentucky, consisting of a new classroom, faculty and administration office building for the College of Arts and Sciences, necessary equipment, utilities and site improvements, which, when erected and completed will become and constitute a part of the Consolidated Educational Buildings Project of said University.

Section 2.03. The Series C Bonds shall be dated November 1, 1967, and bear interest payable semiannually on May 1 and November 1 of each year, commencing May 1, 1968, at a coupon rate or coupon rates such that the average net interest cost to the Board will not exceed three per cent (3%) per annum, as provided in the said Loan Agreement with the United States Department of Health, Education and Welfare, the exact

rate or rates of interest for said Series C Bonds to be fixed as a result of advertised sale and competitive bidding for said Series C Bonds, as hereinafter provided. Said Series C Bonds shall be numbered and scheduled to become due and payable in numerical order on May 1 of the respective years, as follows:

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
1	\$ 1,000)	May 1, 1969)
2	1,000)	May 1, 1969)
3	1,000)	May 1, 1969)
4-23	100,000)	May 1, 1969)

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
24-44	\$105,000	May 1, 1970
45-66	110,000	May 1, 1971
67-88	110,000	May 1, 1972
89-111	115,000	May 1, 1973
112-135	120,000	May 1, 1974
136-160	125,000	May 1, 1975
161-185	125,000	May 1, 1976
186-211	130,000	May 1, 1977
212-238	135,000	May 1, 1978
239-266	140,000	May 1, 1979
267-294	140,000	May 1, 1980
295-323	145,000	May 1, 1981
324-353	150,000	May 1, 1982
354-384	155,000	May 1, 1983
385-416	160,000	May 1, 1984
417-449	165,000	May 1, 1985
450-483	170,000	May 1, 1986
484-518	175,000	May 1, 1987
519-554	180,000	May 1, 1988
555-591	185,000	May 1, 1989
592-629	190,000	May 1, 1990
630-668	195,000	May 1, 1991
669-708	200,000	May 1, 1992
709-749	205,000	May 1, 1993
750-792	215,000	May 1, 1994
793-836	220,000	May 1, 1995
837-881	225,000	May 1, 1996

Section 2.04. Said Series C Bonds shall be issued in coupon form, and shall be registrable as to principal only. Said Series C Bonds Nos. 1, 2 and 3 shall be in the denomination of \$1,000.00; and said Series C Bonds numbered 4 and upwards shall be in the denomination of \$5,000.00.

Section 2.05. Pursuant to the provisions of the Resolution there is hereby authorized to be issued by the Board of Trustees of the University of Kentucky, in its corporate capacity, a series of Bonds in the aggregate principal amount of Twenty-nine Million Two Hundred Fifty Thousand Dollars (\$29,250,000.00). Such Bonds shall be designated as "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series D." Said Series D Bonds are hereby declared to have been authorized under the Resolution and in conformity with the provisions of Section 7.10 of the Resolution. The Board hereby represents that the conditions prescribed in Section 7.10 of the Resolution will have been complied with prior to the time of the issuance of the Series D Bonds, and prior to the issuance of the Revenue Bond Anticipation Notes hereinafter authorized, and that the Series D Bonds are issued on a basis of parity with the Series A Bonds, the Series B Bonds and the Series C Bonds.

Section 2.06. Said Series D Bonds are being issued for the purpose of paying the costs (to the extent not otherwise provided) of erecting and completing educational buildings with necessary appurtenances upon the property of the University in Fayette County, Kentucky, consisting of the aforesaid new classroom, faculty and administration office building for the College of Arts and Sciences (referred to in

Section 2.02 hereof); a new laboratory-office building for the Agricultural Sciences program; three parking buildings to provide approximately 2000 parking spaces required as appurtenances to the heart of the Academic Campus and the Medical Center; three new buildings to provide office, laboratory and studio space and facilities suitable for use in expanding programs of the Colleges of Arts and Sciences, Fine Arts, Medicine, Pharmacy and Engineering; complete interior reconstruction of Memorial Hall; substantial interior reconstruction of a portion of the Library Service Building to accommodate the central accounting, purchasing and personnel functions of the University, and in part to accommodate the University's Physical Development Division; and substantial appurtenant facilities which are made necessary by the expansion of the Consolidated Educational Buildings Project at the Main Campus of the University in Fayette County, Kentucky, consisting principally of (a) a cooling plant and chilled water distribution system to provide a central source and distribution system for air-conditioning in a certain area of the Main Campus, to supersede window air-conditioning units and other inefficient present installations, (b) an expansion of the recently completed chilled water plant in the area of the Medical and Agricultural Science Centers, (c) replacement of the present obsolete and overloaded electrical distribution system which serves the central part of the Main Campus, (d) substantial reconstruction of the present steam distribution system and addition of auxiliary equipment to existing heating plants, (e) certain outdoor facilities appurtenant

to the physical education program, necessary to replace similar facilities on the sites of academic buildings which are under construction or are planned for the immediate future, (f) surfacing of an access roadway to provide ingress and egress for the southern area of the Main Campus, including the Medical Center and two of the new parking buildings, hereinabove referred to, (g) surfacing of a parking area to accommodate approximately 750 motor vehicles, necessary to serve the physical education and recreation complex, (h) construction and installation of a pedestrian mall and related lighting facilities urgently needed for access and security purposes, and (i) surfacing of such roadways in the area of the Medical Center and Agricultural Science Center as are urgently required by reason of the aforesaid expansion of the Consolidated Educational Buildings Project, all of which, when erected and completed, will become and constitute parts of the Consolidated Educational Buildings Project of said University.

Section 2.07. The Series D Bonds shall be dated November 1, 1967, and bear interest payable semiannually on May 1 and November 1 of each year, commencing May 1, 1968, at a coupon rate or coupon rates not exceeding the statutory maximum of six per cent (6%) per annum, the exact rate or rates of interest for said Series D Bonds to be fixed as a result of advertised sale and competitive bidding for said Series D Bonds, as hereinafter provided. Said Series D Bonds shall be numbered and scheduled to become due and payable in numerical order on May 1 of the respective years, as follows:

<u>BONDS NUMBERED</u> (Inclusive)	<u>PRINCIPAL AMOUNT</u>	<u>DATE OF MATURITY</u>
1-51	\$ 255,000	May 1, 1970
52-105	270,000	May 1, 1971
106-162	285,000	May 1, 1972
163-221	295,000	May 1, 1973
222-283	310,000	May 1, 1974
284-348	325,000	May 1, 1975
349-416	340,000	May 1, 1976
417-487	355,000	May 1, 1977
488-561	370,000	May 1, 1978
562-639	390,000	May 1, 1979
640-721	410,000	May 1, 1980
722-806	425,000	May 1, 1981
807-895	445,000	May 1, 1982
896-989	470,000	May 1, 1983
990-1087	490,000	May 1, 1984
1088-1190	515,000	May 1, 1985
1191-1298	540,000	May 1, 1986
1299-1411	565,000	May 1, 1987
1412-1529	590,000	May 1, 1988
1530-1652	615,000	May 1, 1989
1653-1781	645,000	May 1, 1990
1782-1916	675,000	May 1, 1991
1917-2058	710,000	May 1, 1992
2059-2207	745,000	May 1, 1993
2208-2362	775,000	May 1, 1994
2363-2525	815,000	May 1, 1995
2526-2695	850,000	May 1, 1996
2696-2920	1,125,000	May 1, 1997
2921-3156	1,180,000	May 1, 1998
3157-3403	1,235,000	May 1, 1999
3404-3662	1,295,000	May 1, 2000
3663-3933	1,355,000	May 1, 2001
3934-4217	1,420,000	May 1, 2002
4218-4514	1,485,000	May 1, 2003
4515-4825	1,555,000	May 1, 2004
4826-5150	1,625,000	May 1, 2005
5151-5491	1,705,000	May 1, 2006
5492-5850	1,795,000	May 1, 2007

Section 2.08. Said Series D Bonds shall be issued in coupon form, in the denomination of \$5,000.00, and shall be registrable as to principal only.

Section 2.09. The principal of and interest on said Series C Bonds shall be payable in any coin or currency which at the time of the payment thereof shall be legal tender for the payment of debts due the United States of America; and the principal of and interest on said Series D Bonds shall be payable in any coin or currency of the United States of America which at the time of payment thereof is legal tender for the payment of public and private debts at the principal office of First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky (or successor Trustee appointed pursuant to the provisions of the Resolution), or at the option of the holders of the respective Series C Bonds and Series D Bonds and coupons at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York, which were in the Series A Resolution appointed Paying Agents for the Bonds, subsequently confirmed in the Series B Resolution, and are hereby confirmed as the Paying Agents for the Series C Bonds and the Series D Bonds.

Section 2.10. The Series C Bonds maturing May 1, 1981, and thereafter (being the Series C Bonds numbered 295 and upwards), shall be subject to redemption by the Board in whole or from time to time in part in the inverse order of their respective maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1980, at the redemption prices, expressed in percentages of principal amount with respect to each Bond, as set forth below, plus in each case accrued interest to the date of redemption:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1980, and prior to May 1, 1985	103%
On and after May 1, 1985, and prior to May 1, 1990	102%
On and after May 1, 1990, and prior to May 1, 1995	101%
On and after May 1, 1995, but prior to final maturity	100%.

The Series D Bonds maturing May 1, 1981, and thereafter (being the Series D Bonds numbered 722 and upwards), shall be subject to redemption by the Board in whole or from time to time in part in the inverse order of their respective maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1980, at the redemption prices, expressed in percentages of principal amount with respect to each Bond, as set forth below, plus in each case accrued interest to the date of redemption:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1980, and prior to May 1, 1985	103%
On and after May 1, 1985, and prior to May 1, 1990	102%
On and after May 1, 1990, and prior to May 1, 1995	101%
On and after May 1, 1995, and prior to May 1, 2000	100-1/2%
On and after May 1, 2000, and prior to final maturity	100%.

Section 2.11. Said Series C Bonds and Series D Bonds shall be executed on behalf of said Board with the reproduced facsimile signature of the Chairman of the Board and attested by the manual signature of the Secretary of the Board, and the facsimile of the corporate seal of said Board shall be imprinted thereon. Interest on said Series C Bonds and Series D Bonds falling due on and prior to maturity shall be represented by appropriate interest coupons to be attached to each of said Bonds, which coupons shall be executed with the facsimile of the official signatures of said Chairman and said Secretary.

Section 2.12. For the purpose of securing the payment of both the principal of and interest on all the Bonds (Series A Bonds, Series B Bonds, Series C Bonds, Series D Bonds, and any additional parity Bonds which may hereafter be issued and outstanding pursuant to the conditions and restrictions set forth in Section 7.10 of the Resolution), and to secure for the benefit of all the holders of said Bonds the faithful performance of the covenants and provisions contained in the Resolution in the manner and to the extent as permitted and provided in the Resolution and in Sections 162.340, et seq., of the Kentucky Revised Statutes, First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, was designated in the Series A Resolution as Trustee under the Resolution for the holders of all of said Bonds, and such designation was reaffirmed in the Series B Resolution, and is now again reaffirmed, with the powers and duties set forth in the Resolution and with no liability in connection with any action or omission to act under the Resolution except for its own negligence or willful breach of trust. Execution of the authentication certificate of the Trustee on each of the respective Series C Bonds and Series D Bonds shall conclusively establish the acceptance as to such Series C Bonds and Series D Bonds by the Trustee of the trusts and provisions with respect thereto as set forth in the Resolution.

Section 2.13. The Series C Bonds and coupons and provisions for registration appertaining thereto and the certificate of the Trustee to be endorsed on said Series C Bonds shall be in substantially the following respective forms, to-wit:

(FORM OF BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BOND
SERIES C

No. _____

\$ _____

The Board of Trustees of the University of Kentucky, a body corporate, as an educational institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of ____ Thousand Dollars (\$____,000.00) on the first day of May, 19____, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of _____ per cent (____%) per annum, such interest being payable semiannually on the first days of May and November in each year, commencing May 1, 1968, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity date of this Bond to be paid only upon presentation and surrender of the annexed coupons as they severally mature, both principal and interest being payable in any coin or currency which at the time of the payment thereof is legal tender for the payment of debts due the United States of America, at the principal office of the Trustee, First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, or, at

the option of the holder hereof or of the interest coupons hereto appertaining, at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York.

This Bond is one of a duly authorized issue of Bonds designated as "Consolidated Educational Buildings Revenue Bonds" (hereinafter referred to as the "Bonds") issued and to be issued under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes now in full force and effect, and under and pursuant to the Resolution adopted by the Board of Regents on September 20, 1960 (hereinafter referred to as the "Resolution"), and the Series C and Series D Resolution adopted by the Board of Trustees, acting through its statutory Executive Committee, on November __, 1967.

As provided in the Resolution, the Bonds may be issued from time to time pursuant to separate resolutions in one or more series, in various principal amounts, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all Bonds issued and to be issued under the Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

This Bond is one of a series of Bonds of various maturities designated as "Consolidated Educational Buildings Revenue Bonds, Series C," (herein called the "Series C Bonds") issued in the aggregate amount of

\$4,393,000 under the Resolution for the purpose of financing the costs (to the extent not otherwise provided) of erecting and completing an educational building and necessary appurtenances as a part of the Consolidated Educational Buildings Project of said University (hereinafter referred to as the "Project"). Copies of the Resolution, the Series A Resolution, the Series B Resolution, and the Series C and Series D Resolution are on file at the office of the Trustee. Reference is hereby made to the Resolution pursuant to which First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, has been designated as Trustee for the holders of the issue of Bonds of which this Bond is one and for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds; the rights, duties and obligations of said Board of Trustees, and of the Trustee, and the rights of the holders of the Bonds; and by the acceptance of this Bond, the holder hereof assents to all of the provisions of the Resolution. Under authority of the statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and subject to the provisions for registration endorsed hereon and contained in the Resolution, nothing contained in this Bond or in the Resolution shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Resolution or to institute action to enforce the covenants therein, or to take any action with respect to any default

under the Resolution, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Resolution. The Resolution provides for fixing, charging and collecting fees for the services of said Project, which fees will be sufficient to pay the principal of and the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the costs of operation and maintenance of the Project to the extent the same are not otherwise provided. The Resolution provides for the creation of a special account designated "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (herein called the "Bond Fund") and for the deposit to the credit of said Bond Fund of a fixed amount of the gross Revenues of said Project to pay interest on the Bonds as the same become due, and to pay or retire the principal of the Bonds at or prior to the maturity thereof, and to provide a reserve for such purpose, which Bond Fund is pledged to and charged with the payment of said principal and interest.

The issue of Series C Bonds of which this Bond is one, the Series D Bonds simultaneously authorized, and all other Bonds heretofore issued and as may be hereafter issued and outstanding from time to time under the Resolution, are payable only from a fixed amount of the gross Revenues derived from the operation of said Project which will be set aside in said Bond Fund, and this Bond does not constitute any indebtedness of the University of Kentucky or of its Board of Trustees or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The Series C Bonds maturing May 1, 1981, and thereafter (being the Bonds numbered 295 and upwards) shall be subject to redemption at the option of the Board of Trustees in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1980, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1980, and prior to May 1, 1985	103%
On and after May 1, 1985, and prior to May 1, 1990	102%
On and after May 1, 1990, and prior to May 1, 1995	101%
On and after May 1, 1995, but prior to final maturity	100%.

In the event the Board of Trustees shall exercise its option to redeem any of the Series C Bonds of which this Bond is a part, notice of such redemption identifying the Bonds to be redeemed will be given to the Trustee at least forty-five (45) days prior to the specified redemption date and such notice shall be published at least once not less than thirty (30) days prior to the specified redemption date in a newspaper or financial journal of general circulation published in each of the Cities of Louisville, Kentucky, and New York, New York. Any Bonds called for redemption and for the payment of which funds are deposited with said Trustee on the specified redemption date shall cease to bear interest on said redemption date.

This Bond shall pass by delivery unless registered as to principal on the books of said Board of Trustees at the office of the

Trustee under the Resolution, and such registration noted hereon, after which no valid transfer hereof shall be effective unless made on said books and similarly endorsed hereon at the written request of the registered holder or his duly authorized representative, but this Bond may be discharged from registration by being in like manner registered to bearer whereupon full negotiability and transferability by delivery shall be restored but may again from time to time be registered as aforesaid. Such registration, however, shall not affect the negotiability of the interest coupons which shall always remain payable to bearer and transferable by delivery merely. The Board of Trustees, the Trustee, and the Paying Agents may treat the bearer of this Bond, if not registered as to principal, and the bearer of any coupon hereto appertaining, whether or not this Bond be so registered, or if this Bond be registered as herein authorized, the person in whose name the same is registered, as the absolute owner for the purpose of making payment and for all other purposes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said Project is created and granted to and in favor of the holder or holders of this Bond and the issue of Bonds of which it is one, and in favor of the holder or holders of the coupons attached thereto, and said Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the issue of Bonds of which it is one.

This Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit, under the Resolution, until it shall have been authenticated by the execution by the Trustee of the certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed in due time, form and manner as required by law, and the amount of this Bond, together with all other obligations of said Board of Trustees and of the University of Kentucky, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Project will be continuously operated, and that a sufficient portion of the gross Revenues therefrom has been pledged to and will be set aside into said Bond Fund for the payment of the principal of and interest on this Bond and the issue of which it is one, and all other bonds which by their terms and the terms of the Resolution are payable from said Bond Fund, as and when the same will respectively become due.

IN TESTIMONY WHEREOF, the Board of Trustees of the University of Kentucky has caused this Bond to be executed on its behalf by the reproduced facsimile signature of its Chairman, and the facsimile of its corporate seal to be imprinted hereon, attested by the manual signature of its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and Secretary,

all being done as of the first day of November, 1967.

(Facsimile
of Seal)

(Facsimile)
Chairman
Board of Trustees
University of Kentucky

ATTEST:

(Manual Signature)
Secretary
Board of Trustees

(FORM OF COUPON)

No. _____ \$ _____

On the first day of _____, 19__, *(unless the Bond to which this coupon is attached shall have been duly called for prior redemption and payment of the redemption price duly made or provided for) the Board of Trustees of the University of Kentucky, at Lexington, Kentucky, will pay to bearer _____ Dollars (\$_____) in any coin or currency which at the time of payment thereof is legal tender for the payment of debts due the United States of America out of its "Consolidated Educational Buildings Project Bond and Interest Sinking Fund," at the principal office of First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York, as provided in and for interest then due on

(* The phrase in parenthesis should appear only on coupons maturing on and after November 1, 1980, attached to Bonds numbered 295 to 331, inclusive.)

its Consolidated Educational Buildings Revenue Bond, Series C, dated
November 1, 1967, Number _____.

(Facsimile)
Chairman
Board of Trustees
University of Kentucky

(Facsimile)
Secretary
Board of Trustees

(FORM OF AUTHENTICATION CERTIFICATE)

This Bond is one of the Bonds described or provided for in
the within-mentioned Resolution.

FIRST SECURITY NATIONAL BANK AND
TRUST COMPANY OF LEXINGTON, TRUSTEE

By _____
(Manual Signature)
Authorized Officer

(FORM OF REGISTRATION TO BE PRINTED ON THE BACK OF
EACH SERIES C BOND)

<u>Date of</u>	<u>:</u>	<u>Name of</u>	<u>:</u>	<u>Signature of Authorized</u>
<u>Registration</u>	<u>:</u>	<u>Registered Holder</u>	<u>:</u>	<u>Officer of Trustee</u>
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	

Section 2.14. The Series D Bonds and coupons and provisions for registration appertaining thereto and the certificate of the Trustee to be endorsed on said Series D Bonds shall be in substantially the following respective forms, to-wit:

(FORM OF BOND)

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BOND
SERIES D

No. _____

\$5,000.00

The Board of Trustees of the University of Kentucky, a body corporate, as an educational institution and agency of the Commonwealth of Kentucky, for value received, hereby promises to pay, solely from the special fund provided therefor, as hereinafter set forth, to the bearer, or, if this Bond be registered, to the registered owner hereof, as hereinafter provided, the sum of Five Thousand Dollars (\$5,000.00) on the first day of May, 19__, and to pay, solely from said special fund, interest thereon from the date hereof until payment of principal at the rate of _____ per cent (____%) per annum, such interest being payable semiannually on the first days of May and November in each year, commencing May 1, 1968, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto, such interest as may accrue on and prior to the maturity date of this Bond to be paid only upon presentation and surrender of the annexed coupons as they severally mature, both principal and interest being payable in any coin or currency of the United States of America which

at the time of payment thereof is legal tender for the payment of public and private debts, at the principal office of the Trustee, First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof or of the interest coupons hereto appertaining, at the principal office of Chemical Bank New York Trust Company, in the City of New York, New York.

This Bond is one of a duly authorized issue of Bonds designated as "Consolidated Educational Buildings Revenue Bonds" (hereinafter referred to as the "Bonds") issued and to be issued under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including among others, Sections 162.350 to 162.380, inclusive, of the Kentucky Revised Statutes now in full force and effect, and under and pursuant to the Resolution adopted by the Board of Trustees on September 20, 1960 (hereinafter referred to as the "Resolution"), and the Series C and Series D Resolution adopted by the Board of Trustees, acting through its statutory Executive Committee, on November __, 1967.

As provided in the Resolution, the Bonds may be issued from time to time pursuant to separate resolutions in one or more series, in various principal amounts, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all Bonds issued and to be issued under the Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

This Bond is one of a series of Bonds of various maturities designated as "Consolidated Educational Buildings Revenue Bonds, Series D," (herein called the "Series D Bonds") issued in the aggregate amount of \$29,250,000 under the Resolution for the purpose of financing the costs (to the extent not otherwise provided) of erecting and completing educational buildings and necessary appurtenances as parts of the Consolidated Educational Buildings Project of said University (hereinafter referred to as the "Project"). Copies of the Resolution, the Series A Resolution, the Series B Resolution, and the Series C and Series D Resolution are on file at the office of the Trustee. Reference is hereby made to the Resolution pursuant to which First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, has been designated as Trustee for the holders of the issue of Bonds of which this Bond is one and for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds; the rights, duties and obligations of said Board of Trustees, and of the Trustee, and the rights of the holders of the Bonds; and by the acceptance of this Bond, the holder hereof assents to all of the provisions of the Resolution. Under authority of the statutes pursuant to which this Bond is issued, this Bond shall have all the qualities and incidents of a negotiable instrument, and subject to the provisions for registration endorsed hereon and contained in the Resolution, nothing contained in this Bond or in the Resolution shall affect or impair the negotiability of this Bond.

The holder of this Bond shall have no right to enforce the provisions of the Resolution or to institute action to enforce the

covenants therein, or to take any action with respect to any default under the Resolution, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Resolution. The Resolution provides for fixing, charging and collecting fees for the services of said Project, which fees will be sufficient to pay the principal of and the interest on said Bonds as the same become due and to provide reserves for such purposes and also to pay the costs of operation and maintenance of the Project to the extent the same are not otherwise provided. The Resolution provides for the creation of a special account designated "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (herein called the "Bond Fund") and for the deposit to the credit of said Bond Fund of a fixed amount of the gross Revenues of said Project to pay interest on the Bonds as the same become due and to pay or retire the principal of the Bonds at or prior to the maturity thereof, and to provide a reserve for such purpose, which Bond Fund is pledged to and charged with the payment of said principal and interest.

The issue of Series D Bonds of which this Bond is one, the Series C Bonds simultaneously authorized, and all other Bonds heretofore issued and as may be hereafter issued and outstanding from time to time under the Resolution, are payable only from a fixed amount of the gross Revenues derived from the operation of said Project which will be set aside in said Bond Fund, and this Bond does not constitute any indebtedness of the University of Kentucky or of its Board of

Trustees or of the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

The Series D Bonds maturing May 1, 1981, and thereafter (being the Bonds numbered 722 and upwards) shall be subject to redemption at the option of the Board of Trustees in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot), on any interest payment date on or after May 1, 1980, at the redemption prices, expressed in percentages of principal amount, with respect to each Bond as set forth below, plus in each case accrued interest to the date of redemption:

<u>If Redeemed</u>	<u>Redemption Price</u>
On and after May 1, 1980, and prior to May 1, 1985	103%
On and after May 1, 1985, and prior to May 1, 1990	102%
On and after May 1, 1990, and prior to May 1, 1995	101%
On and after May 1, 1995, and prior to May 1, 2000	100-1/2%
On and after May 1, 2000, and prior to final maturity	100%.

In the event the Board of Trustees shall exercise its option to redeem any of the Series D Bonds of which this Bond is a part, notice of such redemption identifying the Bonds to be redeemed will be given to the Trustee at least forty-five (45) days prior to the specified redemption date and such notice shall be published at least once not less than thirty (30) days prior to the specified redemption date in a newspaper or financial journal of general circulation published in each of the Cities of Louisville, Kentucky, and New York, New York.

Any Bonds called for redemption and for the payment of which funds are deposited with said Trustee on the specified redemption date shall cease to bear interest on said redemption date.

This Bond shall pass by delivery unless registered as to principal on the books of said Board of Trustees at the office of the Trustee under the Resolution, and such registration noted hereon, after which no valid transfer hereof shall be effective unless made on said books and similarly endorsed hereon at the written request of the registered holder or his duly authorized representative, but this Bond may be discharged from registration by being in like manner registered to bearer whereupon full negotiability and transferability by delivery shall be restored but may again from time to time be registered as aforesaid. Such registration, however, shall not affect the negotiability of the interest coupons which shall always remain payable to bearer and transferable by delivery merely. The Board of Trustees, the Trustee, and the Paying Agents may treat the bearer of this Bond, if not registered as to principal, and the bearer of any coupon hereto appertaining, whether or not this Bond be so registered, or if this Bond be registered as herein authorized, the person in whose name the same is registered, as the absolute owner for the purpose of making payment and for all other purposes.

A statutory mortgage lien, which is hereby recognized as valid and binding on said Project is created and granted to and in favor of the holder or holders of this Bond and the issue of Bonds of which

it is one, and in favor of the holder or holders of the coupons attached thereto, and said Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on this Bond and the issue of Bonds of which it is one.

This Bond shall not be valid or become obligatory for any purpose, or be entitled to any security or benefit, under the Resolution, until it shall have been authenticated by the execution by the Trustee of the certificate hereon endorsed.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed in due time, form and manner as required by law, and the amount of this Bond, together with all other obligations of said Board of Trustees and of the University of Kentucky, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that said Project will be continuously operated, and that a sufficient portion of the gross Revenues therefrom has been pledged to and will be set aside into said Bond Fund for the payment of the principal of and interest on this Bond and the issue of which it is one, and all other bonds which by their terms and the terms of the Resolution are payable from said Bond Fund, as and when the same will respectively become due.

IN TESTIMONY WHEREOF, the Board of Trustees of the University of Kentucky has caused this Bond to be executed on its behalf by the

reproduced facsimile signature of its Chairman, and the facsimile of its corporate seal to be imprinted hereon, attested by the manual signature of its Secretary, and the coupons hereto attached to be executed with the facsimile signatures of said Chairman and Secretary, all being done as of the first day of November, 1967.

(Facsimile
of Seal)

(Facsimile)
Chairman
Board of Trustees
University of Kentucky

ATTEST:

(Manual Signature)
Secretary
Board of Trustees

(FORM OF COUPON)

No. _____ \$ _____

On the first day of _____, 19__, *(unless the Bond to which this coupon is attached shall have been duly called for prior redemption and payment of the redemption price duly made or provided for) the Board of Trustees of the University of Kentucky, at Lexington, Kentucky, will pay to bearer _____ Dollars (\$____) in any coin or currency which at the time of payment thereof is legal tender for the payment of public and private debts out of its "Consolidated Educational Buildings Project Bond and Interest Sinking Fund," at the principal office of First Security National Bank and Trust Company of Lexington, in the City of Lexington, Kentucky, or, at the option of the holder hereof, at the principal office of Chemical Bank New York Trust Company,

(*The phrase in parenthesis should appear only on coupons maturing on and after November 1, 1980, attached to Bonds numbered 722 to 5850, inclusive.)

in the City of New York, New York, as provided in and for interest then due on its Consolidated Educational Buildings Revenue Bond, Series D, dated November 1, 1967, Number _____.

(Facsimile)
Chairman
Board of Trustees
University of Kentucky

(Facsimile)
Secretary
Board of Trustees

(FORM OF AUTHENTICATION CERTIFICATE)

This Bond is one of the Bonds described or provided for in the within-mentioned Resolution.

FIRST SECURITY NATIONAL BANK AND
TRUST COMPANY OF LEXINGTON, TRUSTEE

By _____
(Manual Signature)
Authorized Officer

(FORM OF REGISTRATION TO BE PRINTED ON THE BACK OF
EACH SERIES D BOND)

Date of Registration	:	Name of Registered Holder	:	Signature of Authorized Officer of Trustee
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	
	:		:	

Section 2.15. The Series C Bonds and the Series D Bonds shall be offered at public sale upon sealed bids which shall be opened and considered by the Board at such times and according to such terms

and conditions as the Board or its duly authorized Executive Committee may prescribe, not inconsistent with law and the provisions of this Series C and Series D Resolution. The Secretary of the Board is hereby authorized and directed to cause an appropriate form or forms of a notice of sale of the Series C Bonds and/or Series D Bonds to be published in The Louisville Courier-Journal, a legal newspaper published in the City of Louisville, Kentucky, which will afford state-wide notice of the sale, and in The Daily Bond Buyer, a financial journal published in the City of New York, New York, which is a publication having general circulation among bond buyers, and said newspaper and financial journal are hereby declared to be qualified to publish such notices for the Board of Trustees within the meaning and provisions of KRS Chapter 424. Such notices shall be published in said newspaper and financial journal at least once and shall appear not less than seven days nor more than twenty-one days prior to the scheduled date of sale of said respective Series of Bonds. Such notices shall be in the customary form and shall specify that sealed competitive proposals for the purchase of such Series C Bonds and/or Series D Bonds shall be received in each case at a designated place and until some day and hour when the Board, or its duly authorized Executive Committee, will be in session.

The Series C Bonds shall be offered at not less than par and accrued interest, on the basis of consecutive full maturities beginning with the first maturity, at an average net interest cost to the Board not exceeding three per cent (3%) per annum for the Bonds offered to be

purchased, and otherwise according to the terms of the Board's Loan Agreement or Loan Agreements with the United States of America.

The Series D Bonds shall be offered as a whole, at par or at a discount, as may be authorized by proceedings of the Board or its Executive Committee, with a maximum coupon rate of six per cent (6%) per annum and at an average net interest cost to the Board not exceeding six per cent (6%) per annum, and otherwise upon such terms and conditions as may be prescribed by the Board or by its duly authorized Executive Committee.

The right to reject any or all bids shall be expressly reserved. On the respective occasions set forth in such notices the Board (or its Executive Committee) shall consider all proposals made pursuant thereto, and if one or more acceptable bids are received, award the Series C Bonds and Series D Bonds in the manner and for the purposes herein provided, establish the interest coupon rate or rates which the Series C Bonds and Series D Bonds shall bear, and take all other necessary and proper steps in the sale and issuance of the said Series C Bonds and Series D Bonds.

The Secretary may cause to be prepared multiple copies of one or more statements giving more complete and particular descriptions of the Series C Bonds and of the Series D Bonds, provisions for the security and payment thereof, disposition of bond proceeds and other information that it is not feasible to give within the limits of the published notices, and may furnish copies of such statements to all interested bidders upon request.

The Fiscal Agents shall submit at appropriate times one or more proposed forms of "Notice of Sale of Bonds," one or more proposed separate

"Official Bid Forms" for the Series C Bonds and Series D Bonds respectively, and their draft of one or more "Official Statements" for the purpose of providing adequate information to prospective bidders, the same to be examined on behalf of the Board by the President and Business Staff of the University, and by them approved prior to the use thereof.

Section 2.16. It being anticipated that interim financing will be effected through issuance of "Revenue Bond Anticipation Notes" according to authority of Section 56.513 of the Kentucky Revised Statutes and as provided in PART TWO of this Series C and Series D Resolution (the "Notes"), it is hereby provided that if such Notes are issued, then upon sale and issuance of the Series C and Series D Bonds, the entire proceeds thereof shall be deposited with the financial institution in the City of New York, New York, which is designated as the place of payment of the Notes (or of any Notes which may be issued in renewal thereof), in escrow, in a special fund or account under whatever designation may at that time be authorized and appear appropriate (herein for convenience called the "Notes Payment Account"), upon such terms and conditions as shall provide that the aggregate amount of the principal of and interest on the Notes shall be payable therefrom, and as a first lien and charge thereon, except to the extent that interest due on the Notes (or renewal Notes) at maturity or upon prior redemption may be paid from moneys set aside for that purpose from the proceeds of the Notes, or from other sources pledged as additional security for the payment of such interest, all as more fully set forth in PART TWO of this Series C and Series D Resolution.

To the extent that the proceeds of the Series C and Series D Bonds, as deposited in the Notes Payment Account, shall be surplus to all requirements for payment of the Notes (or renewal Notes), both principal and interest (and upon taking into consideration moneys which may be available from other sources for payment of interest on the Notes as provided in PART TWO hereof), there shall be transferred from the said Notes Payment Account:

(a) to First Security National Bank and Trust Company of Lexington, in Lexington, Kentucky, as Trustee for the holders of the Bonds, for deposit in the Bond Fund created and established in and by the Resolution which was adopted on September 20, 1960, a sum equal to interest on the Series C and Series D Bonds from November 1, 1967 to November 1, 1969, but subject, however, to a credit for all then past due interest coupons (which are authorized to be cancelled or not manufactured (according to ARTICLE IV, Section 4.01 hereof); and

(b) the entire remaining balance to the State Treasury of the Commonwealth, for deposit in a special fund or account which is hereby created and established and is designated the "University of Kentucky Consolidated Educational Buildings Project - Bond Proceeds Series C and Series D Construction Account" (for convenience hereinafter referred to simply as the "Construction Account").

From such balance so deposited in the Construction Account there shall be paid to the Fiscal Agents any contractual compensation

which may then be due and payable, to the extent not previously paid from the proceeds of the Notes. All that thereafter remains in the Construction Account shall be available for application to the costs of the educational buildings and appurtenant facilities for which the Series C and Series D Bonds are authorized.

Additionally, there shall be deposited in said Construction Account, as received from time to time, the total of all grants received by the Board from agencies of the United States Government for account of the buildings, equipment and appurtenant facilities intended to be financed in whole or in part from proceeds of the Series C and Series D Bonds (subject to adjustment upon final audit as hereinafter provided).

The attention of the Commissioner of Finance of the Commonwealth, and of the Treasurer of the Commonwealth, is directed to controlling laws, rules and regulations of the United States with reference to the grants and the loan above referred to, wherein it is contemplated that such grants and such loan may initially be approved upon the basis of estimates of the costs of the various building projects to which the same are applicable; provided, however, that such grants and/or loans are initially calculated and approved on the basis of estimates of such portions of the costs of each respective building undertaking as are initially assumed to be eligible under the controlling laws, rules and regulations, with provision that upon completion of each of such building undertakings there will be an audit of the actual costs thereof by the Agency of the United States

Government from which the related grants and/or loans are obtained -- and that if upon such audit it shall be caused to appear that the actual final costs are less than the estimated costs as represented in the Board's application for such grants and/or loans then that the difference (if any) may be subject to adjustments requiring a return thereof to the related United States governmental agency. Accordingly, it is necessary, and is hereby so provided, that in the accounting for the disposition of the moneys in the aforesaid Construction Account the Commissioner of Finance and/or the Treasurer of the Commonwealth, as may be appropriate, shall keep separate records of the costs of each of the individual educational buildings undertakings (with necessary appurtenant facilities), in order that such required auditing may be made. In this connection it is understood and agreed that there is no prohibition against the commingling of all of the various deposits provided to be made into said Construction Account, but only that separate accounting procedures be observed, in order that such audits may be made.

In the event that it shall be disclosed by the audit or audits of the appropriate and related agencies of the United States Government concerning the governmental grants and/or loans that according to the controlling laws, rules and regulations the amount contributed by the United States Government under such grants and/or such loan are or have been in excess of that portion of the cost which is eligible for Federal financial assistance under the applicable

laws, rules and regulations, the Board covenants and agrees that the same will be refunded to the United States Government from the aforesaid Construction Account, and authority for such refund or reimbursement is hereby given.

With due respect to the foregoing, the Treasurer of the Commonwealth is hereby authorized and requested to make disbursements from said Construction Fund according to such inspection, audit and disbursement procedures as may from time to time be provided by law, for the purpose of paying the costs of erecting and completing the educational buildings and necessary appurtenant facilities identified in this Series C and Series D Resolution in accordance with the approved plans and specifications therefor, and only upon certification of the respective Architects or Engineers having supervision of construction, as to each disbursement (and in the case of each building undertaking related to a grant or Loan Agreement with an agency of the United States Government, only with the additional approval of such agency, by a duly authorized representative thereof, if so required), that the amount thereof has been duly earned by and is payable to the designated party or parties for materials, services and/or labor furnished pursuant to a proper contract duly awarded therefor.

Disbursements from said Construction Fund relating to contracts duly made with the Fiscal Agents for their professional services in advice and other professional services in the presentation of the Series C and/or Series D Bonds for marketing purposes (including the assumptions by such Fiscal Agents of expenses incident thereto)

shall not be subject to approval by such Architects or Engineers, and shall be chargeable solely to such amount deposited in said Construction Fund as may be attributable otherwise than to loans or grants received from governmental agencies.

Otherwise than as specifically provided herein, any balance remaining in said Construction Account after the erection and completion of said educational buildings projects and the payment of all costs in connection therewith shall be deposited in the Bond Fund; provided, however, that if proceedings are then pending or imminently contemplated for the construction of one or more additional educational buildings, which are or will be financed by issuance of additional Series Bonds pursuant to the Resolution, and which building or buildings constitute or will constitute a part of the Consolidated Educational Buildings Project, any such unexpended balance may be taken into account in determining the amount of Bonds to be authorized therefor, or may otherwise be applied to the proper costs thereof, in which event such unexpended balance may, upon authority of the Board, be transferred to the Series Construction Account thereof.

PART TWO

AUTHORIZATION OF REVENUE BOND ANTICIPATION NOTES,
SUBJECT TO THE APPROVAL, CONCURRENCE AND PARTICIPATION
OF THE STATE PROPERTY AND BUILDINGS COMMISSION

ARTICLE III - Authorization of Revenue Bond Anticipation Notes.

Section 3.01. With the approval, concurrence and participation of the State Property and Buildings Commission of Kentucky (the "Commission"), it is hereby determined that interim financing shall be effected through the issuance of Revenue Bond Anticipation Notes (the "Notes") under authority of KRS 56.513. Such Notes are hereby authorized to be issued in anticipation of the later issuance, at a proper time, of the Consolidated Educational Buildings Revenue Bonds, Series C and Series D, which are authorized in PART ONE of this resolution. The Notes shall be dated the 11th day of December, 1967, shall be issued in aggregate principal amount not to exceed _____
_____ Thousand Dollars (_____), shall be in such denominations (each a multiple of \$5,000.00) as may be requested by the purchaser or purchasers thereof in their purchase proposals or within _____
(____) days after the adoption of this Series C and Series D Resolution, shall mature on the 13th day of December, 1968, and shall bear interest until maturity at such rate or rates, not to exceed six per cent (6%) per annum as may be established in a supplemental resolution awarding the Notes; and if for any reason the Notes, or any of them, are not paid in full, both principal and interest, at maturity or upon prior

redemption, then such Notes, and the interest at that time due and unpaid, shall thereafter bear interest at the uniform rate of six per cent (6%) per annum until payment thereof in full, both principal and interest. The Notes shall be payable as to both principal and interest at the principal office of a bank or trust company, acceptable to the Commissioner of Finance, in the City of New York, State of New York, nominated by the purchaser to which the greatest dollar amount of the Notes may be awarded.

Section 3.02. The Notes shall be subject to redemption by the Board, with the approval of the Commission, as a whole, but not in part, on the 12th day of December, 1968, upon terms of the principal amount of each Note, accrued interest at the prescribed rate to the date of redemption, and without premium or additional interest, upon condition that a "Notice of Redemption" to that effect be published one time at least thirty (30) days prior to the redemption date in a daily newspaper published in and of general circulation throughout Kentucky and in a newspaper or financial journal of national circulation among bond buyers published in the City of New York, New York.

Section 3.03. Each Note shall be executed on behalf of the Board by an authorized facsimile reproduction of the signature of the Chairman, and a facsimile of the seal of the Board shall be reproduced thereon, attested by the manual signature of the Secretary of the Board. Upon approval and concurrence by the Commission, it is requested that the Commission join in the Notes as a party thereto and provide that each Note shall be executed on behalf of the Commission by an authorized

facsimile reproduction of the signature of its Chairman, attested by the manual or authorized facsimile reproduction of the signature of its Executive Director.

Section 3.04. The Notes shall be in substantially the following form:

(FORM OF REVENUE BOND ANTICIPATION NOTE)

COMMONWEALTH OF KENTUCKY
BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY
AND
STATE PROPERTY AND BUILDINGS COMMISSION OF KENTUCKY
REVENUE BOND ANTICIPATION NOTE
IN CONNECTION WITH THE ISSUANCE BY THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF KENTUCKY OF ITS "CONSOLIDATED
EDUCATIONAL BUILDINGS REVENUE BONDS, SERIES C AND SERIES D"

No. _____ \$ _____

The Board of Trustees of the University of Kentucky, a public body corporate, and an educational institution and agency of the Commonwealth of Kentucky, at Lexington, Fayette County, Kentucky (the "Board"), acting under authority of Section 162.340, et seq., and Section 56.513 of the Kentucky Revised Statutes, and the State Property and Buildings Commission of Kentucky, a public body corporate and an independent agency of the Commonwealth of Kentucky (the "Commission"), acting under authority of pertinent provisions of Chapter 56 of the Kentucky Revised Statutes (including Section 56.513 thereof), for value received hereby jointly promise to pay to bearer the principal sum of _____
_____ Thousand Dollars (\$ _____)
on the 13th day of December, 1968, and to pay interest on said principal

sum at the rate of _____ per cent (____%) per annum payable at maturity or upon redemption; both principal and interest being subject to the provisions hereinafter set forth with respect to payment prior to maturity. The obligations of the Board and the Commission for the principal of this Note, and interest hereon, are limited to payment from the proceeds of the Board's Revenue Bonds, herein identified, when said Bonds, or either Series thereof, are sold and delivered and such proceeds are received and are available, except to the extent provision shall previously have been made for payment from the proceeds of renewal notes, as authorized and permitted by law, or from interest derived from investment of the proceeds hereof, pending disbursement, or from the pledge (hereinafter made) of revenues of the Board's Consolidated Educational Buildings Project, to the extent such revenues are surplus to requirements of the Board's Consolidated Educational Buildings Revenue Bonds. The principal of this Note, and interest hereon, are payable in New York Clearing House Funds in lawful money of the United States of America at the principal office of _____, in the City of _____.

If for any reason this Note is not paid in full, both principal and interest, at the specified maturity date (or on the specified redemption date if notice be duly given as hereinafter provided), it is agreed that from and after such failure of payment, interest on the principal amount of this Note, and upon the amount of interest then due and unpaid, shall accrue at the rate of six per cent (6%) per annum until payment of this Note in full, both principal and interest.

The Board represents to the bearer of this Note that it has taken all proper steps to initiate an Undertaking consisting of the erection or reconstruction of one or more buildings, with necessary appurtenances, at the main campus of the University of Kentucky in Lexington, Kentucky, to be used for educational purposes, the same to constitute parts of the Board's "Consolidated Educational Buildings Project," heretofore established, and that it has made of record a determination that the same shall be financed (to the extent funds are not otherwise provided) through the issuance of the Board's "Consolidated Educational Buildings Revenue Bonds, Series C and Series D," which will constitute a part of its issue of "Consolidated Educational Buildings Revenue Bonds" heretofore authorized, which Revenue Bonds will not constitute an indebtedness of the Board, or of the Commission, or of the Commonwealth of Kentucky, but will be payable solely from the defined Revenues derived and to be derived from said Consolidated Educational Buildings Project; and that it has duly adopted a "Series C and Series D Resolution" authorizing said Revenue Bonds in the aggregate amount of \$33,643,000. The Board further represents that it has provided to the Commission all documentation required to be furnished by the Board according to Section 56.513 of the Kentucky Revised Statutes, and in accordance with the Commission's requirements thereunder as conditions precedent to interim financing in anticipation of the issuance of said identified Revenue Bonds.

The Commission represents to the bearer of this Note that it has received from the Board all documentation required by Section 56.513 of the Kentucky Revised Statutes, and by the Commission's requirements thereunder, in connection with the initiation of such Undertaking, and the proposal of the Board that the same be financed (to the extent funds are not otherwise provided) through the issuance of the aforesaid Revenue Bonds by the Board; that the Commission has approved the documentation so furnished by the Board; and that the Commission and the Board have made all such determinations as are required preliminary to interim financing in anticipation of the Board's issuance of such Revenue Bonds

The Board covenants with the bearer of this Note that at a proper time or times during the construction of said Undertaking, or upon completion thereof (to be determined in the discretion of the Commission), the Board will take all proper and necessary action under existing statutory authority and in accordance with previous proceedings creating its issue of "Consolidated Educational Buildings Revenue Bonds," to offer at public sale, issue and deliver the Series of such Revenue Bonds hereinabove identified, in an amount not less than \$33,643,000, which is an amount estimated to be the aggregate of all costs of said Undertaking (to the extent funds are not otherwise provided), including provision for payment from the proceeds of said Revenue Bonds of the principal of and interest on this Note as herein provided, unless interest shall previously have been paid, or provisions for payment thereof have been duly made from other sources, as herein provided.

The Commission covenants with the bearer of this Note that the Commission has approved the Board's authorization and later issuance of said Revenue Bonds as required by the applicable provisions of Chapter 56 of the Kentucky Revised Statutes, and that the Board is authorized to offer the same at public sale and thereafter issue and deliver the same.

The Board and the Commission jointly covenant with the bearer of this Note that when the proceeds of said Revenue Bonds are received, the same will be deposited in a special escrow account with the financial institution hereinabove named as the place of payment of principal and interest, upon such terms as will provide that the escrow agent shall pay from said proceeds to the respective bearers of all of the Notes issued as constituting the series herein referred to the principal amount thereof, together with interest as herein provided (unless and to the extent such interest shall previously have been paid or provision for payment of interest shall have been made from one or more of the other sources herein provided in that connection), as a first charge upon said proceeds; and thereafter to remit the balance of said proceeds to the Commonwealth of Kentucky for disposition in accordance with the provisions of the proceedings pursuant to which said Revenue Bonds have been authorized to be issued.

This Note is one of a series of Notes in the aggregate principal amount of \$ _____), bearing interest at various rates, but otherwise of the same tenor and effect and alike as to date of maturity, and provisions for redemption prior to the maturity date, issued by the Board

with the approval and concurrence of the Commission in anticipation of the issuance of said Revenue Bonds and for the purpose of providing interim funds to be applied solely toward interest on the Notes, the costs of construction of said Undertaking and proper expenses; all being done under and in strict conformity with the Constitution and applicable statutes of the Commonwealth of Kentucky, particular reference being made to Section 162.340, et seq., and Chapter 56 of the Kentucky Revised Statutes, now in full force and effect.

Neither this Note, nor the interest hereon, shall constitute or evidence an indebtedness of the Commonwealth of Kentucky, or of the Board, or of the Commission, but the same are payable solely from the proceeds of the above-identified Revenue Bonds and from the proceeds of the Notes, or of renewal notes, or from other sources, as aforesaid. Pursuant to the statute authorizing the issuance hereof, this Note, and the receipt of interest hereon, are exempt from all taxation by the Commonwealth of Kentucky and all of its subdivisions, municipalities and taxing authorities.

The Board and the Commission covenant and agree that from the proceeds of the Notes (a) there will be set aside in a special fund or account which has been designated the "Revenue Bond Anticipation Notes - Interest Account" a sum equal to interest on all of the Notes from the date thereof to the date of maturity, and (b) the remainder of such proceeds, less proper expenses, will be deposited in a special fund or account which has been designated the "Revenue Bond Anticipation Notes - Proceeds Account," from which disbursements will be made solely for proper

costs of the above-mentioned Undertaking; and that as additional sources of payment of interest on the Notes the Board (with the concurrence and approval of the Commission) has pledged (i) all interest income which may be realized from investment and reinvestment of moneys set aside and deposited in the aforesaid "Revenue Bond Anticipation Notes - Interest Account" and the aforesaid "Revenue Bond Anticipation Notes - Proceeds Account," pending proper and authorized disbursements therefrom and (ii) to any extent which may be necessary, the defined Revenues of the Board's Consolidated Educational Buildings Project, as created and established by the Resolution, but only in so far as the said Revenues are surplus to the requirements prescribed in the Series A Resolution and the Series B Resolution for the security, source of payment, benefit and protection of the holders of the Board's outstanding "Consolidated Educational Buildings Revenue Bonds, Series A and Series B," heretofore issued. If interest on the Notes shall be well and truly paid at the maturity of the Notes or upon prior redemption, from any or all of the sources which have been pledged for that purpose, as herein recited, then the pledge of surplus Revenues of the Consolidated Educational Buildings Project shall become a nullity, and shall not serve to impair the lawful capacity of the Board to pledge the Revenues of the Consolidated Educational Buildings Project in connection with the future issuance of Consolidated Educational Buildings Revenue Bonds according to Series resolutions as contemplated in the Board's Resolution of September 20, 1960, in which the Consolidated Educational Buildings Project was created and established.

The right is expressly reserved to the Board, acting with the approval and concurrence of the Commission, to redeem and discharge this Note from the proceeds of said identified Revenue Bonds or from the proceeds of renewal notes, or from other permissible sources, on the 12th day of December, 1968, upon terms of the principal amount hereof, with interest at the stipulated rate to the redemption date, and without additional interest or premium, upon giving notice of its election to make such redemption at least thirty (30) days prior to the redemption date in a daily newspaper published in and of general circulation throughout Kentucky and in a newspaper or financial journal of national circulation among bond buyers published in the City of New York, New York. If such notice shall be given in accordance with the foregoing, and at the prescribed time and place, the Board and the Commission shall cause to be deposited in escrow, at the office of the above-named Paying Agent, all sums then due to the bearers of all of said Notes, then this Note shall cease to bear interest on the redemption date, and thereafter the bearer hereof shall look exclusively to the funds so deposited for that purpose with the escrow agent for the discharge of all obligations of the Board and of the Commission hereunder.

It is agreed by the Board and the Commission that the proceeds or purchase price of this Note shall be paid by the purchaser hereof to the Commonwealth of Kentucky in New York Clearing House Funds by means of a check certified by a bank acceptable to the Commissioner of Finance of the Commonwealth, or by a cashier's, treasurer's or official check

issued by a bank acceptable to said Commissioner of Finance, the same to be payable to the Treasurer of the Commonwealth of Kentucky and delivered to said Commissioner of Finance. The purchaser of this Note shall be controlled by this agreement and shall make payment herefor according to the foregoing; and such payment shall discharge the purchaser of all obligations to the Board and to the Commission hereunder.

It is hereby certified, recited and declared by the Board and by the Commission that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance and delivery of this Note, do exist, have happened and have been performed according to law; that neither the principal of or interest on this Note shall constitute an indebtedness of the Commonwealth of Kentucky, or of the Board, or of the Commission; and that provision has been made, and will be made, for (a) the payment of the principal hereof from the proceeds of the above-identified Revenue Bonds, or from the proceeds of renewal notes, and (b) for the payment of interest hereon from the proceeds of the Notes or from other sources as hereinabove recited; in each instance as a first charge thereon, as aforesaid.

IN TESTIMONY WHEREOF, the Board has caused this Note to be executed in its name and on its behalf by the authorized facsimile reproduction of the signature of its Chairman, and has caused a facsimile reproduction of its seal to be printed hereon, attested by the manual signature of its Secretary; and the Commission has caused this Note to

be executed in its name and on its behalf by the authorized facsimile reproduction of the signature of its Chairman, attested by the manual or authorized facsimile reproduction of the signature of the Commissioner of Finance as its Executive Director; all being done as of the 11th day of December, 1967.

BOARD OF TRUSTEES OF THE
UNIVERSITY OF KENTUCKY
Lexington, Kentucky

(FACSIMILE
OF SEAL)

By (Facsimile Signature)
Chairman

ATTEST:

(Manual Signature)
Secretary

STATE PROPERTY AND BUILDINGS
COMMISSION OF KENTUCKY

ATTEST:

(Manual or Facsimile Signature)
Commissioner of Finance and Execu-
tive Director of the Commission

By (Facsimile Signature)
Governor of the Commonwealth
and ex officio Chairman of
the Commission

Section 3.05. Disposition of the proceeds of the Notes shall be made as provided in this Section. The Board (with the approval and concurrence of the Commission) hereby creates and establishes two special funds or accounts, one of which is hereby designated the "Revenue Bond Anticipation Notes - Interest Account" (for convenience hereinafter sometimes referred to as the "Special Interest Account") in the custody of the Paying Agent hereinabove designated for the Notes; and the other being hereby designated the "Revenue Bond Anticipation Notes - Proceeds Account" (for convenience hereinafter sometimes referred

to as the "Special Proceeds Account") which shall be maintained in the Treasury of the Commonwealth of Kentucky.

Upon receipt of the proceeds of the Notes (or as soon thereafter as may be feasible) the Commissioner of Finance of the Commonwealth shall cause to be deposited in said Special Interest Account all sums received from the purchaser or purchasers of the Notes as representing interest accrued from the date of the Notes to the date of delivery thereof; and, additionally, from the proceeds of said Notes such a sum as shall cause the total amount initially so deposited in said Special Interest Account to be equal to all interest which will accrue on all of the Notes from the date thereof to the stated maturity date thereof, computed at the interest rates made applicable to the Notes in the supplemental resolution awarding the Notes. As and for additional security for the payment of interest on the Notes becoming due at the maturity thereof, the Board hereby pledges (i) all interest income which may be realized from investments made for said Special Interest Account, (ii) all interest income which may be realized from investments made for the Special Proceeds Account pending disbursement thereof as hereinafter provided, and (iii) to any extent which may be necessary, the defined Revenues of the Board's Consolidated Educational Buildings Project, but only to the extent that such Revenues are in excess of the deposits required to be made from such Revenues for the security, source of payment, and protection of the holders of the Board's heretofore issued Consolidated Educational Buildings Revenue Bonds, Series A and Series B, according to the terms and provisions of the

Resolution which was adopted by the Board on September 20, 1960, creating and establishing the Board's Consolidated Educational Buildings Project.

The aggregate amount initially deposited in the aforesaid Special Interest Account from accrued interest on the Notes and from the proceeds of the Notes shall be invested and reinvested by the Paying Agent, as directed by the Board, but only in interest-bearing obligations of the United States Government, or obligations fully guaranteed as to principal and interest by the United States Government, or in Certificates of Deposit meeting the conditions hereinafter prescribed, maturing not later than December 12, 1963; and all interest income realized from such investments shall be credited and accumulated in the said Special Interest Account and is hereby pledged as additional security for the payment of interest on the Notes.

The entire balance of the proceeds of the Notes shall be deposited by the Commissioner of Finance of the Commonwealth in the aforesaid Special Proceeds Account in the Treasury of the Commonwealth. The Commissioner is authorized to make payment from said Special Proceeds Account of the contractual fee of the Fiscal Agents for advice, services and expenses undertaken by the Fiscal Agents in connection with the issuance of the Notes. The balance remaining thereafter in said Special Proceeds Account is hereby declared to be available for application to the costs of constructing the Undertaking for which the Board's Consolidated Educational Buildings Revenue Bonds, Series C and Series D, are authorized, as provided in PART ONE of this resolution. The Board and

the Commission shall cause to be prepared by the Architects and/or Engineers having supervision of the construction of the various elements of the aforesaid Undertaking, a schedule of projected dates and amounts anticipated to be required for disbursement from the Special Proceeds Account in payment of the costs of constructing said Undertaking in accordance with said schedule, and the undisbursed portions of the balances from time to time existing in the said Special Proceeds Account shall be invested and reinvested in accordance with the directions of the Commissioner of Finance of the Commonwealth, but only in interest-bearing obligations of the United States Government, or obligations fully guaranteed as to principal and interest of the United States Government, or in Certificates of Deposit meeting the conditions hereinafter prescribed, maturing in such manner as that cash shall be available for projected disbursements for construction purposes in accordance with the aforesaid schedule or projection prepared by the Architects and/or Engineers. All interest income realized upon the diminishing balances of moneys so invested and reinvested for the said Special Proceeds Account shall be paid over into the above-created Special Interest Account, and shall be held, invested and reinvested thereon as additional security for the payment of interest on the Notes, and is hereby expressly pledged for that purpose.

As further security for the payment of interest on the Notes, as recited in the "Form of Revenue Bond Anticipation Note" appearing in Section 3.04 hereof, the Board hereby further pledges the Revenues of the Board's Consolidated Educational Buildings Project, but only to the extent that such Revenues are and shall be in excess of the requirements

and pledges heretofore made for the security, benefit and protection of the holders of the Board's heretofore issued and outstanding Consolidated Educational Buildings Revenue Bonds, Series A and Series B. Upon payment of interest on the Notes, when due, from any or all of the sources herein pledged for that purpose, the aforesaid pledge of surplus Revenues of the Consolidated Educational Buildings Project shall automatically become a nullity, without further affirmative action on the part of the Board or the Commission, in order that the existence of such pledge shall not thereafter serve as an impediment to the issuance by the Board of additional Series of its Consolidated Educational Buildings Revenue Bonds under authority of the Resolution of September 20, 1960, and as therein contemplated.

The amount deposited from the proceeds of the Notes in the aforesaid Special Proceeds Account are intended to be applied from time to time toward the costs of the aforesaid Undertaking for which the Board's "Consolidated Educational Buildings Revenue Bonds, Series C and Series D," are issued. Disbursements for such purposes shall be made from said Special Proceeds Account according to the same procedures, and upon certification by the architects or engineers in the same manner as is prescribed in Section 2.16 of this Series C and Series D Resolution with reference to similar disbursements from the "Bond Proceeds Series C and Series D Construction Account."

Upon payment of the Notes and interest thereon, at maturity or upon prior redemption, as hereinabove provided, any amount then remaining in said "Special Interest Account" shall be paid over by the

escrow agent to First Security National Bank and Trust Company of Lexington, Lexington, Kentucky, as Trustee for the holders of the Board's Consolidated Educational Buildings Revenue Bonds, and for deposit by the Trustee in the "Consolidated Educational Buildings Project Bond and Interest Sinking Fund"; provided, however, that in the event the Board (with the approval and concurrence of the Commission) shall see fit to issue renewal notes at that time, the said escrow agent may be directed to transmit such remaining balance in the "Special Interest Account" to another escrow agent similarly designated in connection with the issuance of such renewal notes.

Section 3.06. The Board acknowledges that by reason of its previously declared purpose to undertake a substantial program of construction and reconstruction of buildings and necessary appurtenant facilities on the main campus of the University at Lexington, Kentucky, to finance the same (to the extent funds are not otherwise available) through the issuance of one or more Series of its Consolidated Educational Buildings Revenue Bonds, and, if necessary or desirable, to provide interim financing in anticipation of the issuance of such Revenue Bonds (as set forth in a certain resolution which was adopted by the Board on January 20, 1967), the Commission, acting through the Commissioner of Finance of the Commonwealth as its duly authorized member and agent, has complied with the requirements of Section 56.513 of the Kentucky Revised Statutes by soliciting proposals for the interim

financing herein authorized from at least three (3) responsible lenders; and is hereby requested, in the exercise of its discretion, to designate said Commissioner to join with the Board or its Executive Committee in selecting from among the proposals received those which are deemed the best thereof, consistent with sound financial practices. The Board hereby ratifies, confirms and adopts the actions and procedures so taken on its behalf.

ARTICLE IV - Miscellaneous Provisions.

Section 4.01. If interim financing is effected by the issuance and delivery of Revenue Bond Anticipation Notes, substantially in the manner authorized in ARTICLE III of this Series C and Series D Resolution, then upon the Board's subsequent issuance of the Series C and Series D Bonds which are authorized in PART ONE of this Series C and Series D Resolution, all interest coupons appurtenant to said Bonds and which are past due at that time shall be detached and cancelled by the Trustee; or, as a permissible alternative, the printer may be instructed not to prepare such then past due interest coupons, in which event the printer shall be required to furnish to the Trustee its certificate to that effect.

Section 4.02. Notwithstanding the authority contained in Section 56.513 of the Kentucky Revised Statutes to issue renewal notes without limitation as to the number of renewals, the Board covenants and agrees that it will not, in any event, undertake to issue Revenue Bond Anticipation Notes for the purpose of renewing all or any part of the Notes authorized in PART TWO of this Series C and Series D Resolution more than twice. The Board declares its present intention to offer at

public sale its Consolidated Educational Buildings Revenue Bonds, Series C and Series D, as authorized in PART ONE of this Series C and Series D Resolution, and to issue such Bonds at the date of maturity of the Revenue Bond Anticipation Notes which are authorized in PART TWO hereof, or as close to said date as may be feasible; and the covenant set forth in this Section is made in order that prospective purchasers of the Notes which are authorized in PART TWO hereof need not be concerned that the Board may propose to renew such Notes indefinitely.

Section 4.03. Wherever in this Series C and Series D Resolution references are made to investment of moneys in Certificates of Deposit the same shall be eligible for such investment only (a) if issued by a bank or trust company which is a member of Federal Deposit Insurance Corporation, and (b) if secured by a valid pledge of obligations of, or fully guaranteed as to principal and interest by, the United States Government, having at all times an aggregate market value, exclusive of accrued interest, at least equal to the face amount of each certificate; provided, however, the requirement that security be given may be waived in the case of Certificates of Deposit issued by banks or trust companies having combined capital and surplus exceeding Fifty Million Dollars (\$50,000,000), according to the most recent financial report required by supervisory authorities.

Section 4.04. Certified copies of the Resolution, the Series A Resolution, and the Series B Resolution being on file with the Trustee, a certified copy of this Series C and Series D Resolution shall be similarly filed, and this Series C and Series D Resolution shall take effect immediately upon its adoption, the approval and

concurrence of the Commission, and the filing of a certified copy hereof with the Trustee.

ADOPTED November __, 1967.

(SEAL)

Chairman or Vice-Chairman
Executive Committee
Board of Trustees
University of Kentucky

ATTEST:

Secretary

CERTIFICATION

The undersigned, Secretary of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, and also Secretary of the Executive Committee of said Board, hereby certifies that the foregoing is a true and complete copy of a resolution duly adopted by the Executive Committee of said Board of Trustees at a meeting held on the ____ day of November, 1967, and that the same is in full force and effect.

WITNESS my signature and the seal of said Board, this ____ day of November, 1967.

Secretary, Board of Trustees,
University of Kentucky, and of
the Executive Committee of
said Board

Finance Committee Report
October 20, 1970

FCR 8

Members, Board of Trustees:

AUTHORIZATION FOR BOND TRUSTEE TO INVEST FUNDS

Recommendation: that this Board, pursuant to Section 4.10 of the resolution of the Board adopted September 20, 1960, entitled:

A resolution creating and establishing a Consolidated Educational Buildings Project of the University of Kentucky; creating and establishing an issue of Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of the University of Kentucky; providing for the issuance from time to time of said bonds; providing for the payment of the principal of and interest on said bonds and repealing all resolutions or parts of resolutions in conflict with this resolution.

direct First Security National Bank and Trust Company of Lexington, Trustee of University of Kentucky Consolidated Educational Building Revenue Bond Series A, B, C, and D to invest and reinvest funds held by it pursuant to said resolution and which funds are not needed for immediate distribution in bonds or interest bearing notes of the United States Government. In addition, the said Trustee may invest said funds in Certificates of Deposit of First Security National Bank and Trust Company provided that the said First Security National Bank and Trust Company pledges bonds or notes of the United States from its own portfolio to fully secure the said Certificates of Deposit.

This authorization may be amended or revoked by this Board at any time by written notice thereof to the said Trustee.

Background: Section 4.10 of the Basic Resolution relating to the University's Consolidated Educational Revenue Bonds provides that idle funds held by the Trustee may be invested with the approval of this Board. The above resolution provides the necessary approval to enable the Trustee to keep idle funds so invested.

Action: Approved X Disapproved Other

Date: October 20 , 1970

Finance Committee Report
October 20, 1970

FCR 9

Members, Board of Trustees:

HEARING PROCEDURES REGARDING CONTRACT CLAIMS

Recommendation: that the Board of Trustees, in accordance with Sections 44.260 through 44.330 of the Kentucky Revised Statutes, authorize the holding of administrative hearings regarding claims by any person, firm or corporation arising out of any contract with the University of Kentucky, and that the Board, pursuant to Section 44.290 of the Kentucky Revised Statutes, adopt the hearing procedures promulgated by the Department of Finance as FIN-CONTR CLAIM - 1 of the Kentucky Administrative Regulations.

Background: Kentucky law permits all agencies to require the holding of an administrative hearing as a condition precedent to the filing of a contract action against the agency. An appeal of the administrative determination may be taken to the courts. However, the administrative hearing may result in the settlement of some claims prior to resort to the courts. Adoption of the Finance Department regulations avoids diversity of procedures among the several agencies of the state.

Action: Approved X Disapproved Other

Date: October 20 , 1970

CR 1

Members, Board of Trustees:

STATEMENT BY MICHAEL CAMPBELL

The total unacceptability of the Student Code, re-enforced by the unacceptability of procedures both in writing and adopting the code, leads me to feel that I should present to the board at least one possibility for reform. I will not go into the specific shortcomings of the code, nor will I point out the inadequacies of the internal operations of the present system. Everyone knows that the code is not perfect, and I believe that as a whole it assures the degradation of all parties connected with it or subject to its provisions. I want rather to suggest discarding the system which produced such a code, and to propose wide-scale reform, which would redefine the roles of students, trustees, faculty, and administration in the decision-making process at the University of Kentucky.

At the present time the Board of Trustees has the ultimate authority in intra-university affairs. I think it is up to that body to realize that such power cannot be beneficial to the school when it is centered in a group as remote from the daily life of the university as any group can be and still consider itself associated with the university.

My first recommendation is that the Board of Trustees formally and publicly recognize that the individual trustees are no more than equal members of the university community which is composed of all those associated with the university. As an equal member of the community each trustee certainly has a voice in the internal discipline of the community, but I question the Board's moral right to establish norms of behavior universally binding on the community. The Board should use its legal power of governance only to establish freely elected governing bodies.

My second recommendation is that the following bodies be authorized by the Board to govern internal, non-academic affairs: Campus Government, Student Code Committee, and Judicial system. The first two bodies would be composed of members of the university community, chosen in open elections, with the candidates' status in the university (faculty, student, etc.) not a factor in eligibility for any office. I will suggest who should qualify for the judicial system when I describe its function later. The Campus Government and Student Code Committee are to be responsible only to the university community, not to the Board of Trustees or any extra-university authority. Both bodies, of course, would be subject to state and federal court decisions. The function and constitution of the three bodies is outlined below:

I. An all-campus government will replace the present Student Government.

Participation in campus government will be restricted only in that each office-holder or appointee must be a member in good standing of the university community. At least two responsibilities now residing in the office of the Dean of Students will be transferred to Campus Government. These are registration of campus organizations and regulation of the use of campus facilities. Other responsibilities might include determining the opening and closing times of campus buildings, dormitory hours, regulations for entertaining members of the opposite sex in dormitory rooms.

II. A Student Code Reform Committee should be established to revise Part

I of the Student Code. This committee would consist of 5 members of the university community, elected at large. The revised code, which must be approved by a simple majority of the committee will then be offered in a referendum for student approval. Any change in the code might be re-

requested by campus citizens by presenting the proposed change with a specified number of signatures. Such a petition will be followed by a referendum. The vote of the students would be considered the final action regarding Part I of the Student Code.

III. The Board should also authorize the establishment of a reformed judicial system, consisting of the following: the Trial Court, the Appeals Court, and the President of the University.

The Trial Court could consist of judges, perhaps on a fellowship basis, with applicants chosen from among students in the last three semesters of law school, and of juries chosen at random from the members of the university community. An office of prosecutor would be established and its staff chosen by Campus Government.

Appeals Court would consist of 5 members elected from the university at large. This body would be authorized to reverse convictions on the basis of error in fact or procedure by the trial court. The President of the University would be empowered to grant appeals for reduced sentence, but would not judge guilt or innocence.

In closing, I urge that the Board consider and authorize these changes immediately. Delay will do nothing to relieve the air of oppression created by the present governing structure of the university. I suggest a target date of January 11, 1971 for full implementation of the above proposals..

I would like to supplement the formal statement I presented to Mr. Bell's screening committee. It was the expressed opinion of members of the screening committee that Mr. Griffin's standing committee is perhaps the body to which I should submit this program for reform of University government. These members thought, I believe, that my proposals were best considered as requests for change in the present student code. Such expressions by men who have heard my proposals lead me to think that there is some room for misunderstanding the nature or degree of the reformation I am proposing. I want now to clarify the intent of my proposals and explain why I have presented this statement to the full Board instead of Mr. Griffin's committee.

I contend that Mr. Griffin's committee is not the proper body to consider, formulate, or recommend changes in the Student Code, and that the Board has no right in fact to maintain itself as the ultimate governing body of the University. Obviously the Board has been granted this right by state law, but law does not, cannot in this case, establish moral right.

I am not requesting of the Board that it make the Student Code less repressive, nor that it make changes in what is handed down as law for the university community. I am recommending, rather, that it recognize the right of the University community to govern itself. Such recognition requires that the Board of Trustees establish bodies charged with internal governance. It should neither formulate standards or guidelines nor retain ultimate authority, e.g., the veto power, for implementing policies that are rightly the province of the university community.

I honestly think that Mr. Griffin's committee should be immediately dissolved and replaced by the elected body that I described earlier. The present student code should be declared provisional only.

Until such time that a new code, written and approved by the University community, can be substituted for the provisional code, no prosecution of violators of the provisional code should be undertaken. In the interim, alleged violators should be recorded by the present prosecuting agency of the University. When the rightful code becomes effective, any violations of the present code which are considered violations of the new code could then be dealt with by the reformed judicial system. This is intended as a means of maintaining some order on the campus and as a protection from punishment under the present code. Violations after the date of installation of the rightful code will of course be dealt with solely on the basis of that code.

In closing, I wish to request that this report be read and acted upon at the open session of the Board at its October 20 meeting. It is of utmost importance that all members of the University community are able to know how the Board responds to this proposition for a truly democratic community. If this proposal be considered radical, the moral bases of American society will be denied in the very institution which exists to perpetuate them.

Thank you,
Michael Campbell
365 Aylorford Pl.

CR 2

Members, Board of Trustees:

STATEMENT BY MRS. JUNE GRIFFIN

I am grateful for the opportunity to appear before you today. I believe that what I have to say accurately reflects the sentiments, the frustrations, and the determination of the thousands of productive, taxpaying citizens of the Commonwealth of Kentucky who have signed the SKEI petition.

Since I started circulating this petition shortly after the ROTC building was wantonly burned last spring, I have talked to hundreds, perhaps thousands, of my fellow citizens who are awed by the permissive policies that have evolved on the University of Kentucky campus. These people are concerned; they are frustrated; and they are angry. Their patience with you, the Board, and the administration is running out. They are sick. They are tired.

What is it about our University that has alienated - polarized, if you will - and alarmed so many of our citizens? Can these people, especially the signers of the SKEI petition, be written off as right-wing extremists? Do they have as much right as SDS, YSA, SMC and other anti-American groups to be heard, and to expect a reasonable response to their grievances?

Again I ask: What is it about the University that has your fellow citizens so upset? From my work with SKEI, I would list the following as the most serious reasons:

1. The most often repeated grievance is that of the University's policy of providing recognition of and office space (often

air conditioned) for young revolutionaries, who openly boast that they are Marxists, Communists, Trotskyites, or Maoists, and who daily rededicate themselves to the proposition that this country "must be destroyed before it can be rebuilt into a Communist state." These groups are the Students for a Democratic Society, Young Socialist Alliance, and Student Mobilization Committee to End the War. I personally attended a YSA rally here in the Student Center theatre two years ago and heard David Prince, a member of the Young Socialist Alliance Internationale, denounce the United States as imperialistic and rave over the glories of the Castro regime under the Red Flag. Our own United States flag had been removed from the stage and in its place stood a red banner over stacks of pro-Communist, anti-American literature. I cannot describe to you the feeling of despair which swept over me at this scene.

More recently, I appeared on the "Sound-off" program opposing Lew Kolten and Sam Mason, representatives and leaders of the UK SDS chapter. Lew openly admitted to being a Marxist. In another recent conversation with Lew, he told me of the many "concentration camps" in the United States and the oppression of the Black Panthers here in our country.

J. Edgar Hoover, as well as many other conscientious American investigators, have described all three groups as Communist staffed and Communist controlled. I have in my possession the 1971 FBI Appropriation which outlines in great detail the numerous activities of these subversive groups - SDS, YSA, New Mobe as they are called. Must we defend them and even finance them in their game to destroy you and me and all that we hold so dear. I think not. The overwhelming majority of Kentuckians think not. We must not!

2. Of equal concern and frustration to your fellow citizens are the activities of a number of professors who use their classrooms as propaganda factories, where the seeds of treason are implanted into vulnerable and naive young minds. Everyone from the Governor and other high state officials, to city hall officials, to other college professors, to the ordinary citizen has become aware of this sorry state of affairs and has expressed his disgust to us. The following are a few remarks made by these people and other information that we believe you should have access to:

The Assistant Secretary of State, Mary Galvez, told one of SKEI's organizers two years ago that her daughter's UK English professor, tried to convert his pupils to the Communist philosophy, holding over the male students the

threat of a failing grade (and the draft) if they didn't go along.

Governor Nunn, himself, has told us of his concern, and of his frustrations in dealing with such professors, since the only grounds for expulsion are incompetency and immorality. In addition, he feels paralyzed by the Supreme Court's decision governing the hiring of Communist professors.

In an interview with a high official in City Hall, he attributed the turmoil at UK to these professors and he went on to name several whom he opined as being agitators.

The Law School has been guilty of discriminatory practices by refusing to accept applications from qualified students in order to make room for students who come from minority groups even though the academic standings of these students do not meet law school requirements.

Sgt. Frank Fryman, Commander of the Lexington Narcotics Squad has stated that there are 2000 habitual drug abusers on and around the UK campus and that the Student Center is the central market place for the sale of narcotics. Sgt. Fryman also stated that, in the past, the UK Medical Center failed to report any cases of drug abusers who are admitted, as is required by law. This problem is

currently under study and I believe in the last month the Medical Center has cooperated in a somewhat better manner.

Word has come to us that Don Pratt, Draft Evader, is enjoying the fruits of a National Science Foundation Grant. I believe this should be thoroughly investigated by the Board of Trustees - whether or not this is indeed a rumor. This grant was supposedly through the auspices of the College of Architecture for quite a large sum.

3. The so-called "Free University" received campus recognition and \$100 from the Student Fund, which as I understand receives funds from taxpayers. The Free University - if you will look at its schedule - is ludicrous in its content, and deceptive in its approach. I fail to see any intellectual enhancement in such courses as "Bicycle Thing-O Bing-O - (and I am quoting from the Free U catalog) this organization is revolutionary in nature. We will not only ride bicycles but we will ride them backwards to assure solidarity with the struggling masses of the third world. To assure success, fascist fried chicken will be served to all motorcycle gang members. If you don't like this, come anyway and we will take it from there." (end quote)

Year before last, I - and several of my friends, registered

for a Free University class entitled "Cuba and the Third World." This class was designed to compare the struggling masses of the United States with those liberated under the Castro -Communist dictatorship. One of the purposes of the class was to obtain permission to place in the King Library certain magazines and periodicals of the Far Left nature and very Red oriented. At one point in the class Mr. Don Pratt who was seated behind me, became extremely distressed and jumped up and screamed profanely when I moved to defend the United States.

I am shocked that you, the Board, allows "Free You" to use rooms in the UK Student Center this past summer for such courses as Guerilla Warfare. I consider such courses repugnant and a great affront to Kentuckians who provide the facilities for the appeasement of these young misfits who yield such authority to groups such as the UK administrators and yourselves.

In our opinion, the UK bookstore offers in its promotional displays too many books that are revolutionary in character, and un-American in content. We do not wish to be censors - and we will surely be accused of this - but we fail to see why the bookstore management must promote revolution. Why can't we, at the very least, devote - if not the same amount of space - at least a small portion of

space to books of a more intellectual, unrevolutionary nature.

Gentlemen, the people who signed the SKEI petition have become involved in what they considered an American, systematic procedure for instituting change. This is not the way the Left or Far Left would have approached the problem - yet I challenge you to consider the outcome. In the last decade we have seen an ugly unjust thing happen - minority mobs have made outrageous demands using some of the most incredible logic and many times have been compensated and commended for their broad-mindedness and love for academic freedom. Therefore again may I impress upon you the urgency of being aware of the temper of the majority of responsible citizens in this city - state - nation. They WILL react in many ways - withholding funds from colleges, as many letters which I received indicated; withdrawing their sons and daughters from the large state universities; lawsuits such as the one brought by the Attorney General of Indiana against the trustees recently. That particular lawsuit names as defendants some 23 individuals - the case is not against the University; it is an attempt to hold individuals responsible, including the President and individual members of the Boards of Trustees.

The people signing the SKEI petition hope these means won't be necessary. I personally cannot turn my back on these same people; I could relate many incidents during the past months, but perhaps the one which I cannot forget, no matter how discouraged I become is the old man who was 90% blind. He was so very glad to see young people like my husband and I making an attempt to save his "wonderful country" as he put it. I cannot express to you what I felt as he had me guide his wrinkled hand so he could place his signature on this simple petition.

- 8 -

I am sure there are those here who will say that he belongs to a past, almost forgotten generation and their principles and beliefs are "irrelevant" to these progressive times. On the contrary, I feel we must listen to the wisdom of this generation who are made of stronger stuff than the young "revolutionaries" raiding and destroying at every turn.

We feel you as the Board of Trustees at the University of Kentucky have an opportunity for service. We further insist that this position as a Board member - in addition to being an honor - carries the utmost responsibilities. We entreat you to accept those responsibilities of guiding this institution toward education in a lawful, honorable, and moral manner. The eyes of this community will continue to focus on the heart of the University of Kentucky - its administration. Thank you.

MRS. JUNE GRIFFIN
Coordinator - SKEI

October, 1970

Don B. Pratt
720 Sunset Dr.
Lex., Ky. 40502

President Singletary,

I would like to appear before the
(SEPT 15, 1973)
Board of Trustees with three resolutions
concerning three separate items as follows:

- ① The board must have two (2) readings
of all matters presented, before them.
Such readings to occur at separate
meetings of the board, and ^{or} its committee.
REASONING: to facilitate interchange of ideas
between the board - students, faculty,
staff, and states citizens interested &
concerned about future of our university.
- ② Expansion ^{of current} and the investigation of possible
public service ^{AREAS} activities for towns people,
~~and~~ state, and national citizens.
- ③ The hiring of student & faculty consultants
to involve those beings in the administra-
tion of their own university.

Each of these items I consider highly important
I would also like to hear, and express, more ideas
on the student code...as has been noted by Steve
Bright that fascism may be voted in,

This 'idea' will obviously not be heard by
the board even if discussion of such were allowed.
Fascism may already exist?, but the other 'items'
are as important and are relevant to the functioning
of the board.

Your immediate response would be appre-
ciated.

IF EARL IS POSSIBLE,


Don B. Pratt
720 Sunset Dr.
Lex., Ky. 40502